# **American Rescue Plan FAQ**

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### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

#### What's in the ARP for families experiencing hunger?

The bill invests in nutrition programs to make it easier for families and seniors to put food on the table. Nutrition assistance programs like SNAP, WIC, P-EBT and CSFP are implemented by state and Tribal agencies. Please access the links below to contact your state or Tribal agencies:

- SNAP: https://www.fns.usda.gov/snap/state-directory
- WIC: <a href="https://www.fns.usda.gov/contacts?f%5B0%5D=program%3A32">https://www.fns.usda.gov/contacts?f%5B0%5D=program%3A32</a>
- P-EBT- Some states are still in the process of submitting their state plans for the FY20-21 school year. To see if your state has been approved, please access this link: https://www.fns.usda.gov/snap/state-guidance-coronavirus-pandemic-ebt-pebt
- Commodity Supplemental Food Program: <a href="https://www.fns.usda.gov/contacts?f%5B0%5D=program%3A26">https://www.fns.usda.gov/contacts?f%5B0%5D=program%3A26</a>

#### Does the bill include nutrition assistance for territories?

The bill includes \$1 billion for nutrition assistance to Puerto Rico, American Samoa and the Commonwealth of Northern Mariana Islands, with \$30 million designated for the Commonwealth of Northern Mariana Islands. The U.S. Virgin Islands and Guam will also benefit from the SNAP benefits extension included in the bill. For additional information from USDA, please access this website: <a href="https://www.fns.usda.gov/nap/nutrition-assistance-program-block-grants">https://www.fns.usda.gov/nap/nutrition-assistance-program-block-grants</a>

# How does this bill help farmers?

The American Rescue Plan provides \$4 billion for the Secretary of Agriculture to purchase surplus food and agricultural commodities for distribution to those in need in the United States. USDA will also use these funds to help farmers and food processors respond to the pandemic by providing grants and loans for purchasing worker protection measures or infrastructure adjustments to improve the resilience of the food supply chain. Additional details for these programs will become available as USDA works to implement these funds.

Additionally, the ARP provides \$100 million to reduce the cost of overtime food safety inspection costs for small (10-499 employees) and very small (less than 10 employees or less than \$2.5 million in annual sales) meat and poultry processors. This will make it easier for smaller meat and poultry processors to extend their hours to address the backlog in processing capacity, without having to pay cost-prohibitive charges for overtime hours for inspectors.

The bill also supports American farmers by providing \$800 million for the Food for Peace Title II program, which will send U.S. grown commodities to those experiencing hunger around the world .

The bill provides debt relief to socially disadvantaged farmers and ranchers. These producers have faced disproportionate impacts from the pandemic as a result of longstanding systemic discrimination. The bill also provides \$1 billion in funding to support socially disadvantaged farmers and ranchers through technical assistance, financial planning, outreach, an equity commission, research and extension, heirs property, and financial assistance to former borrowers who lost their operations due to past discrimination. These provisions are an important step to address widespread

systemic discrimination, repair the diminished relationships with USDA, and improve awareness about USDA programs that can help socially disadvantaged farmers and ranchers grow and sustain their farms, especially during COVID-19.

# How does the ARP make sure food is available on grocery store shelves?

The bill focuses on both responding to the immediate ongoing needs of the pandemic, but also investing in the food supply chain to build resiliency in the event of a future disruptive event. Building new processing facilities, helping existing facilities respond to changing demand, and ensuring that workers through the supply chain are able to continue working safely will help address and prevent the bottlenecks and breakdowns in the food supply chain that were experienced throughout the pandemic.

# How does the ARP help protect workers along the food chain?

The bill provides funding for employers throughout the food supply chain, including but not limited to, farmers, small and midsized food processors, and fishing vessels, to protect their workers and eligible activities include: purchase of PPE, disinfectant, test kits, plexiglass, handwashing stations, housing to accommodate social distancing or to quarantine for sick workers, and others. USDA has not yet announced how these funds will be allocated. For information on USDA Covid-19 response, please visit this website: <a href="https://www.usda.gov/coronavirus/farmer-resources">https://www.usda.gov/coronavirus/farmer-resources</a>

# What resources does the ARP commit to rural healthcare providers?

This bill will provide \$500 million for healthcare in rural America by establishing a pilot grant program to support rural healthcare, including by increasing vaccine distribution capacity, providing medical supplies and medical surge capacity, expanding access to telehealth, and helping to fill other gaps faced by rural healthcare providers, many of whom were already stretched thin before COVID-19 and have suffered additional lost revenue due to the pandemic.

# How will the ARP help prevent further spread of COVID-19 in animals?

The American Rescue Plan provides \$300 million for the Secretary of Agriculture to conduct monitoring and surveillance of susceptible animals for incidence of COVID-19. As we have seen with this pandemic, zoonotic diseases can spread quickly between animals and humans with devastating impacts. USDA plays a critical role in responding to animal disease outbreaks and these funds will be used to support the animal disease diagnostic labs and other activities to safeguard public health and the food supply against infectious disease outbreaks.

#### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

### **Public Health**

# The majority of people in this country are still not vaccinated. What does this bill do to increase vaccination rates?

The American Rescue Plan provides \$20 billion in funding for COVID-19 vaccinations. This includes\$7.5 billion in funding through the Centers for Disease Control and Prevention (CDC) for vaccine activities which goes beyond supplying the vaccines themselves and includes activities like increased staffing, disseminating information on how to get vaccinated, transportation for people to reach vaccination sites, and mobile vans to reach underserved areas. Some of the other vaccination funding in the American Rescue Plan includes \$1 billion to strengthen vaccine confidence in the United States, \$7.5 billion for FEMA vaccination efforts, and \$2.2 billion for a vaccine procurement reserve.

### How does this bill help combat variants of the virus that causes COVID-19?

In order to detect variants, we need to conduct widespread testing, and then we need to sequence a sample of those tests. The American Rescue Plan provides \$47.8 billion in funding for COVID-19 testing. This includes funding to develop tests, increase laboratory capacity, and improve data collection. Additionally, the American Rescue Plan provides \$1.75 billion in funding for genomic sequencing, which allows the CDC to detect and track variants of the virus. Ultimately, the way to stop the spread of variants is to get as many people vaccinated as we can, and the American Rescue Plan provides \$14 billion in funding for vaccinations. The American Rescue Plan also provides \$500 million in funding to FDA to be used in part for the evaluation with respect to emerging variants of the continued performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics.

### Does the bill do anything to address COVID-19 globally?

The American Rescue Plan appropriates \$750 million to address COVID-19 globally including efforts for global immunization and global coordination on public health.

### What support is included for community health centers?

The American Rescue Plan provides \$7.6 billion for community health centers, Federally Qualified Health Center Look-Alikes, and Native Hawaiian Health Centers. Of this total amount, at least \$20 million must be awarded to Native Hawaiian Health Centers. These funds can cover retroactive costs incurred since the beginning of the pandemic and can be used for activities necessary to respond to COVID-19, including testing, vaccine administration, delivery of health care services, infrastructure modifications, and community outreach and education.

### Does the bill do anything to address public health or health care workforce shortages?

The American Rescue Plan provides \$7.66 billion for activities related to establishing, expanding, and sustaining a public health workforce, including by making awards to State, local, and territorial health departments. The bill also provides \$800 million for scholarships and loan repayment through the National Health Service Corps (NHSC), as well as \$200 million for scholarships and loan repayment through the Nurse Corps. These programs incentivize primary care providers and nursing professionals to practice in underserved areas across the country.

# What does the American Rescue Plan do to address mental and behavioral health and substance use disorder concerns related to the COVID-19 pandemic?

The American Rescue Plan provides historic investments to address surging mental and behavioral health and substance use disorder concerns related to the COVID-19 pandemic. The bill funds a total of \$3 billion in block grants for prevention and treatment of substance use disorders and community mental health care services. Another \$420 million goes toward certified community behavioral health clinics. Relatedly, the bill supports community-based and local substance use disorder and behavioral health care, including \$50 million for local behavioral health services, such as telehealth and crisis intervention, and \$30 million for harm reduction services.

To support the mental and behavioral health workforce, the American Rescue Plan provides \$100 million to support the recruitment, education and clinical training of mental and behavioral health providers. The bill also provides \$140 million to support the mental health of essential health care workers. This includes \$80 million for mental health and substance use disorder training for health care professionals, paraprofessionals, and public safety officers, \$20 million for a national education and awareness campaign to encourage healthy work conditions, and \$40 million to promote the mental health of the health professional workforce. For children and adolescents, the American Rescue Plan allocates \$80 million for pediatric mental health care grants, \$30 million for Project AWARE, which is a federal program that supports mental and behavioral health among school-aged children, and \$20 million for youth suicide prevention.

### **Child Care and Early Childhood Education**

# I am a child care provider struggling to keep my program in business. What financial assistance is available for child care providers in this bill?

American Rescue Plan provides \$24 billion in child care stabilization grants for child care providers to help meet their increased operating costs and backfill limited revenue due to the pandemic. Providers are eligible for assistance if they are 1) an eligible-provider as defined in the Child Care and Development Block Grant Act, or 2) a licensed, regulated, or registered provider in their state on the date of enactment of American Rescue Plan. Providers can be open, or temporarily closed due to COVID-19. Subgrants can be used for a variety of expenses, such as personnel expenses; rent, mortgage, and utility payments; cleaning supplies and personal protective equipment; mental health services for children and staff; and other activities to maintain or resume operations of the child care provider. States must base subgrant amounts on the child care provider's stated current operating expenses. A child care provider that receives funds must certify that for the duration of the subgrant, the child care provider will: implement policies in line with guidance from State, Tribal, and local authorities, and to the greatest extent possible, guidance from the Centers for Disease Control and Prevention; pay no less than the full compensation the provider was paying each employee on the date of submission of the application for the subgrant; and provide relief from copayments and tuition payments to families enrolled in the provider's program, to the greatest extent possible, and prioritize such relief for families struggling to make either type of payment.

Additionally, American Rescue Plan provides \$15 billion for the Child Care and Development Block Grant program, which states can use flexibly, such as to pay child care providers based on enrollment rather than attendance; increase subsidy reimbursement rates, expand access to child care subsidies, and waive copayments for families receiving subsidies.

# I am an essential worker in need of child care. Does this bill help me?

Yes. States can use their funding through the Child Care and Development Block Grant (CCDBG) to expand eligibility to provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers that are deemed essential during the COVID-19 response by public officials.

### How does this bill support the Head Start program?

American Rescue Plan includes \$1 billion for Head Start to ensure Head Start grantees can continue to provide high-quality services to children and families.

# How does this bill support the prevention of child abuse and neglect?

American Rescue Plan includes \$350 million for the Child Abuse Prevention and Treatment Act (CAPTA). Of that total, \$100 million is dedicated for CAPTA's State grants to provide necessary supports to prevent, investigate, and treat child abuse and neglect. In addition, \$250 million will go to CAPTA's community-based child abuse and neglect prevention programs to provide vital community-based services to strengthen and support families during the pandemic.

