



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Summary of federal Consolidated Appropriations Act, 2021 (December Bill)

Draft 3/15/2021

Appropriated in HB 3:

<u>Agency</u>	<u>Amount</u>	<u>Program Description</u>
Governor's Office	\$4,000,000	GEER II - Grant program at discretion of the Governor
Governor's Office	\$13,000,000	Assistance for non-public schools. Has been delegated via MOU to the Office of Public Instruction for administration and distribution as well as monitoring and reporting
Dept of Commerce	\$17,000,000	Emergency Rental Assistance (through April)
DPHHS	\$12,000,000	Vaccine Funding (appropriation was \$37.8)
DPHHS	\$61,000,000	Testing, Tracing, & Mitigation (appropriation was \$192.3 million)
DPHHS	\$28,800,000	Child Care Block Grant
Governor's Office	\$650,000	CARES Act interest - COVID related purposes
<i>In HB 630 for Appropriation Consideration:</i>		
OPI	\$162,899,465	ESSER II broken into 8 categories
Dept of Commerce	\$183,000,000	Emergency Rental Assistance with \$20 million targeted to utility assistance
Labor and Industry	\$5,000,000	UI Administration
Transportation	\$102,700,000	Transportation Infrastructure
TOTAL	\$590,049,465	

WHAT IT MEANS FOR STATES

The American Rescue Plan Act Provisions

The latest COVID-19 relief package provides \$1.9 trillion in mandatory funding, program changes and tax policies aimed at mitigating the continuing effects of the pandemic.

The American Rescue Plan builds upon previously enacted aid measures in 2020:

- [The year-end spending and aid package.](#)
- [The Coronavirus Aid, Relief, and Economic Security \(CARES\) Act.](#)
- [The Families First Coronavirus Response Act \(FFCRA\).](#)

Please see below for a summary of provisions of interest.

State and Local Aid

- Provides \$350 billion to help states, counties, cities and tribal governments cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic.
- State and local government recipients could use the funds to cover costs incurred by Dec. 31, 2024. The funds would be distributed in two tranches, with 50% delivered no later than 60 days from the date of enactment, and the remainder delivered no earlier than one year later. States would have to distribute funds to smaller towns within 30 days of receiving a payment from the department. States that miss the deadline would have to pay back any undistributed funds. A town cannot receive more than 75% of its budget as of Jan. 27, 2020. The Treasury Department could also withhold up to half of a state or territory's allocation for as long as 12 months based on its unemployment rate and require an updated certification of its funding needs.
- **Provides \$195.3 billion to states and the District of Columbia:**
 - \$25.5 billion would be equally divided to provide each state a minimum of \$500 million.
 - \$169 billion would be allocated based on the states' share of unemployed workers over a three-month period, from October-December 2020.
- **Provides \$130.2 billion to Local Governments:**
 - \$65.1 billion for counties.
 - \$45.6 billion for metropolitan cities.
 - \$19.5 billion for towns with fewer than 50,000 people.
- Provides \$4.5 billion to U.S. territories.
- Provides \$20 billion to tribal governments.
- Provides \$10 billion for a Coronavirus Capital Projects Fund to carry out projects to support work, education and health monitoring during COVID-19.



- **Use of funds:**
 - Respond to the COVID-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.
 - Provide premium pay to essential employees or grants to their employers. Premium pay couldn't exceed \$13 per hour or \$25,000 per worker.
 - Provide government services affected by a revenue reduction resulting from COVID-19.
 - Make investments in water, sewer and broadband infrastructure.
- State and local governments cannot use the funds towards pensions or to offset revenue resulting from a tax cut enacted since March 3, 2021.
- State and local governments could transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments.

Direct Payments to Citizens

- Provides another round of direct payments of \$1,400 for individuals, \$2,800 for joint filers, and \$1,400 for each qualifying dependent.
- Dependents would include full-time students younger than 24 and adult dependents.
- The payments would begin to phase out for individuals with an adjusted gross income (AGI) of \$75,000 (\$150,000 for couples) and would be zero for AGIs of \$80,000 (\$160,000 for couples) or more. Heads of households will receive the full amount if they earned up to \$112,500, and it will phase out completely at \$120,000.
- Payments would be based on 2019 or 2020 tax returns. The Treasury Department could provide payments to individuals who have not filed based on return information available to the department.

Tax Provisions

- **Earned Income Tax Credit:** Raises the maximum Earned Income Tax Credit (EITC) for adults without children from \$543 to \$1,502. It would also lower the age eligibility for the childless EITC from 25 to 19 and eliminate the upper age limit, which currently bars the credit for childless people age 65 and older. Other changes include eliminating a rule that bars individuals who have children without Social Security numbers from claiming the childless EITC and allowing individuals who are separated from their spouses to claim the EITC on a separate return if they live with their child for more than half of the year.
- **Child Tax Credit:** Increases the Child Tax Credit maximum amount to \$3,000 per child and \$3,600 for children under age 6. It would also extend the credit to 17-year-olds. The increase in the maximum amount would begin to phase out at \$150,000 in income for married couples, \$112,500 for heads of households and \$75,000 for other parents. Other changes to the Child Tax Credit include making it fully refundable, meaning the entire credit could be provided as a refund if it exceeds an individual's income tax liability, instead of partially refundable under current law.
- **Dependent Care:** Temporarily increases the value of the child and dependent care tax credit, which currently covers 35% of care expenses up to \$3,000 for one dependent or \$6,000 for two or more dependents. The measure would make the credit refundable, increases the maximum allowable expenses to \$8,000 for one dependent and \$16,000 for two or more, and allows the credit to cover 50% of expenses.

- **Employee Retention Credit:** Extends the employee retention credit established by the CARES Act through Dec. 31, 2021. The measure also would expand eligibility for the credit to new startups that were established after Feb. 15, 2020, and companies if their revenue declined by 90% compared to the same calendar quarter of the previous year. The credit would be capped at \$50,000 per calendar quarter for startups.
- **Paid Leave Credits:** Extends tax credits for employer-provided paid sick and family leave established under the Families First Coronavirus Response Act through Sept. 30, 2021. The measure would also increase the wages covered by the paid family leave credit to \$12,000 per worker, from \$10,000; cover as many as 60 days of paid family leave for self-employed individuals, instead of 50; and bar employers from receiving credits if their paid leave favors highly compensated employees, full-time workers, or employees based on tenure.
- Makes state and local governments eligible for the FFCRA paid leave reimbursable tax credit.
- Due to budget reconciliation rules the reimbursable tax credit will not be retroactive (for state and local governments) prior to FFCRA becoming law, and the effective date begins after March 31, 2021.

Expanded Unemployment Benefits

- Extends the Pandemic Unemployment Assistance program through Sep. 6, 2021, while increasing the total number of weeks of benefits available to individuals who are not able to return to work from 50 to 79 weeks and provides guidance to states on coordinating with other unemployment benefits when needed.
- Extends the CARES Act provisions that provided a 75% subsidy for costs incurred by employers who provide unemployment benefits on a reimbursable basis rather than via tax contributions through Sep. 6, 2021.
- Extends the Federal Pandemic Unemployment Compensation (FPUC) through Sep. 6, 2021, while maintaining the FPUC benefit amount of \$300.
- Exempts the first \$10,200 in 2020 unemployment benefits from federal income tax for households with incomes below \$150,000 per year.
- Restores full reimbursement for state costs related to waiving the waiting week beginning Dec. 31, 2020, and continues it through Sep. 6, 2021.
- Extends temporary exceptions to state unemployment insurance staffing restrictions from the CARES Act through Sep. 6, 2021.
- Increases the number of weeks of benefits an individual worker may receive in the Pandemic Emergency Unemployment Compensation (PEUC) program from 24 to 53 and extends the length of time in which workers can receive PEUC benefits if they exhaust regular state unemployment insurance benefits to last until Sep. 6, 2021.
- Extends full federal financing of benefits provided in the Short-Time Compensation program for states that have laws establishing such programs through Sep. 6, 2021.
- Ensures the earliest date on which states would begin accumulating interest of federal loans they have taken out to pay state unemployment benefits would be Sep. 6, 2021.
- Extends the FFCRA provisions that provided temporary full federal financing of extended benefits (EB) through Sep. 6, 2021. States are traditionally required to pay 50% of the cost of the EB.
- Appropriates \$2 billion to the Department of Labor specifically to support program integrity and timely and equitable access to benefits. The secretary of Labor would be authorized to use the funds directly to develop system-wide program integrity solutions and address access barriers or processing backlogs, distribute funds to state and territorial unemployment insurance programs for these purposes, or make transfers to the Office of the Inspector General or the Department of Justice, or other agencies to support unemployment fraud investigations or prosecutions.

Small Business Provisions

- Provides \$7.25 billion for the Paycheck Protection Program (PPP) forgivable loans.
 - With about half of the \$284 billion in current funding available, the American Rescue Plan Act appropriates just \$7.25 billion in additional funding and does not extend the PPP’s current application period, which is scheduled to close March 31.
 - Makes more not-for-profits eligible for the PPP by creating a new category called “additional covered nonprofit entity,” which are those not-for-profits listed in Sec. 501(c) of the Internal Revenue Code other than 501(c)(3), 501(c)(4), 501(c)(6), or 501(c)(19) organizations, that can receive an initial PPP loan, provided that:
 - The organization does not receive more than 15% of receipts from lobbying activities.
 - The lobbying activities do not comprise more than 15% of activities.
 - The cost of lobbying activities of the organization did not exceed \$1 million during the most recent tax year that ended prior to Feb. 15, 2020.
 - The organization employs not more than 300 employees.
 - Also made eligible for the PPP are some larger not-for-profits.
 - Larger 501(c)(3) organizations and veterans’ organizations that employ not more than 500 employees per physical location.
 - Larger 501(c)(6) organizations, domestic marketing organizations, and additional covered not-for-profit entities that employ not more than 300 employees per physical location.
- \$15 billion for targeted Economic Injury Disaster Loan (EIDL) advance payments.
 - Provides funds to businesses located in low-income communities that have no more than 300 employees and that have suffered an economic loss of more than 30%, as determined by the amount that the entity’s gross receipts declined during an eight-week period, between March 2, 2020 and Dec. 31, 2021, relative to a comparable eight-week period immediately preceding March 2, 2020.
 - Funds from Targeted EIDL Advances shall not be included in the gross income of the person who receives the grant and that no tax deductions will be denied, no tax attribute reduced, and no basis increase denied due to the exclusion of the grant funds from gross income.
- \$25 billion for restaurants, bars, and other eligible providers of food and drink.
 - Allows for grants equal to the pandemic-related revenue loss of the eligible entity, up to \$10 million per entity, or \$5 million per physical location. The grants are calculated by subtracting 2020 revenue from 2019 revenue. Entities are limited to 20 locations.
- \$1.25 billion for shuttered venue operators.
- \$175 million to create a “community navigator” pilot program to increase awareness of and participation in COVID-19 relief programs for business owners currently lacking access, with priority for businesses owned by socially and economically disadvantaged individuals, women, and veterans.

Health and Human Services Provisions

HEALTH FUNDING

- The bill provides:
- \$8.5 billion to the Centers for Disease Control and Prevention (CDC) for vaccine activities.
- \$47.8 billion for testing and tracing activities for COVID-19.
- \$8.5 billion for vaccine activities at the CDC, including a supplemental funding opportunity for state, locality and territory vaccine distribution grants from the December COVID relief package based on entities receiving the higher of the two distribution formulas as well as clarifies use of standards for data and data sharing.
- \$7.66 billion for state, local and territorial public health departments to establish, expand and sustain their public health workforce.
- \$7.6 billion for community health centers.
- \$3 billion for block grant programs under the Substance Abuse and Mental Health Services Administration.
- \$6.09 billion to the Indian Health Service.
- \$800 million for the health workforce.
- \$200 million to support COVID-19 infection control in skilled nursing facilities and \$250 million for “strike teams” to assist skilled nursing facilities, funding will be provided until one year after the end of the public health emergency. Clarifies that secretary of Health and Human Services (HHS) must require Quality Improvement Organizations to provide support to skilled nursing facilities and add vaccination uptake support as a part of required activities.
- In total, \$92.2 billion allocated for various activities aimed at improving public health and responding to COVID-19.

HUMAN SERVICES FUNDING

The bill provides:

- \$39 billion for child care through:
 - \$15 billion for the Child Care and Development Block Grant (CCDBG) and
 - \$24 billion for newly created child care stabilization grants.
- \$1 billion for Head Start programs.
- \$150 million in additional funds for the Maternal, Infant, and Early Childhood Home Visiting program.
- \$1 billion for the Pandemic Emergency Fund, which provides one-time benefits such as cash and vouchers to eligible families with low incomes.
- \$1.5 billion for Community Mental Health Services Block grant for 2021.
- \$1.5 billion for Prevention and Treatment of Substance Abuse Block grants for 2021.
- \$420 million for grants to Certified Community Behavioral Health Clinics.
- \$450 million for programs under the Family Violence Prevention and Services Act, including \$198 million for grants to support survivors of sexual assault.
- \$250 million for programs under the Child Abuse Prevention and Treatment Act.

- Permanently increases the total funding for the Child Care Entitlement to States from \$2.9 billion to \$3.05 billion per year (an increase of \$130 million) and temporarily waived state matching funds for 2021 and 2022.

ADDITIONAL HHS PROGRAMS FUNDING

The bill provides:

- \$1.434 billion for programs under the Older Americans Act, including \$750 million for nutrition programs for 2021.
- \$4.5 billion for the Low-Income Home Energy Assistance Program.
- \$50 million for the Title X Family Planning program.

Medicaid/Medicare Policy Funding

- Requires state Medicaid and Children’s Health Insurance Program (CHIP) to cover vaccines and COVID treatment without any cost sharing and extends the period of this policy by a year for one year after the end of the Public Health emergency. Would increase federal FMAP to 100 percent for vaccine costs during this period.
- States that extended a Medicaid option to provide testing and treatment to uninsured people must also do so without cost sharing.
- Outpatient drugs used for COVID-19 treatment will be included in the Medicaid Drug Rebate program.
- Provides a five-year state plan option of health coverage for women enrolled in Medicaid for 12 months after the birth of a child, instead of the previous 60 days.
- Establishes a minimum wage index for hospitals in all-urban states for Medicare hospital payments starting Oct. 1, 2021.
- Allows CMS to waive a Medicare requirement that a ground ambulance service include the transportation to a hospital to receive Medicare payments, if they didn’t transport the beneficiary due to COVID-19 related protocols.
- Creates an \$8.5 billion fund for rural providers.

MEDICAID FMAP FUNDING

- Provides a temporary (two year) 5 percentage point increase in the Medicaid FMAP to states that enact the Affordable Care Act’s (ACA) Medicaid expansion and covers the newly eligible adult population per requirements of the ACA.
- Provides a 100 % FMAP for services to Medicaid enrollees, who access care in the Urban Indian Health Programs or the Native Hawaiian Health Care System for two years.
- Provides an 85% FMAP for the first three years that a state covers mobile crisis intervention services for mental health or substance use disorders, expiring after five years.
- Increases the federal FMAP by 10 percentage points for state expenditures on home and community-based services (HCBS) for four fiscal quarters.
- Eliminates the cap on the rebate amount manufacturers are required to pay Medicaid on covered drugs, starting in 2024. Currently, the cap is limited to 100% of the average manufacture price. Once this cap is reached prescription drug manufacturers can raise their prices without increasing the net rebates that have to be paid.