### **LIHEAP and Water**

### How does this bill help families afford utility payments?

American Rescue Plan includes \$4.5 billion for the Low-Income Home Energy Assistance Program (LIHEAP) to support families in meeting their heating and cooling costs. The bill also includes \$500 million for a new water and wastewater assistance program, to award grants to States and Indian Tribes to provide payments to owners and operators of public water systems to reduce arrearages and rates charged to low-income households for drinking water and wastewater services.

### **K-12 Education**

# How will funds under the Elementary and Secondary School Emergency Relief Fund (ESSER) flow to States and school districts?

Funds will be allocated to States and school districts in proportion to what they received under the Title I-A formula of the Elementary and Secondary Education Act (ESEA). This is in the same manner that ESSER funds have flowed under the CARES Act and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA). States will first receive funds under ESSER and be required to subgrant at least 90 percent of ESSER funds to school districts in proportion to what those school districts received under the Title I-A formula.

# How much do states have to set-aside within ESSER and are each of these set-asides separate from each other?

When states receive their ESSER grant, they must set aside three mandatory reservations to comply with American Rescue Plan within the 10 percent of the ESSER grant that states can reserve at the state level. Each of these reservations is separate from the others. First, states must reserve at least 5 percent to support the implementation of evidence-based interventions to address learning loss. Second, states must reserve at least 1 percent to support evidence-based summer enrichment activities. Third, states must reserve at least 1 percent to support evidence-based comprehensive afterschool programs. States may also reserve up to half a percent for administration of the ESSER program.

# How will the funds be used to address learning loss and help meet students' academic and other needs that were impacted by the pandemic?

States are required to use at least 5 percent of their ESSER state-level reservation, and school districts are required to use at least 20 percent of their ESSER subgrant to implement evidence-based interventions to address learning loss. These evidence-based interventions need to address students' academic, social, and emotional needs and respond to the disproportionate impact that the pandemic has had on students from families with low incomes, students of color, English learners, migrant students, students with disabilities, students experiencing homelessness, and children and youth in foster care. States and districts can also use their broader ESSER funds to address learning loss among students.

# Is there funding for summer enrichment and afterschool programs?

Yes. States are required to set aside 1 percent of their ESSER State-level reservation to fund evidence-based summer enrichment programs and an additional 1 percent of those funds to fund evidence-based comprehensive afterschool programs. In using those funds, each state is required to ensure such programs respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on students from families with low incomes, students of color, English learners, migrant students, students with disabilities, students experiencing homelessness, and children and youth in foster care. States and school districts can also use their broader ESSER funds to support summer enrichment and afterschool activities.

#### Will funds be used by schools to support safe reopening?

Funds that school districts receive under the Elementary and Secondary School Emergency Relief Fund under this legislation, the CARES Act and CRRSAA, are intended to be used for a variety of purposes to support safe reopening. These purposes include: implementing public health protocols (including policies in line with guidance from the Centers for Disease Control and Prevention for the reopening and operation of school facilities); purchasing supplies to sanitize and clean the facilities of a local educational agency; implement procedures and systems to improve the preparedness and response efforts of local educational agencies, and coordinate with State, local, Tribal, and territorial public health departments to prevent, prepare for, and respond to coronavirus, among other things. Districts are also required to develop a plan for the safe reopening of schools and solicit public comment from the community.

### What are the requirements, if any, related to the safe reopening of schools?

Within 30 days of receiving their ESSER funds, school districts are required to develop and make publicly available on the school district's website a plan for the safe return to in-person instruction and continuity of services. Before publishing the plan on the school district website, each school district must seek public comment on the plan and take such comments into account in the development of the plan. If school districts already have reopening plans that received public comment and are publicly available on the school districts' websites, those previous plans can satisfy American Rescue Plan's requirement related to reopening plans.

# Can ESSER funding for schools be used to support online or distance learning for students?

Yes. Funds that school districts receive under ESSER may be used to purchase broadband connectivity and educational technology for students, including computers, tablets, software, and hotspots. Funds may also be used to purchase assistive technology or adaptive equipment for students with disabilities, and to support professional development for educators and other school staff to support online learning.

# How can ESSER funds be used to support students and families experiencing homelessness?

From the \$122.8 billion provided for ESSER, the Secretary of Education must use \$800 million to support the identification and provision of wraparound services for children and youth experiencing homelessness. Further information from the Department of Education is forthcoming regarding how these funds will be distributed to States and school districts. Additionally, states and school districts may use their regular ESSER allocations to meet the unique needs of students experiencing homelessness and purchase educational technology or broadband connectivity for such students.

### What are the maintenance of equity provisions included in ESSER in American Rescue Plan?

American Rescue Plan includes state and district-level maintenance of equity requirements. As a condition of receiving ESSER funds, each State must agree not to disproportionately reduce state education funding on a per-pupil basis in FY22 and FY23 for their neediest schools districts who enroll 50 percent of total students in the state. States must also agree to not reduce state education funding on a per-pupil basis in FY22 or FY23 for their highest poverty school districts that enroll 20 percent of total students in the state.

School districts that receive ESSER funds must also submit an assurance they will not disproportionately, on a per-pupil basis, reduce funding or staffing levels in FY22 or FY23 at schools that serve the greatest percentage of students from families with low incomes.

These maintenance of equity requirements are designed to ensure that school districts and schools that serve a higher proportion of students from families with low incomes do not face disproportionate state and local education cuts if states and school districts make education cuts. These protections will help ensure that higher poverty school districts and schools serving large numbers of Black and Latinx students and higher poverty school districts or schools in rural communities do not face disproportionate state and local cuts.

# Do students who attend private schools receive relief?

Yes. American Rescue Plan includes \$2.75 billion in funding for services to private schools that enroll a significant percentage of students from families with low-incomes. This funding will be implemented under the terms and conditions of the Emergency Assistance to Non-Public Schools (EANS) program authorized under the CRRSAA, except funds provided under American Rescue Plan for EANS cannot be used for reimbursements to non-public schools and must be targeted to non-public schools that enroll a significant percentage of low-income students.

# How can funds be used to support students with disabilities?

American Rescue Plan provides an additional \$3.03 billion in dedicated funds to the Individuals with Disabilities Education Act (IDEA) programs for fiscal year 2021, including \$2.58 billion for grants to states under Part B, \$200 million for preschool grants under section 619, and \$250 million for infants and toddlers programs under Part C. Additionally, school districts receiving grants through the Elementary and Secondary School Emergency Relief Fund (ESSER) can use funds for any authorized activities under IDEA, as well as to meet the needs of students of disabilities in outreach and service delivery, providing technology for online learning, purchasing assistive technology, and planning and implementing summer learning and supplemental afterschool programs. Districts must set aside not less than 20 percent of their ESSER grants for addressing learning loss, including for students with disabilities.

### **Higher Education**

# How is funding allocated to colleges and universities under the Higher Education Emergency Relief Fund?

The Higher Education Emergency Relief Fund (HEERF) allocates funds to public, private non-profit, and for-profit colleges and universities under a nearly identical formula as the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA). This formula equitably provides a total of \$39.6 billion to colleges and universities based largely on the number of Pell Grant recipients they serve.

The main HEERF formula allocates \$36.4 billion to virtually every college and university under the same basic formula as in CRRSAA—77 percent is allocated based on enrollment of Pell grant recipients and 23 percent based on enrollment of non-Pell students, including graduate students or undergraduates who do not qualify for Pell Grants. Of this amount, 2 percent is reserved for institutions that enrolled students exclusively online prior to the pandemic.

Historically Black Colleges and Universities, Tribal Colleges, Hispanic Serving Institutions, and other Minority Serving Institutions will also receive supplemental awards—in addition to the funding they receive under the main formula—totaling nearly \$3 billion. This supplemental funding will be distributed, as it was in CRRSAA, based on the share of annual funding provided to each program in the Department of Education Appropriations Act, 2020 (Public Law 116–94), and other factors outlined in statute.

Finally, a small amount of funding (\$198 million) is reserved, as it was in CRRSAA, for colleges and universities with significant unmet needs that are not addressed by the funding above because they have unique circumstances not reflected in those formulas. The Department is currently soliciting comments on how this funding should be prioritized.

#### What can colleges and universities spend HEERF on?

Colleges and universities will have broad flexibility in how they can use urgently needed HEERF funds. They may use funds to "defray expenses associated with coronavirus," which includes lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll. The U.S. Department of Education maintains guidance regarding specific or unique questions about how the Department determines whether expenses are sufficiently associated with coronavirus. Funding provided under American Rescue Plan and CRRSSA is more flexible than the funding provided under the CARES Act. Further guidance is expected from the Department as the implementation of American Rescue Plan moves forward.

Institutions must also generally provide at least half of their allocation directly to students in the form of emergency financial aid. Public and non-profit institutions must spend at least 50 percent on such aid (but can spend more), while for-profit colleges must spend 100 percent of their allocation on student aid.

# What can students spend emergency financial aid on?

Of the funding provided under HEERF, no less than \$18.4 billion is dedicated to emergency financial aid. Students may use their financial aid on any component of their "cost of attendance" which includes tuition, fees, books, supplies, transportation, health care, child care, and other expenses. They can also use such grants for "emergency costs that arise due to coronavirus" such as tuition, food, housing, health care (including mental health care), or child care, although these costs are already included in a student's cost of attendance. In making financial aid grants to students, an institution of higher education shall prioritize grants to students with exceptional need, such as students who receive Pell Grants.

# What other support and assistance is available to help students in higher education?

American Rescue Plan provides a broad range of financial and income support to help the nation recover from the pandemic. Beyond funding allocated to emergency financial aid, students may be eligible for many of these sources of assistance. For example, the \$1,400 economic impact payments now include adult dependents, which applies to many college students. Households will receive an additional \$1,400 for each dependent.

Students without dependents may benefit from a tripling of the Earned Income Tax Credit (EITC), and student parents will benefit from a massive expansion of the Child Tax Credit (CTC) to \$3,000 per child, or \$3,600 for children under 6. Note that, to claim EITC or CTC, a student must file taxes, and many students are not aware of the benefits of tax filing (including education tax benefits). Additionally, economic impact payments are based on an individual's most recently completed tax return. Students may also be eligible for Pandemic Unemployment Assistance or premium subsidies for health insurance under the Affordable Care Act, both of which were extended and expanded by American Rescue Plan, or eligible for new supports provided for low-income students under CRRSAA, including subsidized broadband and expanded access to the Supplemental Nutrition Assistance Program (SNAP).

Institutions will need to use a portion of their HEERF allocation to conduct direct outreach to students about how they can receive a financial aid adjustment if they, or a supporting family member, have become recently unemployed. Most financial aid packages are based on tax data from two years prior, which means students enrolled in the current 2020-2021 school year are using tax data from 2019, predating massive employment and income disruptions from the pandemic. Financial aid adjustments that look a student's current financial situation could unlock additional Federal, State, or institutional financial aid.