- Modifies Medicaid allotments for disproportionate share hospitals (DSH) to account for the 6.2 percentage point increase to states' FMAP. The HHS would have to ensure that the total DSH payments that a state may make in a fiscal year is equal to the total payments it could have made without the FMAP increase during the pandemic.

HEALTH INSURANCE FUNDING AND POLICY PROVISIONS

- Subsidizes 100% of premiums for individuals eligible for the *Consolidated Omnibus Budget Reconciliation Act* continuation coverage if they lose their job through September 30, 2021. The individual won't have to pay any premiums, and the employer or health insurance plan could claim a refundable tax credit against its Medicare payroll tax liability for the cost of the premiums.
- If someone becomes eligible for coverage under another group health plan or Medicare, a \$250 penalty could be imposed if individuals who do not notify the plan when they are no longer eligible or as much as 110% of the premium assistance due after they are no longer eligible for a fraudulent failure to notify.
- Provides \$20 million to the HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA with funding limited to two years.
- Would expand the ACA's premium tax credits for health insurance purchased through an exchange.
- Provides refundable credits for households with income that is 100% to 400% of the federal poverty level (FPL), capping health insurance premium costs based on a percentage of income and the credit would cover any amount above that cap up to the cost of a "benchmark" insurance plan.
- For 2021 and 2022, eliminates insurance premiums for individuals at 150% of FPL or less and reduces insurance premiums for all other households. Also makes households above 400% of the FPL eligible for a premium cap of 8.5% of income. Premium caps currently range from around 2% to 9.8% and are adjusted annually for inflation.
- Taxpayers receiving unemployment compensation in 2021, to qualify for reduced cost-sharing under the ACA, would require insurers to reduce out-of-pocket costs, for enrollees whose income is between 100% and 400% of the FPL and who enroll in a silver plan through the law's exchanges. Disregards income exceeding 133% of the FPL for purposes of determining the cost-sharing reduction amounts.

Nutrition Provisions

- Extends a 15% increase to monthly benefits under the Supplemental Nutrition Assistance Program (SNAP) through Sept. 30; currently scheduled to lapse on June 30.
- Provides \$1.15 billion to states for SNAP administration, as well as \$1 billion for grants for nutrition assistance programs in U.S. territories.
- Provides \$490 million to the USDA to increase the amount of the cash-value voucher provided under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to up to \$35 during the pandemic.
 - Participating states can apply the increase for as long as four months after opting in, but not after it expires on Sept. 30.
 - Allocates \$390 million to increase participation in WIC through outreach and program modernization.
- Directs the USDA to reimburse emergency shelters under the National School Lunch Program for meals provided to individuals younger than 25 who receive services there.

- Extends the Pandemic Electronic Benefit Transfer program through any school year or summer period following a designated public health emergency. The program, which provides food aid to families during school closures, had initially been limited to fiscal years 2020 and 2021 and to school year 2020-2021, and now includes select American territories.

Homeland Security Provisions

- Appropriates \$50 billion to the Disaster Relief Fund for COVID-19 and other disaster assistance under FEMA. The assistance is meant to bolster vaccine rollout efforts under FEMA and provide assistance to state and local governments at 100% federal cost share.
- Directs the President to provide disaster-related funeral expenses to individuals and households at 100% federal cost share.
- Provides \$400 million to the Emergency Food and Shelter Program.
- Provides \$300 million for assistance to firefighter grants.
- Provides \$100 million via the Emergency Management Performance Grants to state and local emergency management agencies to help communities address COVID-19 and facilitate vaccine rollout.

Agriculture Provisions

- Provides \$4 billion to the U.S. Department of Agriculture (USDA), of which:
 - \$3.6 billion is dedicated to supporting the food supply chain, including purchasing food and agricultural commodities; making grants and loans for small to mid-size processors; seafood processing facilities; farmers markets, producers and other organizations responding to COVID; providing assistance to maintain and improve food and agricultural supply chain resiliency; and making payments for expenses related to crop losses pursuant to the Wildfire Hurricane Indemnity Program Plus.
 - \$300 million is dedicated to the surveillance and monitoring of animals susceptible to COVID-19 transmission.
 - \$100 million is dedicated to reducing the amount of overtime meat, poultry and egg inspection costs at small establishments.
- \$1.01 billion is dedicated for grants and loans to improve land access for socially disadvantaged farmers, ranchers, and forest landowners, in addition to scholarships, outreach, financial training, and other technical assistance.
- \$800 million is provided to use the Commodity Credit Corporation to make purchases and distributions under the Food for Peace Program.
- Appropriates funds as may be necessary for loan modifications and payments to farmers and ranchers, who are members of groups that have been socially disadvantaged in the USDA programs. The department could pay as much as 120% of each such farmer's or rancher's debt on loans it made or guaranteed.

Transportation and Infrastructure Provisions

TRANSIT FUNDING

- Provides \$30.5 billion for grants to transit agencies for use for operating expenses, including payroll and personal protective equipment costs.
 - \$26.1 billion for Urbanized Area Formula Grants to aid transit service in urbanized areas.

- \$2.21 billion for urban and rural area grantees that require additional assistance due to the pandemic.
- \$1.7 billion for Capital Investment Grants.
- \$281 million in operating assistance formula grants for states to support rural transit agencies in areas with fewer than 50,000 people.
- \$100 million for intercity bus services to support essential connections in rural areas.

AVIATION FUNDING

- Provides \$8 billion for airports and airport concessions, with a caveat that those receiving funding must retain a minimum of 90% of personnel employed as of March 27, 2020 thru Sept. 30. However, the *Department of Transportation* can issue a waiver if the airport is experiencing significant economic hardship, or if the requirement has negative impacts on aviation safety or security. Of that amount:
 - \$6.4 billion is distributed for costs related to operations, personnel, and combating the spread of COVID-19 at airport facilities.
 - \$800 million for sponsors of primary airports ad concession relief.
 - \$600 million to ensure all airports receive 100% federal cost share for any airport improvement grant awarded to them in FY 2021.
 - \$100 million to non-primary airports to aid in the costs related to the pandemic.
- Provides \$18 billion for aviation manufacturers and airlines.
 - \$3 billion for airline manufacturers to create a payroll support program.
 - \$14 billion to airlines to extend the payroll support program.
 - \$1 billion for contractors to extend the payment of wages, salaries and benefits.

RAILWAY FUNDING

- Provides \$1.7 billion for Amtrak in FY 2021.
 - \$970 million to support the Northeast Corridor.
 - \$730 million to support the National Network, of which:
 - \$175 million is to be used by Amtrak to offset amounts required to be paid by states for state-supported routes.
 - \$166 million out of the amounts allocated for the Northeast Corridor, and the National Network, to support the restoration of long-distance service and employee recalls.

Education Provisions

- Provides \$122.7 billion for the existing Elementary and Secondary School Emergency Relief Fund to remain available through Sept. 30, 2023.
 - States receive funds based on the same proportion that each state receives under the Elementary and Secondary Education Act (ESEA) Title-IA. State Education Agencies (SEAs) must distribute at least 90% of funds to local education agencies (LEAs) based on their proportional share of ESEA Title I-A funds.

- The LEAs must reserve at least 20% of the funding they receive to address learning loss. Remaining funds are flexible and can address a variety of needs, including repairing ventilation systems, reducing class sizes and implementing social distancing guidelines, purchasing personal protective equipment, and hiring support staff to care for students' health and well-being. School districts will be required to create and share plans publicly for returning to in-person instruction within 30 days.
- The SEAs are also required to reserve their allocations to carry out activities: 5% to address learning loss, 1% for afterschool activities, and 1% for summer learning programs. Funds to the SEAs must be spent within one year of receipt.
- Provides \$3.03 billion in additional FY21 funding for IDEA
 - \$2.58 billion for grants to states under Part B of IDEA
 - \$200 million for preschool grants under IDEA
 - \$250 million for programs for infants and toddlers under Part C of IDEA
- Provides \$2.75 billion to governors through the existing Emergency Assistance to Non-Public Schools Program to provide services or assistance to non-public schools that enroll a significant percentage of low-income students and are most impacted by the qualifying emergency.
- Provides \$800 million to support the identification, enrollment, and school participation of children and youth experiencing homelessness, including through wrap-around services.
- Provides \$850 million for grants to Bureau of Indian Education-operated and funded elementary and secondary schools and Tribal Colleges or Universities.
- Provides \$40 billion through the existing Higher Education Emergency Relief (HEER) Fund.
 - \$36 billion is allocated to public and private non-profit institutions to remain available through Sept. 30, 2023. Institutions must spend at least 50% of their allocation on emergency financial aid grants provided directly to students. Institutions can use remaining funds to replace lost revenue, reimburse for emergency expenses, and more. Funds are allocated as follows:
 - 37.5% based on full-time equivalent (FTE) enrollment of Federal Pell Grant recipients.
 - 37.5% based on headcount enrollment of Pell recipients.
 - 11.5% based on FTE enrollment of non-Pell recipients.
 - 11.5% based on headcount enrollment of non-Pell recipients.
 - 1% based on the relative share of FTE enrollment of students who were Federal Pell Grant recipients and who were exclusively enrolled in distance education courses prior to the qualifying emergency.
 - 1% based on the relative share of the total number of students who were Federal Pell grant recipients and who were exclusively enrolled in distance education courses prior to the qualifying emergency.
 - Provides \$3 billion to historically Black colleges and universities, tribal colleges and minority-serving institutions.
 - Provides \$400 million to for-profit colleges to provide financial aid grants to students.
 - Provides \$200 million for institutions with the greatest unmet need related to the pandemic or those not served by the HEER formula.
- **Maintenance of Effort (MOE):** States must maintain spending on both K-12 and higher education in FY 2022 and FY 2023 at least at the proportional levels relative to a state's overall spending, averaged over FY 2018, FY 2019 and FY 2020. The MOE can be waived by the secretary of Education.

- **Maintenance of Equity:** All provisions apply to FY 2022 and FY 2023.
 - State Maintenance of Equity:
 - States cannot cut per-pupil spending for “high-need” LEAs (group of LEAs that serve the highest percentages of low-income, which collectively serve at least 50% of state’s total student enrollment) at a rate steeper than overall cuts in per-pupil spending across all local education agencies.
 - States cannot fund “highest poverty” LEAs (group of LEAs that serve highest percentages of low-income students which collectively serve at least 20% of state’s total student enrollment) below their FY 2019 funding.
 - LEA Maintenance of Equity:
 - LEAs cannot cut per-pupil spending for any high-poverty school at a rate steeper than overall cuts in per-pupil spending across all schools served by the LEA.
 - LEAs cannot reduce per-pupil staffing for any high-poverty school at a rate steeper than overall cuts in per-pupil staffing across all schools served by the LEA.
 - The provision does not apply if an LEA serves less than 1,000 students or operates a single school or serves all students in single grade span in one school or is granted waiver by secretary of Education.
- Makes changes to the federal 90/10 rule, which prohibits for-profit colleges from receiving more than 90% of their revenue from federal aid programs. Regulations would not take effect until January 2023.
- Treats any student loan forgiven or discharged on a tax-free basis from 2021 through 2025.

Environmental Provisions

- Provides \$100 million for the Environmental Protection Agency to provide grants to address disproportionate environmental harms to minority and low-income populations, in addition to funding air quality monitoring grants under the Clean Air Act.
- Provides \$95 million to the Fish and Wildlife Service for wildlife inspections, care of captive endangered species, and research related to wildlife disease outbreaks.

Energy and Utility Provisions

- Provides \$4.5 billion for the Low-Income Home Energy Assistance Program to assist eligible low-income households with heating and cooling energy costs.
- Provides \$500 million for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program created under the FY 2021 Omnibus to assist with payments for drinking water and wastewater expenses.

Consumer Protection Provisions

- Provides \$50 million in funding for Consumer Product Safety Fund to protect consumers from potentially dangerous products related to Covid-19.
 - Enhance targeting, surveillance and screening of consumer products entering the United States at ports of entry.

Housing Provisions

- Appropriates \$27.4 billion in emergency rental assistance including:
 - \$21.55 billion for emergency rental assistance via Corona Relief Fund (remains available through Sept. 30, 2027 if obligated by Oct. 1, 2022).
 - \$5 billion for emergency housing vouchers (funds available through Sept. 30, 2030).
 - \$750 million for tribal housing needs.
 - \$100 million for rural housing.
- Appropriates \$305 million to Puerto Rico, the U.S. Virgin Islands, the Northern Mariana Islands and American Samoa for emergency rental assistance.
- Appropriates \$5 billion to assist people who are homeless with immediate and long-term assistance (emergency housing vouchers). Funds will remain available until September 20, 2030.
- Provides \$9.96 billion for a Homeowner Assistance Fund.
 - \$100 million for housing counseling via NeighborWorks America (funding remains available through Sept. 30, 2022).
- The first 40% of funding for the emergency rental assistance program will be provided within 60 days of enactment.
- Appropriates \$750 million for the Native American Housing Block Grants, Native Hawaiian Housing Block Grant and Indian Community Block Grant programs.
- Not more than 15% of funds paid to state and local governments can be used for administrative costs.
- Appropriates \$39 million to assist rural homeowners through the USDA's Section 502 and Section 504 direct loan programs.

Veterans

- Provides \$14.4 billion for the Veterans Health Administration (VA) to provide healthcare services and related support to eligible veterans, which includes funding for sustainment of CARES Act-supported staffing and service-level expansions, inclusive of areas such as suicide prevention, women's health, the VA homelessness programs and telehealth.
- Includes \$750 million for the VA to provide construction funds to states, provided they have required matching funds to projects that will upgrade and enhance safety and operation of state veterans' homes.
- Provides \$250 million in one-time emergency federal payments to support these state-operated facilities, to be allocated based on the number of beds at each home that could be occupied by eligible veteran residents. This emergency funding can be used to enhance treatment of veterans during the pandemic, including by enhancing cleaning services, procuring personal protective equipment or other equipment, and temporarily expanding staffing levels to care for veterans.
- Allocates \$386 million for up to 12 months of retraining assistance for veterans who are unemployed due to COVID-19 and do not have other veteran education benefits. This funding covers the cost of the retraining program and provides a housing allowance for veterans while they undergo this training.

Technology, Broadband and Cyber

- Creates a \$7.2 billion Emergency Connectivity Fund to reimburse schools and libraries for internet access and connected devices.
 - Includes wi-fi hotspots, modems, routers, devices that combine a modem and router, connected devices.
- Provides \$650 million for cybersecurity risk mitigation at the Cybersecurity and Infrastructure Security Agency, which is leading the federal response to the SolarWinds Corp. breach of government networks.
- Provides \$1 billion for the Technology Modernization Fund.
- Provides \$200 million for the U.S. Digital Service.
- Provides \$150 million to the National Institute of Standards and Technology to fund awards for research, development, and testbeds to prevent, prepare for, and respond to coronavirus.
- Provides \$175 million to the Corporation for Public Broadcasting to prevent, prepare for, and respond to coronavirus.
 - Includes fiscal stabilization grants to public telecommunications entities to maintain programming and services and preserve small and rural stations threatened by declines in non-Federal revenues.