Lastly, the Department of Education is directed to conduct direct outreach to students and borrowers about financial aid, economic impact payments, means-tested benefits, unemployment assistance, and tax benefits, for which the students and borrowers may be eligible.

### **National Service**

#### How does this bill support national service?

American Rescue Plan provides \$1 billion to the Corporation for National and Community Service (CNCS) to support AmeriCorps programs. Funding will be used to support new and existing grants, including AmeriCorps State and National (ASN), AmeriCorps VISTA, and AmeriCorps Seniors. This funding will help support tens of thousands of AmeriCorps members over three years, and provide an increase to the living allowance for ASN and VISTA members. American Rescue Plan also includes a prioritization to target assistance to communities disproportionately impacted by COVID-19. This funding will position CNCS to make immediate investments, including helping schools safely reopen, tackling the growing hunger crisis, and helping communities across the nation address other challenges brought on by the pandemic.

### COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

The American Rescue Plan Act provides funding for Emergency Rental Assistance (ERA). Which renters are eligible for Emergency Rental Assistance and how can they access help?

The American Rescue Plan provides \$21.6 billion to states, local governments with populations over 200,000, and territories to provide emergency rental, utility, and other housing-related assistance and housing stability services to renters. To be eligible for assistance, renters must have incomes below 80 percent of the area median income; qualify for unemployment insurance or have experienced financial hardship during or due, directly or indirectly, to COVID-19; and have a risk of homelessness. These funds augment \$25 billion in funding provided for Emergency Rental Assistance in the December 2020 Consolidated Appropriations Act for FY 2021, but provide grantees with some additional flexibility to better stabilize renters. Many states, local governments, and territories have already opened or are about to open emergency rental assistance programs with funds provided in December. Many tribes are also operating Emergency Rental Assistance programs through funding provided in December or Housing Assistance and Supportive Services for Native Americans funding included in the American Rescue Plan Act.

More information about the ERA program, including a listing of local governments eligible to participate, is available on the U.S. Department of Treasury's website at: <a href="https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program">https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program</a>

The National Council of State Housing Agencies provides links to many of the state-wide ERA programs through a map on its website at: <a href="https://www.ncsha.org/emergency-housing-assistance/">https://www.ncsha.org/emergency-housing-assistance/</a>

#### **Emergency Housing Vouchers**

The American Rescue Plan provides \$5 billion in new Emergency Housing Vouchers. Who will be eligible for these vouchers and how will they be distributed?

The bill provides new, targeted housing vouchers for individuals and households experiencing or at risk of homelessness and survivors of domestic violence and human trafficking. These emergency vouchers will operate much like Section 8 Housing Choice Vouchers administered by local public housing agencies (PHAs), but will sunset once no longer needed by the households to whom they have been awarded. The Department of Housing and Urban Development must notify PHAs of their allocations of emergency housing vouchers within 60 days of enactment.

### **Homeowner Assistance Fund**

# The bill provides funds to help homeowners. What homeowners are eligible and how will those funds be distributed?

The American Rescue Plan Act provides \$9.961 billion for a Homeowner Assistance Fund at the Treasury Department, which will provide funds to states, Tribes, and territories to provide direct assistance to homeowners. The law makes assistance available for homeowners who are experiencing a financial hardship associated with the coronavirus pandemic and whose mortgage (if they have a mortgage) is below the conforming loan limit for the area, which is set annually by Fannie Mae and Freddie Mac and is currently between \$548,250 and \$822,375 for a one-family home. Homeowners are not required to have a mortgage to receive assistance, and funds can be used to provide mortgage payment assistance, help reinstate a mortgage, facilitate interest rate reductions, provide utility or broadband internet assistance,

cover housing-related insurance costs, among other purposes which may be determined in the future. We expect Treasury will put out guidance to further clarify eligible uses of funds, as well as more technical guidance on how funding recipients can determine whether a household is eligible for assistance.

# When will Homeowner Assistance Fund money be available?

The American Rescue Plan Act requires the Treasury Department to determine how much in funding each state, Tribe, and territory will get and to begin making payments to those states, Tribes, and territories that tell Treasury they want to administer the funds within 45 days after the bill is enacted, which will be before the end of April. The minimum allocation to each state is \$50 million, and funds to Tribes are distributed based on the FY 2020 Indian Housing Block Grant formula. Note that a state, Tribe, or territory will be required to tell Treasury that they wish to receive the funds in order to receive them. Treasury has not yet put out guidance on how states, Tribes, and territories will need to request the funds.

#### **Transit**

### How can public transit providers in my state access the \$30 billion in ARPA relief funds?

The vast majority of the funds will be provided through existing Federal Transit Administration (FTA) formula grant programs: Section 5307 for urban areas, Section 5311 for rural areas, and Section 5310 for specialized transportation for seniors and individuals with disabilities. Access to these funds will be similar to CARES and CRRSAA relief funding. Public transit providers should watch for FTA announcements regarding the apportionment of ARPA funds and any related application guidance. (Sign up for FTA's GovDelivery email notices <a href="here">here</a>.)

### **Defense Production Act**

# How will the funding for DPA provided in the American Rescue Plan help our recovery from the pandemic?

The American Rescue Plan provides \$10 billion for the purchase, production, and distribution of medical supplies and equipment. Throughout 2020, we saw what happened with an administration failed to use all of its authorities to respond to the pandemic. Now, the Biden Administration is taking decisive steps to combat the pandemic. This funding will enable the administration to ramp up domestic production of much-needed vaccines, PPE, and other medical supplies and equipment.

### **Small Business**

#### What is the State Small Business Credit Initiative, and how does it work?

Following the previous financial crisis, Congress established the State Small Business Credit Initiative (SSBCI), with a one-time authorization of \$1.5 billion, to increase small business lending and investment. In its initial round of funding (2010-2017), roughly 80% of SSBCI funding supported businesses with ten or fewer employees and 40% went to businesses in low- and moderate-income communities. For each \$1 of federal funding, SSBCI participants leveraged \$8.95 in new financing support for small businesses.

Through the SSBCI, the Treasury Department provides funding to states to expand or create their own small business financing programs. Treasury allocates funds according to a formula based on the number of jobs and job losses in each state in proportion to the aggregate number of jobs and job losses nationally. Each state receives a minimum allocation of 0.9% of the funding. Treasury provides the funding in three tranches. We expect additional information to be posted on the Treasury Department's website at: <a href="https://www.treasury.gov/resource-center/sb-programs/Pages/ssbci.aspx">https://www.treasury.gov/resource-center/sb-programs/Pages/ssbci.aspx</a>.

### COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

#### Disaster Relief Fund & Funeral Assistance

#### What is this funding, and what does it support?

The American Rescue Plan includes \$50 billion for the Disaster Relief Fund (DRF) at the Federal Emergency Management Agency (FEMA). The DRF is the primary source of funding for the federal government's domestic general disaster relief programs. For COVID-19 response, it provides funding support for a variety of covered activities, such as expenses for vaccination campaigns and school reopening.

#### How can I access resources from the Disaster Relief Fund?

These funds support both FEMA Public Assistance and Individual Assistance.

- Public Assistance is funding for state, local, Tribal, and territorial governments and certain
  nonprofits to cover response and recovery costs for major disasters and emergencies.
   Communities interested in applying for a Public Assistance Grant should contact their local or
  state emergency manager to begin the process and submit a Request for Public Assistance form.
- FEMA's Individual Assistance provides financial and direct services to eligible individuals and households affected by a disaster, who have uninsured or underinsured necessary expenses and serious needs. Individuals should visit the FEMA website for information on what resources are available in response to COVID-19.

# Is the Disaster Relief Fund only available for COVID-19 expenses?

No. As the primary source of funding for the federal government's disaster relief programs, the Disaster Relief Fund can be used for COVID-19 response, but also for other disaster relief, such as for hurricanes, wildfires, and floods.

#### What is FEMA funeral assistance, and what does it cover?

FEMA Funeral Assistance is provided to help with the cost of unexpected and uninsured expenses associated with the death of an immediate family member when attributed to a major disaster or emergency, such as the COVID-19 pandemic. Eligible expenses include the cost of the casket, mortuary services, and a burial plot. Congress has authorized COVID-19 funeral assistance costs to have a 100 percent federal cost share dating back to Jan. 20, 2020, through 2021.

#### When will funeral assistance be available for COVID-19?

FEMA will implement the COVID-19 funeral assistance program in April 2021. Additional guidance is being finalized and will be made available to potential applicants and community partners soon. In the meantime, people who have COVID-19 funeral expenses may want to keep and gather documentation.

### **FEMA Grants**

#### What does the FEMA Emergency Food and Shelter Program (EFSP) support?

A: The American Rescue Plan includes \$400 million for FEMA's Emergency Food and Shelter Program (EFSP) for support to homeless services providers. Funded services include overnight shelter, meals, assistance to food banks and pantries, rental or mortgage assistance to prevent evictions, and utility payments to prevent service cut-offs.

# How can eligible applicants access EFSP funds?

Local non-profit, faith-based and governmental entities that provide these types of services in their communities are eligible to apply. Applications will be completed by local entities (including local government agencies) and submitted to EFSP local boards. State government facilities that provide eligible direct services will apply through their EFSP state set-aside committee. Additional information including local board and state set-aside committee contacts is available on the EFSP website. Organizations may also email <a href="mailto:suppfund@uww.unitedway.org">suppfund@uww.unitedway.org</a> or call at (703) 706-9660 to obtain local board and state set-aside contact information.

### What do AFG and SAFER grants support?

A: The American Rescue Plan delivered \$300 million to the FEMA Assistance to Firefighter Grants (AFG) and the Staffing for Adequate Fire and Emergency Response (SAFER) grant program. These critical funds will help ensure these frontline responders have access to PPE, are able to be paid for sick leave and overtime, and fire departments have the support they need in the face of revenue shortfalls due to the pandemic.

### How can eligible applicants access AFG and SAFER Grant funds?

A: Eligible applicants can contact the FEMA AFG Program Help Desk toll-free at (866) 274-0960, or email <u>firegrants@dhs.gov</u> for more information.

### What do FEMA Emergency Management Performance Grants (EMPG) support?

A: The American Rescue Plan included \$100 million for FEMA's Emergency Management Performance Grant (EMPG) program, which supports efforts by emergency managers across the country to prepare for all hazards – a critical effort as we address the ongoing COVID-19 pandemic along with any other threats that may arise.

### How can eligible applicants access EMPG funds?

State Administrative Agencies (SAAs) and State Emergency Management Agencies are eligible to apply for EMPG funding. Individuals interested in funding a project through EMPG should contact their relevant SAA, available on the FEMA website.