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American Rescue Plan Act Summary
MT Estimated Funding - 3/14/2021

State Agency	H.R. 1319 Section	Ref. page	Policy	Estimated State of MT Share (m)
Sections A & F				\$418.0
DOA	9901	2	Capital projects	\$119.3
DLI	2206	2	Corporation for National and Community Service	\$5.5
DLI	8006	2	Rapid Retraining	\$2.0
DLI	9001-9016, 9022	2	Extend unemployment programs with \$300/week supplement	\$286.0
DLI	9031-9032	2	Unemployment Administration	\$5.2
DMA	4005	3	Increase funding for the Disaster Relief Fund	unknown
multiple	9901	17	Water, Sewer and Broadband	unknown
Sections B & D				\$629.9
DPHHS	1102	4	Supplemental Nutrition Assistance Program	\$11.0
DPHHS	1104	4	Commodity Supplemental Food Program	\$0.2
DPHHS	2201-2202	4	Support for child care	\$111.0
DPHHS	2301-2302	5	WIC	unknown
DPHHS	2921	5	Supporting Older Americans and their Families	\$1.0
DPHHS	2204	5	Family Violence Prevention	\$0.9
DPHHS	2205	6	Child Abuse Prevention	\$0.4
DPHHS	2401	6	Increase funding for testing and contract tracing	\$143.4
DPHHS	2501	6	Increase public health workforce and investments	\$23.0
DPHHS	2301	7	Fund vaccine distribution, confidence, and supply chains	\$22.5
DPHHS	9811	7	Medicaid - Mandatory vaccine coverage	unknown
DPHHS	9812	7	Medicaid - Pregnant and Postpartum	unknown
DPHHS	9813	7	Medicaid - Mobile Crisis	unknown
DPHHS	9814-9815	7	Medicaid - FMAP Increase	unknown
DPHHS	9817	7	Medicaid - Home and community based services	unknown
DPHHS	9818	7	Medicaid - Strike teams	unknown
DPHHS	2911-2912	8	LIHEAP/Water Assistance	\$21.0
DPHHS	2702-2706	8	SAMHSA	\$17.0
DPHHS	9812-9822	8	CHIP	unknown
DPHHS	2605	8	Funding for Family Planning	unknown
DPHHS	8004	9	Funding for state homes	\$1.7
DPHHS	9101	9	Home Visiting Programs	unknown
DPHHS	9201	9	Emergency Assistance to Children and Families	\$2.8
DPHHS	9301	10	Elder Justice and Support	unknown
DOC	3201	10	Emergency rental assistance	\$152.4
DOC	3205	11	Homeless Assistance	\$11.6
DOC	3206	11	Homeowner Assistance	\$50.0
DOC	3301	12	State Small Business Credit Initiative	\$60.0
Sections C & E				\$495.9
OPI	2001	14	Funding for K-12 education	\$404.0
OPI	2002	15	Assistance to non-public schools	\$7.0
OCHE	2003	15	Funding for colleges and universities	\$81.2
OPI	2014	15	Individuals with Disabilities Education Act	unknown
Arts Council	2021	15	National Endowment for the Arts	unknown
MSL	2023	16	Institute of Museum and Library Services	\$2.3
DOT	7102	16	Grants to airports	\$0.6
DOT	3401	16	Grants for Rural Transit Assistance	\$0.8
Overall & Economic				\$1,199.1
	9901	17	Money to state governments	\$910.1
	9901	17	Money to local governments	\$289.0
	9901	18	Local Assistance and Tribal Consistency Fund	unknown
Total				\$2,742.9



Sections A & F

Coronavirus Capital Projects Fund

Summary

- In addition to state/local money
- payments to States, territories, and Tribal governments to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the Coronavirus Disease (COVID-19).
- Available until expended.

Scope

- \$100 million minimum to each State
- No less than \$50,000 paid to each tribal government
- Within 60 days Treasury will develop an application process

Corporation for National and Community Service

Summary

- Shall be used to make adjustments to existing (as of the date of enactment of this Act) awards and new and additional awards, including awards to State Commissions on National and Community Service
- Remain available until September 30, 2026

Scope

- Provides a small amount of additional administrative funds, then additional funds to pass-thru as grant awards

Ideas on how to use funds

- Will depend on restrictions places by Corporation for National and Community Service, but hopefully to increase existing awards and issue new awards

Rapid Retraining

Summary

- up to 12 months of retraining assistance to an eligible veteran for the pursuit of a covered program of education

Scope

- Such retraining assistance shall be in addition to any other entitlement to educational assistance or benefits for which a veteran is, or has been, eligible

Unemployment

Summary

- Extension of Pandemic Unemployment Insurance (self employed and others who don't qualify for regular state benefits) through September 6, 2021.

Scope

- Federal Pandemic Unemployment Compensation extends through September 6, 2021
- Additional funding for administration

Ideas on how to use funds



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- Original CARES Act programs (FPUC, PUA) will remain in place. DLI uses statutory appropriation to pay benefits. The bill provides US DOL with \$2B for the purposes of reducing fraud and increasing timely payment of benefits but gives them discretion on how to do that. They can grant directly out to states or keep some of the money for “systemic infrastructure changes” at a national level. If the entire \$2B is granted out to states, we estimate approximately \$5.2M in funding to Montana. There has been discussion of creating a nationwide claim filing system.

FEMA disaster relief fund

Summary

- for reimbursement to state, local, tribal, and territorial governments engaged in ongoing COVID-19 relief efforts.
- Available until September 30, 2025

Scope

- Funds may also be used for financial assistance to individuals or households with disaster-related funeral expenses.
- FEMA will process reimbursements at 75%

DRAFT



Sections B & D

Supplemental Nutrition Assistance Program

Summary

- Continues the 15% increase in Supplemental Nutritional Assistance Program (SNAP) benefits through 9/30/2021.
- Assistance for SNAP online purchasing and technology modernization improvements.
- To remain available through 9/30/2026

Scope

- Providing additional assistance to states to administer the program.
- \$1,150,000,000 to remain available through 9/30/2023 for the costs of State administrative expenses associated with the carrying out of this section
- Benefits are a 15% additional amount per month

Commodity Supplemental Food Program

Summary

- Ensuring low-income seniors can continue to access nutritious foods.
- Available until September 30, 2022

Scope

- Administration of Commodity Supplemental Food Program which provides food packages to income eligible persons at least 60 years of age.

Childcare

Summary

- Appropriates \$15 billion (through September 30, 2021) to carry out the Child Care and Development Block Grant.
- Appropriates \$24 billion (through September 30, 2021) for child care stabilization grants to be used in accordance with the Child Care and Development Block Grant

Scope

- \$15 billion
 - Grants to States shall be obligated in fiscal year 2021 or the succeeding 2 years.
 - States may use the funds to provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to COVID-19 by public officials.
- \$24 billion
 - Up to 10 percent of the funds to administer subgrants, provide technical assistance and support for accessing subgrants, publicize the availability of subgrants, and provide technical assistance to help child care providers implement policies.
 - At least 90 percent of the grant funds received by a State are to be used to award subgrants to qualified child care providers.

Ideas on how to use funds

- Cannot supplant other funding.



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- \$15 billion - To be obligated for 2021-2023, recommend working with our existing infrastructure to process applications. In addition, recommend holding stakeholder listening session through advisory council, provider and partner feedback.
- \$24 billion - Funds available through 9/30/21. Must notify the Secretary if unable to obligate at least 50% of these funds that are available for subgrants within 9 months of the date of enactment of this Act. recommend working with our existing infrastructure to process applications. In addition, recommend holding stakeholder listening session through advisory council, provider and partner feedback.

WIC

Summary

- Federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.
- Available until expended

Scope

- Allows a temporary increase in the cash value voucher in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) of up to \$35 per month.
- \$390 million for outreach to expand participation in the WIC program.
- Temporarily increase the age of eligibility for the Child and Adult Care Food Program to 25.
- The Pandemic Electronic Benefit Transfer program can be implemented in any school year in which the COVID-19 public health emergency designation is in effect, and benefits may also be extended into the summer.