### Federal Employees' Compensation Act

# What workers' compensation benefits does this bill ensure for federal employees who contract COVID-19?

This bill ensures that a federal employee can receive Federal Employees' Compensation Act (FECA) workers' compensation benefits if they are diagnosed with COVID-19 while working for the federal government between January 27, 2020 and January 27, 2023; carried out duties during a covered exposure period prior to the diagnosis that required contact with patients, coworkers, or members of the public, or that included a risk of exposure to the coronavirus; and were not exclusively teleworking during the covered exposure period.

All federal employees who are already covered under FECA may file a claim to access these benefits. This bill applies to all types of FECA benefits. Employees can file a claim if they believe they meet the criteria above. To learn more about these criteria, employees should consult the Office of Workers' Compensation at the Department of Labor.

### How can employees apply for the workers' compensation benefits?

These benefits are provided through the regular FECA claims process and systems. Employees can learn more by visiting the Office of Workers' Compensation at the Department of Labor, at <a href="https://www.dol.gov/agencies/owcp/dfec">https://www.dol.gov/agencies/owcp/dfec</a>. Employees can file claims at <a href="https://www.ecomp.dol.gov">https://www.ecomp.dol.gov</a>.

This bill does not apply to an employee if the Department of Labor has already made a determination on their claim before the date of enactment.

# **Emergency Federal Employee Leave Fund**

### Which employees are eligible for emergency leave under this provision?

Employees for whom annual and sick leave is provided under subchapter I of chapter 63 of title 5 are eligible for emergency leave under this provision. This should cover most civilian federal employees, including postal workers and some DC employees. Transportation Security Administration, Veterans Health Administration, and Federal Aviation Administration employees will be eligible for similar benefits but through separate bill provisions.

### In what circumstances can emergency leave be taken?

An eligible employee can take emergency leave for the following reasons:

- (1) The employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19
- (2) The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19
- (3) The employee is caring for an individual who is subject to such an order or has been so advised
- (4) The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis
- (5) The employee is caring for a child who is doing virtual instruction or a hybrid of in-person and virtual instruction, or the child care for such child is unavailable due to COVID-19 precautions.
- (6) The employee is experiencing any other substantially similar condition
- (7) The employee is caring for a disabled or elderly family member whose place of care is unavailable due to COVID-19
- (8) The employee is obtaining immunization related to COVID-19 or isrecovering from any injury, disability, illness, or condition related to such immunization.

### How much emergency leave does this provision provide?

This provision allows for up to 600 hours of paid emergency leave, or the proportional equivalent for part-time and seasonal employees. The benefit is capped at \$2,800 per biweekly pay period. Emergency leave cannot be used concurrently with other types of leave.

### How long is this leave available?

Emergency leave is available through September 30, 2021.

### **Cybersecurity and Information Technology**

The bill includes \$2 billion, which is not as much as the \$10 billion that was proposed in the President's American Rescue Plan, but is still a meaningful investment to provide better and more secure services to the American public during the COVID-19 pandemic. This includes funding for new personnel, equipment, applications, and cybersecurity.

#### What cybersecurity support does the bill include?

The bill provides \$650 million to the Cybersecurity and Infrastructure Security Agency (CISA) at the Department of Homeland Security to mitigate cybersecurity risks, such as those resulting from agencies' rapid shift to working from home, and hacks of agencies and researchers involved in vaccine development and distribution. CISA identifies threats, shares information and assists with incident response to defend our nation's critical infrastructure.

# How can local governments and health systems get connected to these cybersecurity efforts?

CISA.gov has extensive resources for improving cybersecurity. To better coordinate and provide services with state, local, tribal, and territorial partners, CISA has regional offices and additional information is available on CISA's website.

# How does the bill address information technology challenges that have hampered the response to COVID-19?

The bill supports new personnel, equipment and applications to improve the way government delivers services and information to the American public. These funds will allow the United States Digital Service (USDS) to surge top talent to help agencies use technology to better deliver services; provide a structured process through the Technology Modernization Fund (TMF) to accelerate modernization of outdated systems; and, provide government-wide technology products and services that agencies can leverage to improve how they interact with the public. Government services should be delivered in ways the public now demands and expects—quick, easy, secure, and accessible.

### COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

# I represent a 501(c)(3)/501(c)(6) nonprofit organization that supports small businesses, will my firm be able to apply to be a Navigator?

Yes, the legislation to establish the Community Navigator pilot program states that private nonprofit organizations, those described in section 501 (c) of the Internal Revenue Code, as well as SBA resource partners - including Small Business Development Centers, Women's Business Centers, and SCORE chapters—and States, Tribes, and local governments are eligible to participate in the program to ensure the delivery of free community navigator services.

# Will CDFIs be able to apply to be a Navigator?

If the CDFI is an organization described in section 501(c) of the Internal Revenue Code, they will be eligible to apply and participate in the program.

#### How large will the grants to each Community Navigator organization?

The SBA will establish the program parameters and determine the appropriate grant size.

# Who is newly eligible for the Paycheck Protection Program (PPP) since the passage of the American Rescue Plan?

The American Rescue Plan expands PPP eligibility to include more nonprofits and digital news companies. PPP is expanded to nonprofits listed under Section 501(c) of the Internal Revenue Code, except for 501(c)(4)s which remain ineligible for PPP as well as those made ineligible in SBA regulations. The newly eligible nonprofit entities, including many labor unions, may receive PPP loans provided that the organization does not receive more than 15 percent of receipts from lobbying activities; the lobbying activities do not comprise more than 15 percent of activities; the cost of lobbying activities of the organization did not exceed \$1,000,000 during the most recent tax year that ended prior to February 15, 2020; and the organization employs not more than 300 employees.

The plan also makes local offices of larger nonprofit organizations eligible for PPP. 501(c)(3)s, 501(c)(6)s, and the newly eligible nonprofits with multiple physical locations are eligible for PPP, provided that each location does not exceed its employee headcount cap.

### Will PPP be extended beyond the current March 31 deadline in the American Rescue Plan Act?

The House is expected to consider a bill later the week of March 15<sup>th</sup> to extend the PPP program to May 31<sup>st</sup>, with an additional month thereafter for lenders and SBA to fully process applications. Should the bill pass the House, the Senate will take the bill up later that week.

# Can I get a Shuttered Venue Operators Grant (SVOG) if I have received a second draw PPP?

Yes, entities are now eligible for SVOG, regardless of whether they have received a second draw PPP loan or a first draw PPP loan issued after December 27, 2020. However, once an entity applies for SVOG, they can no longer apply for PPP.

# Can I apply for a Restaurants Grant if I have received a PPP loan?

Yes. However, an entity's award will be reduced by the amount of any PPP loan it has received.

# Can businesses apply for Restaurants Grants if they opened after the start of the pandemic?

Yes, an entity that opened after the start of the pandemic or that has not yet opened, but incurred costs prior to March 10, 2021 in anticipation of opening in the future is eligible to receive a Restaurants Grant.

# What do I need to do to access new EIDL targeted grant funding?

For those entities that have already applied for an EIDL loan, but did not receive a full \$10,000 Advance, you will be contacted by SBA if you are eligible for a targeted grant. Grants are available for businesses with losses greater than 30 percent and that are located in a low-income census tract.

### Who is eligible for a \$5,000 supplemental EIDL grant?

Any business that suffered losses of greater than 50 percent and is located in a low-income census tract is eligible for a \$5,000 supplemental grant from SBA. This grant may be in addition to any EIDL Advance or EIDL targeted grant that entity has received.

### **COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS**

# **Environmental Pollution**

# How does the American Rescue Plan Act address health outcome disparities from pollution and the COVID-19 pandemic?

There's clear data (examples <a href="here">here</a> and <a href="here">here</a>) that shows pollution worsens outcomes for those who become ill with COVID-19 and communities with higher air and toxic pollution face higher mortality rates from COVID-19. These communities are both rural and urban and are often low income communities and communities of color. The American Rescue Plan provides \$50 million in funding for EPA grants to help minority and low income communities reduce the pollution that is linked to COVID-19 health outcome disparities. This funding is going toward EPA programs, such as the Diesel Emissions Reduction Act (DERA) and Brownfields Program, known to have a proven track record for cleaning up deadly air and toxic pollution and creating good-paying American jobs.

# How does the American Rescue Plan Act help communities monitor air pollution that is linked to higher COVID-19 death rates?

Communities with higher air pollution exposure experience significantly higher COVID-19 mortality rates. Just as air pollution poses special risks to those with asthma and other respiratory disease, pollution poses extra risks for those suffering from COVID-19. At the same time, our nation's air quality monitoring system that helps communities track air pollution and air quality is antiquated and in desperate need of updates to meet today's challenges, see <a href="here">here</a>. The American Rescue Plan Act provides \$50 million in funding to EPA to update our nation's air quality monitoring system and mitigate air pollution linked to higher COVID-19 mortality rates.

# **Economic Development**

# How does the American Rescue Plan Act use the Economic Development Administration to help struggling local economies?

The Economic Development Administration (EDA) at the U.S. Department of Commerce has been an essential tool is assisting communities that have suffered adverse economic impacts due to the COVID-19 pandemic. Previously, Congress invested \$1.5 billion for the EDA in the CARES Act. These funds were directed through the EDA's flexible Economic Adjustment Assistance program and have been deployed for various economic development-related activities. The ARPA has provided an additional \$3 billion for the Economic Adjustment Assistance Program. These funds will be able to assist communities through technical, planning, and financial assistance. In addition, \$750 million will be targeted to negatively-impacted communities due to the coronavirus that rely heavily on the travel, tourism, and outdoor recreation industries.

More information about the assistance provided about the EDA's response to the coronavirus, please visit: <a href="https://www.eda.gov/coronavirus/">https://www.eda.gov/coronavirus/</a>.

### **Preventing Future Pandemics**

# How does the American Rescue Plan Act help prevent future pandemics caused by the spread of zoonotic disease?

COVID-19 is a zoonotic disease, meaning it can spread between species, and scientists believe it originated in wildlife. The majority of emerging infectious diseases are also zoonotic. Zoonotic diseases can spread when species that do not typically interact are forced do to so, and these interactions are common in the wildlife trade. The U.S. Fish and Wildlife Service (FWS) at the Department of the Interior plays a critical role in regulating that trade both domestically and internationally. The ARPA provides \$20 million to the FWS to address wildlife trafficking and \$10 million to restrict the trade of injurious species under the Lacey Act. Injurious species include those that pose a risk to human health. The ARPA also provides \$45 million to the FWS to track and study wildlife diseases.

### **Aid to Zoos and Aquariums**

# How does the American Rescue Plan Act assist zoos and aquariums in their care of rescued, confiscated, endangered and threatened species?

Zoos, aquariums and research institutions are key partners to the FWS in conserving threatened and endangered species and in rescuing and rehabilitating confiscated and imperiled wildlife. For example, aquariums have helped rescue, rehabilitate and release hundreds of cold-stunned turtles this year, including in the Atlantic and on the Gulf Coast. Zoos and aquariums regularly care for species protected under the Endangered Species Act, such as Mexican wolves, black-footed ferrets and manatees. Zoos and aquariums typically invest private capital in these efforts, but due to lost revenues caused by the COVID-19 pandemic, zoos and aquariums require funding assistance to continue their important conservation efforts and partnership with the FWS. The ARPA provides \$30 million to assist these facilities.

#### **COMMITTEE ON VETERANS' AFFAIRS**

### Funding for Claims and Appeals Processing (Sec. 8001)

I am a veteran who is awaiting my federal records so I can file a disability claim with VA and receive compensation. How will this legislation help me?

Funds from the American Rescue Plan will be used to expand the scanning of service records from federal records facilities impacted by COVID-19 so that veterans can have speedier access to their documents and allow them to file their claims for benefits.

#### **State Veterans Homes (Sec. 8004)**

# I run a State Veterans Home. How much can I expect to receive from VA for my one-time emergency payment?

The \$250 million for one-time emergency payments to support State Veterans Homes will be apportioned to state homes based on the current census of veteran residents in the state home. Based on the most recent data, State Veterans Homes can expect about \$14,285 per veteran who is residing in their state home (for whom VA already pays per diem).

# I run a State Veteran Home, is there anything in the legislation that can help me with construction costs or renovations for my home?

Yes. There is \$500 million for construction or renovation of state veterans homes – known as the Grants for Construction of State Extended Care Facilities program. This funding, overseen by the Department of Veterans Affairs (VA), will generally go toward federal-matching funds (up to 65 percent) for states and territories that have already submitted applications to VA and have also secured their state matching funds. In addition, the previous CARES Act law, as modified by Section 513 of Public Law 116-260, provides \$150 million in construction funding specifically targeted at COVID-19 preparation, prevention, and response.

# Rapid Retraining Program (Sec. 8006)

# I'm a veteran who lost my job during the pandemic. Do I qualify for this program? And how do I apply?

Veterans between the ages of 22 and 66, who are unemployed due to COVID-19, and do not have any remaining eligibility under any other VA education benefits qualify for the Rapid Retraining Assistance Program. Similar to other VA education programs, veterans will apply to VA to confirm their eligibility before selecting a program of training or education.

### VA Copayment Waiver (Sec. 8007)

# I'm a veteran who uses VA health care. How does this legislation help me with copayments and health care costs?

VA paused medical billing and debt collection during the pandemic beginning on April 6, 2020. The American Rescue Plan waives any VA health care copayments incurred between April 6, 2020 to September 30, 2021, removing out-of-pocket costs as a barrier to health care access.

I'm a veteran who used VA health care during the pandemic and paid my bills in December after VA sent me a letter saying how much I owed. Will I get my money back?

Yes. The American Rescue Plan authorizes VA to reimburse any veteran who already submitted payments for VA health care received between April 6, 2020 to September 30, 2021.

# **Emergency VA Employee Leave Fund (Sec. 8008)**

# I'm a VA health care provider or employee under Title 38. How does legislation increase my leave options?

The American Rescue Plan provides full-time employees up-to 600 hours of emergency paid leave (proportional for part-time employees) for Title 38 employees who are unable to work for reasons including, but not limited to: being under a quarantine or isolation order due to COVID-19; having been advised by a health care provider to self-quarantine due to COVID-19; caring for a child who is affected by a school-closure; or is receiving a COVID-19 immunization or is receiving from that immunization.

#### **COMMITTEE ON FINANCE**

# **State and Local Fiscal Relief**

# How can recipient governments use relief allocations from the State and Local Fiscal Recovery Funds?

The Department of Treasury will issue guidance detailing its interpretation and implementation of eligible uses, but the statutory language specifically authorizes use of the funds. Each of the following is a separate allowable use of the funds for the recipient:

- To respond to the pandemic or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- For premium pay to eligible workers performing essential work (as determined by each recipient government) during the pandemic, providing up to \$13 per hour above regular wages;
- For the provision of government services to the extent of the reduction in revenue due to the pandemic (relative to revenues collected in the most recent full fiscal year prior to the emergency);
- To make necessary investments in water, sewer, or broadband infrastructure;

In addition, a recipient may transfer its allocation to a private nonprofit organization, Tribal organization, public benefit corporation involved in the transportation of passengers or cargo, or special-purpose unit of State or local government, if the recipient government so chooses. The recipient entity would need to use the funds consistent with the purposes listed above.

The recipient government must send Treasury periodic reports with a detailed accounting of the uses of the funds (States and territories must also provide all modifications to tax revenue sources since March 3, 2020).

The language explicitly prohibits funds from being deposited into a pension fund.

States and territories are also prohibited from using the funds to offset, either directly or indirectly, a tax cut made since March 3, 2021.

While the State and Local Fiscal Recovery Fund eligible uses are broader than those of the CARES Act Coronavirus Relief Fund, <u>guidance</u> previously released for the Coronavirus Relief Fund may provide insight into how Treasury may interpret and implement these American Rescue Plan provisions.

### How will state and local governments receive the relief allocations?

States and territories will receive their allocations within 60 days of submitting to Treasury a certification signed by an authorized officer that the funds are needed to respond to the pandemic and will be used in compliance with the eligible uses. If Treasury decides that a payment to a state requires additional justification, the Secretary could choose to withhold up to 50% of the

allocation to each state and territory for up to 12 months from the date the certification of need is received. Such a withholding would not be required, and if the state or territory submits a second certification of need, the Secretary would be required to release the withheld amount by the 12-month deadline.

Funding for counties, metropolitan cities, and nonentitlement units of local government (generally those under 50,000 inhabitants) will be separated into two tranches. To the extent practicable, Treasury is required to send out the first tranche (equal to 50% of the recipient's allocation) within 60 days of enactment, and the second tranche (the remaining 50%) not earlier than one year after the first disbursement. Counties, metropolitan cities, and nonentitlement units of local government are not required to submit a signed certification of need to Treasury.

Because it could take a full year for Treasury to calculate and disburse the allocations for nonentitlement units of local government, Treasury is instead required to send the amounts intended for those recipients to each state (including territories) within 60 days. States and territories would then have 30 days to disburse the funds to the nonentitlements based on population. Because of the potential administrative burden of evaluating the eligibility for all of these smaller localities, a state could, if necessary, ask Treasury for up to three extensions for distributing one or more of those allocations. The state or territory would need to justify why the extension is warranted, and would have <u>no</u> authority to change the amount of, or attach additional requirements to, the payments allocated to the intended local government recipients.

# Why have the allocations on the estimates spreadsheet changed over time?

• **States**: The bill was amended in the Senate to replace the minimum base payment to states of \$500 million with a total state- and local-level combined allocation equal to what the states received under the CARES Act, guaranteeing a minimum of \$1.25 billion for each state.

#### Counties:

- A correction was made to an error in the way the CDBG allocations were weighted across counties. This resulted in a greater number of urban counties receiving the CDBG markup (up to 14, from 11 previously) and a subsequent reduction in the amounts received by other counties.
- A correction was made to a data sorting error that resulted in the wrong population inputs being used for roughly 3% of all counties.

# • Metropolitan Cities:

- A correction was made for an error in the way the CDBG allocations were weighted across metro cities. This resulted in increases in the projected assistance to each metropolitan city by about 9%.
- o Eligible metropolitan cities that did not receive a FY2020 CDBG award and were therefore left off initial runs were manually identified and added when possible.

• Nonentitlement Units of Local Government: The estimates gained more precision over time based on updates to how Treasury will calculate the nonentitlement allocation for each state, as well as a change to the definition of "nonentitlement unit of local government" to more accurately cover active local governments performing the functions of municipalities, as had been the intent. For example, the prior definition would have inadvertently made non-governmental entities eligible for allocations, which while appropriate for the CDBG program, was not the policy intent of the state and local funding in the American Rescue Plan.

# What will cause final allocations to differ from the estimates spreadsheet?

- Interpretation and implementation decisions by the Department of Treasury, including the possibility of using the FY2021 CDBG formula for metro cities or 2020 population data for counties and nonentitlements (that data was not available at the time that the Congressional Research Service's preliminary estimates were calculated).
- The cap on nonentitlement allocations at 75% of the entity's most recent budget as of January 27, 2020. Congressional Research Service analysts do not have local budget information sufficient to calculate this cap, so it is not reflected in the estimates.
- Redistribution of funds from inactive counties to the local governments within the county.
- Potential addition of eligible metro cities that did not receive a FY2020 CDBG award and were therefore not included on the spreadsheet.
- Projected amounts for nonentitlements may be divided between more than one nonentitlement government to the extent that eligible nonentitlement governments have overlapping populations (for example, residents of a village government and town government in New York). In cases where an eligible government does not appear on this list but another government representing some or all of its population is listed, the total estimate provided represents all of the nonentitlement funding attributable to the government's underlying population. Treasury guidance on how to distribute amounts for overlapping government will be determinative.

# What if a city, town, village, or township is not included on the estimates spreadsheet?

The updated spreadsheet is <u>not</u> a comprehensive list of eligible nonentitlement units of local government; rather, it uses publicly available data to estimate how Treasury might interpret the law.

The legislation defines "nonentitlement unit of local government" as either:

(1) Any "municipality" (as defined by the Census) that is a city, county, town, township, parish, village, or other general purpose political subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions that, except as

provided in section 5306(d)(4) of this title, is recognized by the Secretary; and the District of Columbia.

or,

- (2) any non-municipality (as defined by the Census) that is a town or township and which:
  - (i) possesses powers and performs functions comparable to these associated with municipalities,
  - (ii) is closely settled, and
  - (iii) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census which have not entered into cooperation agreements with such town or township to undertake or to assist in the undertaking of essential community development and housing assistance activities.

The Treasury Department will determine how this will be interpreted and implemented.

In cases where an eligible government does not appear on this list but another government representing some or all of its population is listed, the total estimate provided represents all of the nonentitlement funding attributable to the government's underlying population. Treasury will determine how such amounts are divided among such overlapping units of government.

# What about cases where a local government appears more than once?

The legislation provides for funding to cities (including both metro cities and nonentitlements) and counties to be separate and distinct. In cases where cities are also incorporated as counties, those governments should expect to receive funding both as a city and as a county.

However, any case where a local government is listed once as a city – either as both a metro city and a nonentitlement government, or twice as a nonentitlement government – is likely the product of error inherent in the estimating process. For any government that is listed as both a metro city and a nonentitlement government, the metro city estimate is likely to be more accurate. In cases where a government is listed more than once as a nonentitlement, any duplication should be ignored and the estimate should only be counted once, keeping in mind that some states have governments with identical names in different counties.