Supporting Older Americans and their Families

Summary

- To assist in carrying out the Older Americans Act of 1965 which responds to concerns about a lack of community social services for older persons.
- Available until expended

Scope

- Efforts related to COVID-19 vaccination outreach, including education, communication, transportation and other activities to facilitate vaccination of older individuals
- Prevention and mitigation activities related to COVID-19 focused on addressing extended social isolation among older individuals, including activities for investments in technological equipment and solutions or other strategies aimed at alleviating negative health effects of social isolation due to long-term stay-at-home recommendations for older individuals for the duration of the public health emergency.

Family Violence Prevention and Services Act (FVPSA) programs

Summary

- Primary funding stream dedicated to the support of emergency shelter and assistance for victims of domestic violence and their children.
- Available until expended

Scope

- Match requirements are suspended for the duration of the COVID-19 pandemic.



- States that receive grants shall use the funds to provide subgrants to eligible entities for programs/projects within the State for the purpose of preventing incidents of family violence, domestic violence, and dating violence by providing immediate shelter and support services for adult and youth victims.

Child Abuse Prevention and Treatment Act (CAPTA)

Summary

- Funding to states in support of prevention, assessment, investigation, prosecution and treatment activities
- Available until September 30, 2023

Scope

- State match requirements are suspended for the duration of the COVID-19 pandemic.
- Grants funds are for the purpose of:
 - Developing, operating, expanding, and enhancing community-based and prevention-focused programs designed to strengthen and support families to prevent child abuse and neglect.
 - The development of continuing preventative services for children and families through State and community-based collaborations and partnerships, both public and private.
 - Financing the start-up, maintenance, expansion, or redesign of specific community-based child abuse and neglect prevention program services.
 - Maximizing funding to support community-based programs to prevent child abuse and neglect.
 - Financing public information activities that focus on the healthy development of parents and children and the prevention of child abuse and neglect.

Testing and contact tracing

Summary

- Funding to diagnose, trace and monitor COVID 19 toward mitigating spread of virus.
- Available until expended

Scope

- Supports local public health departments in developing these strategies and for procuring PPE supplies, administering COVID tests, and establishing contact tracing capabilities.
- Support activities related to COVID-19 tests, including supplies necessary for administering tests such as personal protective equipment
- Establish and expand federal, state, local, and territorial testing and contact tracing capabilities.
- Enhance information technology, data modernization, and reporting.
- Award grants to SLTT public health departments or public health laboratories.

Increase Public Health Workforce

Summary

- To carry out activities related to establishing, expanding, and sustaining a public health workforce, including by making awards to State, local, and territorial public health departments.
- Available until expended

Scope



- Funding to expand and sustaining public health workforce while making awards to local governments toward same goal. Workforce positions include contact tracers, social support specialists, community health workers, public health nurses, disease specialists, lab personnel and disease intervention and communications personnel.
- Funds also support operating expenses, PPE and other related supplies for public health workforce.
- Wages and benefits, related to the recruiting, hiring, and training of individuals to serve as case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, informaticians, communication and policy experts, and any other positions as may be required to prevent, prepare for, and respond to COVID-19 in state, local and NGO settings.

Vaccines and Ancillary Treatments

Summary

- Public Health provision provides funding for CDC to prepare, promote, administer, monitor and track COVID vaccines.
- Available until expended

Scope

- Activities may include distribution and administration of vaccine with support for state, local and tribal health departments. Support also includes IT, data and facility enhancements, and public information on how to get vaccine.
- Supports vaccine and therapeutic supply chain toward advancing research, development, manufacturing, production and purchases of vaccines and ancillary medical products for COVID.
- Funding to FDA for the evaluation of emerging COVID-19 variants, vaccines, therapeutics, and diagnostics authorized to treat COVID-19; and oversight of supply chain and mitigation of shortages of vaccines.

Medicaid

Scope

- Mandatory coverage of COVID vaccine under Medicaid, FMAP rate at 100 percent.
 - until one year after the end of the public health emergency has ended (the State is already providing coverage to uninsured).
 - States are also allowed to provide COVID-19 vaccinations and treatment at their discretion to non-Medicaid eligible, uninsured individuals with the federal government covering 100 percent of the cost.
- Medicaid will extend five years to cover women with 12 months postpartum.
 - Six months is the normal eligibility, and this gives choice for 12 months. Cost would be dependent on beneficiary's FMAP match.
- Medicaid will extend five years to cover convicts released from jail for 30 days prior to release
- Enhanced FMAP to encourage Medicaid programs to cover mobile crisis intervention
- Extensions of 100% FMAP for Urban Indian Orgs for 2 years
- To sunset the limit on Maximum Rebate Amounts for Single Source Drugs/Innovator Multiple Source Drugs
 - would remove this cap beginning in 2023, allowing manufacturers to be forced to pay Medicaid programs to use their drugs.



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- Temporary FMAP increase of 7.35% for states to improve community based services
- Funding for State Strike Teams for Resident and Employee Safety in nursing facilities
 - for states to establish and implement a strike team that will be deployed to a nursing facility in the State with diagnosed or suspected cases of COVID–19 among residents or staff for the purposes of assisting with clinical care, infection control, or staffing during the emergency period

Funding for LIHEAP

Summary

- Helps keep families safe and healthy through initiatives that assist families with energy costs.
- Available until September 30, 2022

Scope

- Funding for the Low-Income Energy Assistance Program
- Assistance in managing costs associated with
 - Home energy bills
 - Energy crises
 - Weatherization and energy-related minor home repairs

Mental Health Substance Use Disorder

Summary

- \$1.75 billion for community mental health block grant programs. If awarded to a state, must be expended by September 30, 2025.
- \$1.75 billion for prevention and treatment of substance use grants. If awarded to a state, must be expended by September 30, 2025.

Children’s Health Insurance Program (CHIP)

Summary

- Provides health coverage to eligible children, through both Medicaid and separate CHIP programs.

Scope

- There is mandatory coverage of COVID-19 vaccines and administration and treatment under CHIP. The provision requires CHIP coverage of COVID-19 vaccines and treatment without cost sharing to the beneficiaries and matched at 100% FMAP. This change is effective until one year after the end of the public health emergency (the State is already providing coverage to uninsured).
- There is a modification of CHIP coverage for pregnant and postpartum women.
 - States currently have the option to allow women to remain CHIP eligible while pregnant and for up to 12 months postpartum. This section of code is being modified to allow state to extend this option for a five-year period from the date of this act.

Funding for Family Planning

Summary

- for necessary expenses for making grants and contracts under section 1001 of the Public Health Service Act (42 U.S.C. 300)
- Available until expended

Scope



- HHS will determine how this money is distributed, the priorities, and the use of funds.

State Homes

Summary

- Funds to state and local governments from Treasury

Scope

- First \$500M to provide construction funds to states with the required match for projects that will upgrade and enhance safety and operation of homes across the country – remains available until expended
- Next \$250M in one-time emergency payments to support the state operated facilities, allocated based on the number of eligible veteran residence – available until September 30, 2022

Home Visiting Programs

Summary

- Facilitates collaboration and partnership at the federal, state, and community levels to improve the health of at-risk children through evidence-based home visiting programs. The home visiting programs reach pregnant women, expectant fathers, and parents and caregivers of children under the age of 5.
- Available until September 30, 2022

Scope

- to serve families with home visits or with virtual visits, that may be conducted by the use of electronic information and telecommunications technologies, in a service delivery model
- to pay hazard pay or other additional staff costs associated with providing home visits or administration for programs
- to train home visitors employed by the entity in conducting a virtual home visit and in emergency preparedness and response planning for families served, and may include training on how to safely conduct intimate partner violence screenings, and training on safety and planning for families served to support the family outcome improvements
- for the acquisition by families served by programs under section 511 of such technological means as are needed to conduct and support a virtual home visit;
- to provide emergency supplies (such as diapers and diapering supplies including diaper wipes and diaper cream, necessary to ensure that a child using a diaper is properly cleaned and protected from diaper rash, formula, food, water, hand soap and hand sanitizer) to an eligible family
- to coordinate with and provide reimbursement for supplies to diaper banks when using such entities to provide emergency supplies
- to provide prepaid grocery cards to an eligible family (as defined in section 511(k)(2)) participating in the maternal, infant, and early childhood home visiting program under section 511 for the purpose of enabling the family to meet the emergency needs of the family

Emergency Assistance to Children and Families

Summary

- \$1 billion distributed to states for short term benefits to low-income families with children
- Available until expended

Scope

- Funding must be used on Non-recurrent short-term benefits and administrative costs of providing them. Non-recurrent short-term benefits are defined in OMB-approved Form ACF196R. " To



families in the form of cash, vouchers, subsidies, or similar form of payment to deal with a specific crisis situation or episode of need. This category includes [state] expenditures such as emergency assistance and diversion payments, emergency housing and short-term homelessness assistance, emergency food aid, short-term utilities payments, burial assistance, clothing allowances, and back-to-school payments. Diversion in this context typically refers to a lump-sum payment offered to families in lieu of ongoing basic TANF assistance.

- 15% limit for administration
- \$200 million to HHS for purpose of carrying out infection control support in skilled nursing facilities through quality improvement organizations.
- \$250 million to states to establish strike teams to respond to outbreaks in skilled nursing facilities.

Elder Justice and Support

Summary

- Committed to developing systems and programs that encourage justice, prevent abuse, and provide protection and support to those in need.
- Available until expended

Scope

- Additional funding for aging and disability services programs

Emergency Rental Assistance

Summary

- Emergency rental and utility assistance allocated to states, territories, counties, and cities to help stabilize renters and help property owners cover their costs.
- To remain available until 9/30/2027
- Continuation of Consolidated Appropriations Act, 2021 Emergency rental assistance program. Commerce Housing Division is striving for April 1, 2021 program launch

Scope

- Provide financial assistance to eligible households, not to exceed 18 months, including the payment of:
 - Rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears; and other expenses related to housing.
 - Not more than 10 percent of funds may be used to provide case management and other services intended to help keep households stably housed.
 - Not more than 15 percent may be used for administrative costs
- Eligible household:
 - 1 or more individuals within the household has
 - qualified for unemployment benefits; or
 - experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the coronavirus pandemic;
 - 1 or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability

Ideas on how to use funds

- Continuation of Consolidated Appropriations Act, 2021 Emergency rental assistance program. Commerce Housing Division is striving for April 1, 2021 program launch



Homelessness Funding

Summary

- Available until September 30, 2025 for the following activities to primarily benefit qualifying individuals or families

Scope

- Tenant-Based Rental Assistance
- Development and support of affordable housing eligible under HOME program
- Supportive services to individuals including
 - Transitional housing
 - Housing counseling
 - Homeless prevention services
- Acquisition and development of non-congregate shelter units that may be
 - Converted to permanent affordable housing
 - Used as emergency shelter defined by McKinney-Vento (MV)
 - Converted to permanent housing defined by MV
 - Remain as non-congregate shelter
- Beneficiaries:
 - Homeless or at-risk of homelessness per McKinney-Vento definitions
 - Fleeing domestic violence
 - Others where providing supportive services would prevent homelessness or serve those at Risk of housing instability, or
 - Veterans meeting the above definitions.
- Further details:
 - Up to 15% available for admin and planning.
 - Additional 5% available for operating expenses of Community Housing Development Organizations (CHDOs) to develop capacity.
 - No match required; per unit subsidy limits do not apply; no CHDO reserve required; commitment deadline waived.

Ideas on how to use funds

- Utilize current HOME Program to distribute funds to developers/owners to acquire and/or rehabilitate existing HUD Section 8 and USDA-Rural Development properties that have rental assistance. These properties are typically home to those with extremely low incomes who would otherwise be at risk of homelessness. Coordinate with service providers that work with those who are experiencing homelessness, fleeing domestic violence and veterans to finance the acquisition or rehabilitation of non-congregate shelter and/or permanent supportive housing.
- Commerce HOME Program staff are assessing use of funds for former inmates exiting correctional facilities. This includes review of “at risk of homelessness” McKinney-Vento definition as cross referencing HOME Program regulations regarding felony convictions

Homeowner Assistance Funding

Summary

- Assist homeowners struggling with housing by providing assistance with mortgage payments, property taxes, property insurance, utilities, and other related housing costs.
- Through 9/30/2025

Scope

- May include



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- mortgage payment assistance
- financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing related costs related to a period of forbearance, delinquency, or default
- principal reduction
- facilitating interest rate reductions
- payment assistance for—
 - utilities, including electric, gas, and water
 - internet service, including broadband internet access service, as defined in section
 - property taxes
 - homeowner's insurance, flood insurance, and mortgage insurance; and
 - homeowner's association, condominium association fees, or common charges
- reimbursement of funds expended by a State, local government, or designated entity during the period beginning on January 21, 2020, and ending on the date that the first funds are disbursed by the eligible entity under the Homeowner Assistance Fund
- any other assistance to promote housing stability for homeowners, including preventing eviction, mortgage delinquency or default, foreclosure, or the loss of utility or home energy services
- Not less than 60 percent of amounts made to each eligible entity shall be used for qualified expenses that assist homeowners having incomes equal to or less than 100 percent of the area median income for their household size or equal to or less than 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater. The eligible entity shall prioritize remaining funds to populations or geographies experiencing the greatest need.

State Small Business Credit Initiative

Summary

- Available until expended
- Additional funding through a reauthorized SSBCI program to support small business financing through state, territorial and tribal programs, including:
- A business working with a bank, credit union, SBDC, NABA, CRDC, or other economic development organization (EDO) would be made aware of the MT SSBCI program as a possible financing tool. The program allows for a participation loan with a primary lender (bank, credit union, or participating EDO) providing 50% of the funds and the MT SSBCI program providing the other 50%, through the MT SSBCI program participating lender (EDO).

Scope

- A business submits the MT SSBCI application to the primary lender, which completes a credit analysis and credit decision based on their credit policies and procedures. If approved, the application then goes to the participating lender (the program participating EDO) for the EDO to complete its own credit analysis and credit decision. If approved for funding from both the primary lender and the participating lender, the loan package is submitted to the MT SSBCI program for final approval by the MT SSBCI Loan Committee. Over the life of the loan, the primary lender receives payments and sends the appropriate principal and interest payments to the participating lender per the participation agreement. During the life of the MT SSBCI program, the participating lender must maintain the principal payments to be re-lent, however, the interest payments may be used by the participating lender to cover ongoing administrative expenses.



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- Provide support to small businesses responding to and recovering from the economic effects of the COVID-19 pandemic, ensure business enterprises owned and controlled by socially and economically disadvantaged individuals have access to credit and investments, provide technical assistance to help small businesses applying for various support programs, and to pay reasonable costs of administering such Initiative
- The bill would require states and other jurisdictions to submit a plan on how it would expeditiously deliver funds to help small business respond to and recover from the pandemic.

Comments

Process to Receive Funds:

- Based on conversations between past MT SSBCI Executive Committee members and former US Department of Treasury staff, it has been indicated that a quick turn-around time is expected. States may have as little as 30 days from the enactment of the Act to submit applications to be approved for participation within the program. Once the State is approved, Treasury will transfer the first of three tranches of the funds. Once a State can certify that 80 percent of its first tranche of funds has been expended or obligated, it can request its second tranche of funds. This second tranche must be requested by the State within three years of the participation approval. Once a State can certify that 80 percent of its second tranche has been expended or obligated, it can request its final tranche of funds. This third tranche must be requested by the State within six years of the participation approval. All funds must be expended by September 30, 2030, or the funds will be rescinded and must be returned to Treasury.