### **Unemployment Insurance**

# How long will enhanced unemployment benefits be available?

The American Rescue Plan extends all of the emergency unemployment programs from the CARES Act and the Families First Act until September 6, 2021. This includes coverage for self-employed workers (Pandemic Unemployment Assistance) and additional weeks of coverage for workers who have exhausted their state benefits. The weekly supplement (Federal Pandemic Unemployment Compensation) amount will be \$300 per week until September 6. Each state administers its own unemployment insurance program, so unemployed workers should continue to apply for and receive these benefits through their state unemployment office.

### Additional Recovery Rebates for Individuals in 2021

The Rescue Plan provides a third round of rebates worth \$1,400 for individuals (\$2,800 for couples) and \$1,400 per dependent (including adults). A family of four would receive \$5,600. This rebate phases out for adjusted gross incomes between \$75,000 and \$80,000 for single filers, \$112,500 and \$120,000 for heads of household, and \$150,000 and \$160,000 for married couples filing joint returns. You must file a tax return this year (or have filed last year) to receive a rebate check (or direct deposit). Rebates will start going out in the weeks following passage of the Act.

**Do I need have income or earnings to receive a rebate?** No, there is no income floor or phase-in of the rebate. People receiving Social Security or Supplemental Security Income (SSI) are eligible. Also, Rebates will not be counted as income for income-conditioned programs like Medicaid, SSI or SNAP.

**Do I need a Social Security Number to receive a rebate?** Yes, in general, only members of your family with a Social Security Number (SSN) are eligible for a rebate. Unlike previous rebates, this third rebate goes to children with SSNs even if their parents lack SSNs. The Rescue Plan also provides rebates to a spouse without an SSN if the taxpayer is an active member of the military.

### **Child Tax Credit (CTC)**

The Rescue plan expands the Child Tax Credit for 2021 from \$2,000 per child to \$3,000 (\$3,600 per child under 6). Makes the child tax credit fully refundable and also extends the credit to children age 17 for the first time. The additional \$1,000 of credit (\$1,600 for a child under 6) phases out at a 5 percent rate for single filers with incomes above \$75,000 (and above \$112,500 for heads of household and \$150,000 for joint filers. (Just as under current law, the "base" child tax credit of \$2,000 phases out at a 5 percent rate above \$400,000 for joint filers and \$200,000 for other filers).

Will families be eligible for monthly payments of the credit? Starting in July, the Rescue Plan directs the Treasury Secretary to make *periodic* credit payments to taxpayers based on 2019 or 2020 tax return information. The frequency of the payments will depend on IRS administrative capacity and whether the taxpayer has a direct deposit information on file with the IRS.

Can taxpayers update their account information and family composition with IRS? Yes, the Rescue Plan directs Treasury to develop an online portal to allow taxpayers to update their bank account information, filing status, number of dependents, and even a significant change in income. The online portal will also allow taxpayers to opt out from receiving periodic payments and instead claim the full refundable credit when they file their tax year 2021 tax return.

Will families who qualify for the advance credit based on their 2019 return but who earn above the income thresholds in 2020 have to repay excess credit amounts they received?

In the case of taxpayers who received an overpayment of the advance credit due to a child for whom the advance was paid in 2021 – when the child was no longer that taxpayer's dependent – a hold-harmless amount is allowed against the repayment obligation. Under this hold-harmless amount, a taxpayer below an income threshold (\$40,000 for a single taxpayer, \$50,000 for a head of household, and \$60,000 for a joint filer) will be protected from repaying up to \$2,000 in overpayments per child that was incorrectly taken into account. The hold-harmless threshold is decreased to \$0 as the taxpayer's income rises to double the threshold amount.

**Does the expanded Child Tax Credit apply in U.S. territories?** Yes, the Rescue Plan extends the full refundable and advanceable child tax credit to Puerto Rico and other U.S. territories for the first time, and

the extension is permanent. Residents of Puerto Rico, which has its own tax code instead of a "mirror" tax code, will be able to apply for the child tax credit by filing a Federal 1040 tax return.

### **Child and Dependent Care Tax Credit (CDCTC)**

The American Rescue Plan expands the child and dependent care credit for 2021 in several ways. First, it raises the credit percentage from 30 percent of child care expenses to 50 percent of such expenses. Second, it increases allowable child care expenses from \$3,000 for one child to \$8,000, and from \$6,000 for 2 or more children to \$16,000. These two changes result in a maximum credit of \$4,000 for one child and \$8,000 for two or more children (compared to \$1,050 and \$2,100, respectively, under current law). Finally, the Rescue Plan makes the credit refundable, allowing families with little tax liability to benefit from the credit.

# At what income does the credit phase out?

The full credit is available to families with income under \$125,000. At \$125,000 the credit percentage of 50 percent begins to phase down 1 percentage point for every \$2,000 of income until it plateaus at 20 percent for incomes above \$185,000. This 20-percent credit rate phases out for taxpayers whose AGI is in excess of \$400,000, such that taxpayers with income in excess of \$500,000 are not eligible for the credit.

## Is the expanded CDCTC available in U.S. possessions?

Yes, the Rescue Plan also provides for Treasury to reimburse mirror code territories for the costs of this refundable credit in 2021. Additionally, for non-mirror code territories (Puerto Rico and American Samoa), provides a reimbursement for the aggregate value of such a credit, provided the territory develops a plan, approved by the Secretary, to distribute these amounts to its residents.

### **Earned Income Tax Credit**

The Rescue Plan nearly triples the EITC for 2021 for childless workers from \$543 to \$1,502 by: increasing the credit percentage from 7.65 to 15.3 percent of earnings; increasing the earnings level at which the maximum credit amount is reached to \$9,820; and increasing the income at which the phase-out of the credit begins to \$11,610 (for filers other than joint filers). The provision contains special rules regarding the application of the credit for former foster youth and homeless youth. The plan also makes several other expansions to the EITC:

- Permanently allows the childless EITC to otherwise-eligible taxpayers whose children fail to meet child identification requirements (including having a valid SSN for qualifying children).
- Permanently allows a married but separated individual to be treated as not married for purposes
  of the EITC if a joint return is not filed. Thus, the EITC may be claimed by the individual on a
  separate return.
- Permanently increases the limitation on disqualified investment income for purposes of claiming the EITC from \$3,650 to \$10,000. The \$10,000 amount is indexed for inflation.
- Permanently extends the EITC to the U.S. territories for the first time by instructing Treasury to make payments to the territories that relate to the cost of each territory's EITC.
- Allows taxpayers in 2021, for purposes of computing the EITC, to substitute their 2019 earned income for their 2021 earned income, if 2021 earned income was less than 2019 earned income. This provision is also extended to U.S. territories.

# Does the expansion of the Childless EITC change current age limits? For whom?

Generally, the expanded childless EITC lowers the first eligibility age from 25 to 19 and removes the maximum eligibility age of 65. Exceptions to first age eligibility include full-time students (age 24), qualified homeless youth (age 18) and qualified former foster youth (age 18). Qualified former foster youth are persons who have attained age 14, were in a foster care program, and consent to disclose this information to the IRS. Qualified homeless youth are individuals who certify to IRS they are unaccompanied homeless youth (or are at risk of becoming so) and are self-supporting, according to criteria and guidelines to be established by the Secretary of the Treasury.

### What are the qualifications for allowing certain separated spouses to claim the EITC?

This new rule only applies if the taxpayer lives with a qualifying child for more than one-half of the taxable year and either does not have the same principal place of abode as his or her spouse for the last six months of the year, or has a separation decree, instrument, or agreement and doesn't live with his or her spouse by the end of the taxable year. This change aligns the EITC eligibility requirements with present-day family law practice

#### How will the EITC work in the U.S. territories?

In the case of Puerto Rico, Treasury will provide a match of up to three times the current cost of Puerto Rico's EITC, if Puerto Rico chooses to expand its current EITC. The other territories receive cost reimbursements of 75% of their EITC expenditures. The territories must provide Treasury with annual reports on the estimate of costs and a statement of costs with respect to the preceding year.

### **Pensions**

### How does the American Rescue Plan impact private sector pension plans?

The legislation includes a new financial assistance program that is available for certain multiemployer pension plans. Eligible plans are generally plans that are expected to become insolvent in the next 20 years. The financial assistance program will preserve plan solvency for 30 years—until 2051—with no benefit cuts for workers and retirees. The financial assistance program will be administered by the Pension Benefit Guaranty Corporation (PBGC). Due to the financial assistance program, the PBGC's insurance program for multiemployer pension plans is expected to remain solvent for another 20 years—until around 2046. Additionally, the legislation includes funding relief for employers that contribute to private-sector pension plans. This allows flexibility for employers that are struggling with competing needs for their cash resources. Treasury and IRS will issue guidance on the funding relief.

#### **Small Business**

### How does the American Rescue Plan help small business?

The legislation extends the paid-leave tax credits through the end of September. The credits are fully refundable and advanceable. IRS will be providing information soon on the extension of these credits.

The legislation also extends, and expands, the employee retention tax credit through the end of the year. Any business that has been forced to fully or partially suspend operations, or that has seen a drop in revenues is eligible for a 70-percent credit for wages paid to furloughed or reduced-hour employees. For the third and fourth quarters of 2021, new businesses with \$1 million or less in receipts are also eligible, regardless of whether they are subject to a government closure order or experienced a drop in receipts. For businesses with 500 employees or less, the credit is based on all wages paid, regardless of whether an

employee is providing services. The credit can be claimed against the business's quarterly payroll tax liability and is fully refundable to the extent of excess. There are also options to receive advance payments of the credit for businesses with 500 employees or less. Small business owners should lookout for updated information at IRS.gov and talk to their payroll service provider, as applicable.

# **Health and Human Services Provisions**

#### How does the American Rescue Plan help people enroll in health insurance?

The American Rescue Plan includes multiple provisions that will help people access or maintain health coverage more affordably during the COVID-19 pandemic.

- Marketplace coverage: For 2021 and 2022, the American Rescue Plan increases and expands access to the premium tax credits available to help individuals purchase coverage through the health insurance marketplaces. The bill removes the 400% federal poverty level (FPL) cap on eligibility, allowing middle-income individuals and families to save potentially thousands of dollars a year in reduced premiums. The bill also makes these premium tax credits more generous across the board. As a result, for example, individuals with incomes from 100% to 150% FPL will be eligible for no-premium coverage.
- Coverage for recipients of unemployment compensation: In addition to expanding premium tax credits generally, the bill provides additional assistance to help individuals who experienced job loss access coverage. For 2021, recipients of unemployment compensation may receive premium tax credits to help enroll in coverage in the health insurance marketplaces. For purposes of calculating the size of the credit, income above 133% will be discarded, allowing these individuals to purchase coverage cost-free.
- Employer sponsored coverage: The American Rescue Plan fully subsidizes COBRA coverage for eligible individuals from April 1 through September 30, 2021. Individuals may receive premium assistance if they are eligible for and opt into COBRA, or if they would have been enrolled in COBRA had they elected or continued COBRA coverage after experiencing a qualifying event prior to enactment. Individuals will not be eligible for premium assistance if they voluntarily left their employment, are eligible for Medicare, or are eligible for another group health plan.

# I lost my job and my employer-sponsored health insurance in 2020. Could I still be eligible for COBRA premium assistance?

Yes. The American Rescue Plan fully subsidizes COBRA premiums for eligible individuals from April 1 through September 30, 2021. Eligible individuals include those who are eligible for and opt into COBRA, so long as they did not voluntarily leave their employment, are not eligible for Medicare, and are not eligible for another group health plan. Individuals may receive premium assistance if they experienced a qualifying event prior to enactment, even if they did not opt into COBRA or discontinued COBRA at the time, as long as they would still be eligible for COBRA had they elected or not discontinued such coverage. These individuals may enroll in prospective subsidized COBRA coverage through an extended election period, and will not be required to back pay premiums to the date of the qualifying event. As a result, individuals who experienced job loss in 2020 but did not opt into or discontinued COBRA coverage at the time may have the opportunity to receive subsidized coverage under this bill. The bill does not extend an individual's underlying eligibility for COBRA continuation coverage.

#### How does the bill increase support for state Medicaid programs?

The American Rescue Plan provides state Medicaid programs with extra support through a number of ways. First, it provides states with a 100 percent federal matching rate for COVID-19 vaccines and administration for both Medicaid and CHIP during the public health emergency and the following year. This means the federal government will pick up 100 percent of those costs. It also provides states with a temporary federal medical assistance percentage (FMAP) increase of 10 percentage points for a period of one year to provide additional support for Medicaid home and community-based services. It provides states with a 100 percent Medicaid FMAP for services provided to Medicaid beneficiaries receiving care through Urban Indian Organizations and Native Hawaiian Health Care Systems for two years, additional federal Medicaid DSH support, and further incentivizes states that have yet to expand their Medicaid programs to do so by providing additional federal support through a FMAP increase of 5 percentage points to a state's base FMAP for two years. Finally, the American Rescue Plan provides \$250 million to the Secretary for the purposes of allocating to States to establish and implement strike teams to nursing facilities to address COVID-19.

# I've heard the bill expands postpartum health coverage and mental health services in Medicaid, how so?

In addition to requiring states to cover COVID-19 vaccines and treatment without beneficiary costsharing and encouraging states to expand their Medicaid programs to help close the coverage gap, the American Rescue Plan also provides states with additional options to improve coverage and care. It includes a downpayment on improving maternal health by providing states with a state plan option to extend Medicaid eligibility to individuals for 12 months postpartum in both Medicaid and CHIP. This option starts one year after enactment and lasts for five years. It also provides states with a state plan option and 12 quarters of enhanced federal support to provide qualifying mobile crisis intervention services to individuals experiencing a mental health or substance use disorder crisis. The option is available one year after enactment and lasts for 5 years. It also provides \$15 million in funding to the Secretary to issue grants to states to plan for and apply for the option.

### Are there drug pricing policies in the American Rescue Plan?

Yes. The American Rescue Plan includes a provision to remove the maximum rebate on Medicaid drug rebates starting January 1, 2024.

### **Emergency Assistance to Families through Home Visiting Programs**

# How does this bill increase support for home visiting programs?

The American Rescue Plan provides \$150 million to MIECHV-funded home visiting programs which is available to be obligated until the end of fiscal year 2022.

### Which home visiting programs are eligible for funding?

To receive funding, entities must be operating a Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program. MIECHV home visiting programs must consent to amend their existing grants or contracts, agree not to reduce staffing levels during the COVID-19 pandemic, and if they choose to provide diapering supplies during the public health emergency, coordinate with diaper banks operating in their services areas to the extent practicable.

# What can MIECHV-funded home visiting programs use the new funds for?

The emergency funds can be used for the following array of uses:

- Serving families with home visits, whether in person or virtually
- Staff costs associated with home visits (including hazard pay)
- Training for home visitors on virtual home visits, emergency preparedness, and conducting intimate partner violence screenings
- Helping enrolled families acquire technology needed to conduct a virtual home visit, including WiFi access or cell phone minutes
- Providing emergency supplies to enrolled families, including formula, food, water, hand soap and sanitizer, and diapers and diapering supplies
- Coordinating with and providing reimbursement to diaper banks when using them to provide emergency supplies
- Providing prepaid grocery cards to an eligible family

# **Emergency Assistance to Children and Families**

#### What can this money be used for?

The American Rescue Plan provides \$1 billion in emergency assistance within the Temporary Assistance for Needy Families (TANF) program. Funds can only be used to provide families Non-Recurrent Short-Term cash and other Non-Recurrent Short-Term benefits, as defined in ACF-196R, published on July 31, 2014, to help meet their basic needs (e.g., rent, utilities, food, clothing). States, tribes and territories cannot use more than 15 percent of the funds allotted to them to cover administrative costs.

#### How is it distributed to states/localities?

Of the \$1 billion, \$2 million is reserved for the Department of Health and Human Services (HHS) to cover administrative expenses and provide technical assistance and \$74.85 million is set aside for Tribal TANF programs and all U.S. territories, to be distributed in a manner deemed appropriate by the HHS Secretary. The remaining \$923.15 million is distributed to the 50 states and the District of Columbia based on an allotment formula that is half based on the population of children in the state and half based on fiscal year 2019 state expenditures on direct cash assistance and Non-Recurrent Short-Term benefits to low-income families with children.

#### What if a state/locality doesn't use their allotted funds?

The HHS Secretary is required to reallocate unspent funds among states, Indian tribes and U.S. territories in the same proportions as the original funding was provided. States, Indian tribes, and U.S. territories receiving reallocated funds have 12 months upon receipt to use the additional funds.

Are these funds subject to normal TANF requirements? For example, do I need to be working a set number of hours to receive assistance?

No traditional TANF requirements apply to the cash assistance or short-term benefits provided with these funds.

### **Child Care Assistance**

What is the Child Care Entitlement to States and how is this different from other child care assistance provided in this bill?

The Child Care Entitlement to States (CCES) is annual mandatory child care funding within the Social Security Act. CCES funds are integrated, at the state level, with discretionary allotments from the Child Care and Development Block Grant (CCDBG).

The \$633 million increase in CCES funds provided by this bill is permanent, unlike the other child care assistance provided in this bill which are one-time emergency appropriations. In other words, annual funding for the CCES is permanently increased to \$3.55 billion per year, of which \$3.375 million will be allotted for states and the District of Columbia, \$100 million will be allotted for Indian tribes, and \$75 million will be allotted to U.S. territories.

### Did the U.S. territories always get funding from the Child Care Entitlement to States?

No, this bill expands eligibility to CCES funds to the Commonwealth of Puerto Rico, United States Virgin Islands, Guam, American Samoa, and Commonwealth of the Northern Mariana Islands and sets aside \$75 million per year to be allotted to them in proportion to their respective needs.

# What does the modification of state match requirements for fiscal year 2021 and fiscal year 2022 mean?

This bill waives the required state match on funding above \$2.917 billion for fiscal year 2021 and fiscal year 2022. This means that states will not have to match any of the additional funds they receive from the \$633 million per year increase for the applicable fiscal years.

#### **COMMITTEE ON FOREIGN RELATIONS**

### What COVID-related funding does the ARP provide in the area of foreign affairs?

The ARP includes \$8.675 billion in global health-related funding for the Department of State and the United States Agency for International Development (USAID), \$580 million for U.S. contributions to multilateral organizations, \$500 million for refugee and migration-related needs, and \$245 million for operational expenses of the Department of State and USAID.

# Why does the ARP provide \$10 billion for international relief when Americans are still in need at home?

As long as the virus is spreading and mutating overseas, it is a threat to Americans and the United States. As we have seen, pandemics do not respect borders or nationalities. If we do not help countries that cannot control the virus themselves and whose economies are being decimated, the United States will continue to be vulnerable. The health and economic wreckage caused by COVID-19 will only end here when it ends everywhere.

#### What is covered under the international title of the ARP for global health-related activities?

The global health-related funding under the international title includes a U.S. contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria to support the Fund's effective rollout of vaccines and the distribution of COVID tests and PPE, and to address the impacts COVID has had on the Fund's ongoing work to fight AIDS, Tuberculosis and Malaria. The global response bucket also includes funding for COVID-related emergency humanitarian relief to provide life-saving assistance, including food aid, basic water and sanitation needs, and basic medical care, to those suffering as a result of humanitarian crises overseas. Additionally, economic support funding is included to ensure we can quickly address economic and stabilization requirements resulting from COVID.

#### How will funding be used for refugee needs and multilateral assistance?

Some of the most vulnerable populations in the world are displaced persons and refugees fleeing from conflict or other disasters. COVID presents an additional risk to them, and worsens the health, economic, and security conditions around them. The ARP provides \$500m in COVID-related support for refugees. The ARP also provides \$580 million for United States contributions to multilateral partners such as UNICEF, the World Health Organization, and others, who are working quickly to address the spread of COVID and its effects. We must leverage the collective action of the international community to address this crisis as quickly and efficiently as possible.

# What are the current operational expense needs of the State Department and USAID?

The Department of State has faced significant shortfalls due to losses in visa and passport fee revenues resulting from the pandemic. The provision of \$204 million for the Department of State will avoid staffing reductions and ensure continuity of operations overseas, including support for increased medical services capacity at U.S. embassies and consulates. Similarly, the ARP provides \$41 million for USAID operational costs associated with COVID response activities, including improvements to IT infrastructure and the maintenance of additional technical support staff.

#### **COMMITTEE ON INDIAN AFFAIRS**

# **Indian Health Service (IHS) (Sec. 11001)**

# How will the \$6,094,000,000 in ARPA IHS Sec. 11001 funding be allocated?

The ARPA requires IHS to divide the \$6,094,000,000 provided in Sec. 11001 among the following activities:

- \$2,340,000,000 for COVID-19 related expenses (e.g., vaccination campaigns, testing, mitigation, supplies, and sustaining/expanding a public health workforce);
- \$2,000,000,000 for lost third party billing reimbursements to offset budget shortfalls;
- \$600,000,000 for construction, maintenance, and sanitation projects;
- \$420,000,000 for mental and behavioral health treatment and prevention services;
- \$140,000,000 for health IT and telehealth;
- \$84,000,000 for urban Indian health centers; and
- \$10,000,000 for potable water delivery.

The ARPA provides broad flexibility in determining the allocation of funds within these seven categories to ensure Tribes and urban Indian health programs' unique needs are addressed. The IHS has already announced a <u>Tribal consultation on March 17<sup>th</sup></u> and an <u>urban confer on March 15<sup>th</sup></u> to seek input on how to allocate funds within these seven categories.

# How long will ARPA IHS funding remain available?

All ARPA IHS funds will remain available until expended.