Sections C & E

State Education Entities – K-12

Summary

- Provides grants to State education agencies in accordance with the same terms and conditions that apply to Elementary and Secondary School Emergency Fund.
- Available until September 30, 2023

Scope

- A State that receives a grant must use:
 - At least 90 percent of the funds for subgrants to local education agencies.
 - At least 5 percent of the funds to implement activities to address learning loss via activities such as summer learning, extended day comprehensive afterschool programs, or extended school year programs.
 - A State that receives a grant may use up to ½% of the funds for administration of the grant.
- A local education agency that receives a grant from the State shall use:
 - At least 20 percent of the funds to address learning loss via activities such as summer learning, extended day comprehensive afterschool programs, or extended school year programs.
 - Funds to provide equitable services to students and teachers in non-public schools in the same manner as provided under section 1117 of the Elementary and Secondary Education Act of 1965 (20 U.S.C 6320).
 - Funds “to prevent, prepare for, and respond to coronavirus” with the same broad, permissible allowable uses defined in previous ESSER grants.
 - Funds for school facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student health needs
 - Inspection, testing, maintenance, repair, replacement and upgrade projects to improve the indoor air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems, filtering purification and other air cleaning, fans, control systems, and window and door repair and replacement.
 - Other activities that are necessary to maintain the operation of and continuity of services in local education agencies and continuing to employ existing staff of the local educational agency.
- MOE
 - State Education Agency
 - Maintain a consistent level of spending on elementary, secondary, and higher education in FYs 2022 and 2023 in the same proportion as that spending was relative to the State’s overall spending averaged over the fiscal years 2017, 2018, and 2019.
 - The Secretary of Education may waive the above requirement to relieve fiscal burdens incurred by a State from COVID-19 response and prevention.
 - Not disproportionately reduce funding to local education agencies in high-poverty areas on a per pupil basis for FYs 2022 and 2023.
 - Not reduce funding to any local education agency (in FYs 2022 and 2023) that is part of the 20 percent of local education agencies in the state with the highest



percentage of economically disadvantaged students below the level of funding provided in fiscal year 2019.

Non-Public Schools

Summary

- Available through September 30, 2023
- Provide services or assistance to non-public schools

Scope

- For allocations to GEER Non-Public Schools Program to provide services or assistance to non-public schools that enroll a significant percentage of low-income students and are most impacted by the qualifying emergency.
- Not to be used to provide reimbursements

Higher Education

Summary

- Provides grants to higher education institutions in accordance with the same terms and conditions that apply to Higher Education Emergency Relief Fund.
- Available until September 30, 2023

Scope

- At least 50 percent of these funds must be used to provide emergency financial aid grants to students.
- A portion of these funds must be used to monitor and suppress COVID-19 and conduct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or other circumstance described in section 479A of the Higher Education Act of 1965.
- The institution is solely responsible for deciding which students will receive emergency financial aid grants.
- Institutions must use a portion of the funds to implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines.

Individuals with Disabilities Education Act

Summary

- Free appropriate education to eligible children with disabilities throughout the nation and ensures special education and related services to those children

Scope

- Grants for children and youth ages 3-21 for special education and related services
- Preschool grants under 619 of IDEA
- Early intervention services for infants and toddlers with disabilities

National Endowment for the Arts

Summary

- Funds, promotes and strengthens the creative capacity of communities by providing opportunities for arts participation.
- Available until expended.

Scope



- Forty percent shall be for grants, and relevant administrative expenses, to State arts agencies and regional arts organizations that support organizations' programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.
- Sixty percent shall be for direct grants, and relevant administrative expenses, that support organizations' programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.

Institute of Museum and Library Services

Summary

- The Director of the Institute of Museum and Library Services shall award funds to State library administrative agencies by applying the formula in section 221(b) of the Museum and Library Services Act.
- Available until expended.

Scope

- Priorities for funding target broadband services, digital inclusion, work force development, and services to minorities and disadvantaged populations.
- \$2M is the minimum to be awarded to each state. Actual awards will be determined based on a per capita formula.

Grants to Airports

Summary

- Available until September 30, 2024
- For assistance to prevent, prepare for, and respond to coronavirus.

Scope

- For costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments

Operating expenses of transit agencies

Summary

- Available until September 30, 2024
- Prevent, prepare for, and respond to coronavirus.

Scope

- Among the eligible expenses are payroll reimbursement for furloughed employees and operating costs to maintain service and purchase personal protective equipment.
- \$26 billion is allocated to urbanized areas and \$280 million to rural areas.
 - The amount for rural areas is allocated to States
- \$1.25 billion is for capital investments in public transportation, of which:
 - A State may apply for assistance on behalf of an eligible recipient.



Overall & Economic

State and Local recovery funds

Summary

- Funds to state and local governments from Treasury
- Available through December 31, 2024
- Covered Period begins March 3, 2021

Scope

- \$219.8 billion to states, territories and tribal governments to mitigate the fiscal effects stemming from the public health emergency with respect to COVID-19.
- The Secretary shall have the authority to withhold payment of up to 50 percent of the amount allocated to each State for a period of up to 12 months. The Secretary shall exercise such authority with respect to a State or territory based on the unemployment rate in the State or territory as of such date.
- The Secretary shall make the payment required for the State not later than 60 days after the date on which the required certification is submitted by the State.
- State will need to report to the Secretary accounting details showing the uses of funds, as well as State's tax revenue sources during the covered period.
- Any State, territory, or Tribal government that has failed to comply with the eligible uses shall be required to repay to the Secretary an amount equal to the amount of funds used in violation of such subsection.
 - Eligible uses include:
 - to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
 - for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal government due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or
 - to make necessary investments in water, sewer, or broadband infrastructure.
 - Restrictions of use:
 - Directly or indirectly offset a reduction in the net tax revenue resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit or otherwise) or delays the imposition of any tax or tax increase.
 - Deposit in a pension fund
 - \$195.3 billion to states
 - \$25.5 billion equally divided among states and DC



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- \$169 billion based on the state share of total unemployed workers
 - Minimum payment of \$1.25 billion to states (combined state/local)
 - \$130.2 billion split evenly between cities and counties
 - \$65.1 billion to cities using a modified Community Development Block Grant formula.
 - \$45.5 billion for municipalities with populations of at least 50,000. Direct payment from Treasury.
 - \$19.6 billion for municipalities with populations of less than 50,000
 - with allocation capped at 75% of the locality's most recent budget as of January 27, 2020. Any amount over is returned to Treasury.
 - Paid by states to locals per formula from Treasury.
 - State pays locals within 30 days of receiving funds from Treasury.
 - Treasury will not pay states all this money up front
 - Payment of 1st tranche within 60 days (50%)
 - Payment of 2nd tranche no earlier than 12 months after 1st tranche
 - \$65.1 billion to counties based on population
 - \$20 billion to federally recognized Tribal governments.

Local Assistance and Tribal Consistency Fund

Summary

- Available until September 30, 2023
- Making payments to eligible revenue sharing counties and eligible tribal governments
- Determined by the Secretary

Scope

- Allocate and pay to each eligible revenue sharing county in amounts determined by the Secretary taking into account economic conditions of each eligible revenue sharing county, using measurements of poverty rates, household income, land values, and unemployment rates as well as economic indicators, over the 20 year period ending September 30, 2021
- Funds may be used for any governmental purpose other than a lobbying activity
- Eligible revenue sharing county means a county that:
 - Is independent of any other unit of local government and
 - Is determined by the Secretary to be the principal provider of government services for the area within its jurisdiction and
 - Is determined by the Secretary to have seen negative revenue impacts due to implementation of a Federal program or changes to such program