Can the ARPA IHS funding in Sec. 11001 be used to cover retroactive eligible expenses my Tribal Health Program or Urban Indian Health Program have already incurred while responding to the COVID-19 pandemic?

Yes. In addition to new expenses, ARPA IHS Sec. 11001 funds can be used to cover eligible COVID-19 related expenses incurred since January 31, 2020.

# Does the IHS funding provide support to address my Tribe's immediate sanitation and water infrastructure needs?

Yes. The ARPA specifies that IHS must use \$600,000,000 to address construction, maintenance, and sanitation projects. The ARPA provides broad flexibility to determine the allocation of these funds among different infrastructure activities so that Tribes and urban Indian health programs' unique needs are addressed. Interested Tribes should plan to participate in <a href="IHS's ARPA consultation">IHS's ARPA consultation</a>, which begins on March 17<sup>th</sup>.

#### Which IHS funds are urban Indian health programs eligible for?

In addition to being eligible for \$84,000,000 in direct funding, urban Indian health programs are also eligible under ARPA to receive funding from the other IHS categories. Interested urban Indian health programs should plan to participate in IHS's ARPA confer period, which begins on March 15<sup>th</sup>.

### Bureau of Indian Affairs (BIA) (Sec. 11002)

# How will the \$900,000,000 in ARPA BIA Sec. 11002 funding be allocated?

The ARPA requires BIA to divide the \$900,000,000 provided in Sec. 11002 among the following activities:

- \$100,000,000 for BIA's Housing Improvement Program (HIP);
- \$772,500,000 for Tribal government services, public safety/justice activities, social services, and child welfare services;
- \$20,000,000 for provision and delivery of potable water;
- \$7,500,000 for BIA administrative costs and oversight.

The ARPA provides broad flexibility in determining the allocation of funds within these four categories to ensure Tribes and Tribal organizations unique needs are addressed. Tribes should reach out to the BIA to inquire when the agency will schedule ARPA consultation sessions to seek input on allocation of funds within these four categories.

## How long will ARPA BIA Sec. 11002 funding remain available?

All ARPA BIA funds will remain available until expended.

If my Tribe receives support through BIA's "Small and Needy" program, will ARPA BIA Sec. 11002 funds impact our continued participation in the "Small and Needy" program?

No. ARPA BIA funds will be excluded from calculations used to determine participation in the "Small and Needy" program.

### Housing Assistance & Supportive Services Programs for Native Americans (Sec. 11003)

### How will the \$750,000,000 in Native housing funding in Sec. 110003 be allocated?

The ARPA requires the Department of Housing and Urban Development (HUD) to divide the \$750,000,000 provided in Sec. 11003 among the following activities:

- \$450,000,000 for Tribes and Tribally designated housing entities (TDHEs) through the Native American Housing and Self Determination Act (NAHASDA) Title I Indian Housing Block Grant (IHBG) formula;
- \$280,000,000 for Indian Community Development Block Grants (ICDBG);
- \$10,000,000 for technical assistance;
- \$5,000,000 for the Department of Hawaiian Home Lands through the NAHASDA Title VIII grant program; and
- \$5,000,000 for administrative costs.

### How long will ARPA Native housing funding in Sec. 110003 remain available?

All ARPA Native housing funds provided through Sec. 110003 will remain available until September 30, 2025.

# Can ARPA Native housing Sec. 11003 funds be used to cover retroactive eligible expenses my Tribe or TDHE incurred while responding to the COVID-19 pandemic?

Yes. In addition to new expenses, ARPA Native housing Sec. 11003 funds can be used to cover eligible COVID-19 related expenses incurred since January 21, 2020.

# Are the ARPA IHBG and ICDBG Sec. 11003 funds subject to the same statutory and regulatory limitations that apply to these programs generally?

No. The ARPA recognizes that Tribes need broader flexibility to access and use ARPA funds in a way that makes sense for their communities' unique COVID-19 needs. The ARPA allows HUD to waive or alter any statutory or regulatory provisions related to IHBG and ICDBG necessary to expedite and facilitate the use of ARPA funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Tribes should reach out to HUD to inquire how the agency will determine what ARPA waivers and alternative requirements will govern the use of these funds.

# Which Tribes and TDHEs are eligible to receive ARPA IHBG funding?

The ARPA requires that HUD distribute IHBG funding to Tribes and TDHEs using its FY 2021 allocation formula, which provided funding to over 590 eligible entities.

### Can Tribes that do not participate in IHBG receive ARPA IHBG funding?

Tribes that do not participate in the annual IHBG program are eligible to receive IHBG funding provided by Sec. 11003 unless they have proactively opted out of the program.

# What happens if any of the \$450,000,000 reserved for IHBG funds in Sec. 110003 is returned or recaptured?

Any ARPA IHBG funds returned or recaptured will be transferred for ARPA ICDBG use to ensure ARPA Native housing funds remain in Indian Country.

# Can the Department of Hawaiian Home Lands use its ARPA Sec. 11003 funds to provide rental assistance to eligible Native Hawaiian families? And, if so, is the Department limited to providing rental assistance only on Hawaiian Home Lands?

Yes, the Department of Hawaiian Home Lands may use any portion of the \$5,000,000 it receives under ARPA Sec. 11003 to provide rental assistance to eligible Native Hawaiian families. Additionally, the Department of Hawaiian Home Lands may use these funds to provide rental assistance to eligible Native Hawaiian families on or off Hawaiian Home Lands.

# Can my Tribe use ARPA ICDBG Sec. 11003 funds for its own planning and management expenses?

Yes. Tribes may use up to 20% of any ARPA ICDBG funds they receive for planning, management, and administration costs.

### Can my Tribe use ARPA ICDBG Sec. 11003 funds for public services?

Yes. Tribes may use up to 100% of any ARPA ICDBG funds they receive for eligible public service activities related to their COVID-19 response (e.g., employment, public safety, child care, public health, education, energy conservation services).

# Will the \$280,000,000 in ARPA ICDBG funds be competitive?

The Department has yet to determine whether it may use its waiver authority under the ARPA ICDBG provisions to allow funds to be awarded using the CARES ICDBG "first-come-first-served". Tribes interested in this matter should contact HUD.

# <u>COVID-19 Response Resources for the Preservation & Maintenance of Native American</u> Languages (Sec. 11004)

# Who is eligible to receive an ARPA Native Language COVID-19 Emergency Preservation and Maintenance grant authorized under Sec. 11004?

Indian Tribes, Native Hawaiian organizations, Alaska Native organizations, Native American Pacific Islander organizations, and other agencies/organizations eligible to receive assistance from the Administration for Native Americans (ANA) are eligible to receive an ARPA Native Language COVID-19 Emergency Preservation and Maintenance grant. The full list of entities eligible to receive ANA assistance can be found at 42 U.S.C. 2991b(a).

# What is the process for receiving an ARPA Native Language COVID-19 Emergency Preservation and Maintenance grant authorized under Sec. 110004?

The ARPA provides broad flexibility to establish the new Native Language COVID-19 Emergency Preservation and Maintenance grant program, but requires the ANA to finalize the grant program parameters within 180 days of ARPA enactment (i.e., September 7, 2021). Native communities should reach out to the ANA to inquire about how the agency will determine what parameters will govern this new grant.

# Will ARPA Native Language COVID-19 Emergency Preservation and Maintenance grants require the same application materials as other ANA language grants?

No. The ARPA explicitly exempts the newly established Native Language COVID-19 Emergency Preservation and Maintenance grant program from the application requirements that apply to the ANA's existing language grants.

### Bureau of Indian Education (BIE) (Sec. 11005)

#### How will the \$850,000,000 in ARPA BIE Sec. 11005 funding be allocated?

The ARPA provides broad flexibility to determine the allocation of BIE Sec. 11005 funds so that Tribes, Tribal Colleges and Universities (TCUs), Tribal BIE school leaders, and BIE and TCU students and parents' unique needs are addressed. However, the ARPA requires the BIE Director to establish the method for allocating these funds among administrative activities, BIE K-12 schools and dormitories, and TCUs within 45 days of ARPA enactment (i.e., April 25, 2021). Anyone interested in weighing in on the method for allocating these funds should reach out to the BIE to inquire when the agency will schedule ARPA consultation sessions.

### How long will ARPA BIE Sec. 11005 funding remain available?

All ARPA BIE Sec. 11005 funds will remain available until expended.

#### What types of activities and costs can ARPA BIE Sec. 11005 funding be used for?

The ARPA recognizes that TCUs, BIE schools, and BIE dormitories need broad flexibility to use ARPA funds in a way that makes sense for their communities' unique COVID-19 needs. For example, while

some schools may need support for expanding broadband access, other schools may need funds to modernize ventilation systems or provide student and staff supportive services. Anyone interested in weighing in on the scope of allowable uses for these funds should reach out to the BIE to inquire when the agency will schedule ARPA consultation sessions.

### American Indian, Native Hawaiian, & Alaska Native Education (Sec. 11006)

#### How will the \$190,000,000 in ARPA Native education Sec. 11006 funding be allocated?

The ARPA requires the Department of Education to divide the \$190,000,000 provided in Sec. 11006 as follows:

- \$20,000,000 for Tribal education agencies;
- \$85,000,000 for Native Hawaiian education organizations and entities; and
- \$85,000,000 for Alaska Native education organizations and entities.

The ARPA provides broad flexibility to determine the allocation method of funds within these three categories to ensure Tribal education agencies and Native organizations' unique needs are addressed. However, the ARPA requires the Department to establish the method for allocating these three sets of funds within 180 days of ARPA enactment (i.e., September 7, 2021). Anyone interested in weighing in on the allocation of these funds should reach out to the Department with inquires and input.

### How long will ARPA Native education Sec. 11006 funding remain available?

All ARPA Sec. 11006 funds will remain available until expended.

#### What can Tribal education agencies use ARPA Sec. 11006 funding for?

Tribal education agencies that receive ARPA Sec. 11006 funding may use these funds for any of the purposes identified in Elementary and Secondary Education Act section 6121(c) (20 U.S.C. 7441(c)). Examples of allowable activities include student guidance/counseling services, additional instruction opportunities, bilingual/bicultural programs, and student health and nutrition services.

# Who is eligible to receive funds from the \$85,000,000 reserved for Native Hawaiian education organizations and entities under ARPA Sec. 11006?

Organizations and entities eligible to receive grants under Elementary and Secondary Education Act Section 6205(a)(1) (20 U.S.C. 7515(a)(1)) are eligible for ARPA Sec. 11006 funds. This list includes:

- Native Hawaiian education organizations;
- Native Hawaiian community-based organizations;
- Public and private nonprofit organizations, agencies, and institutions with experience in developing or operating Native Hawaiian programs or programs of instruction in the Native Hawaiian language;
- Charter schools: and
- Consortia of any of the above.

# What can Native Hawaiian education organizations and entities use ARPA Sec. 11006 funding for?

Native Hawaiian education organizations and entities that receive ARPA Sec. 11006 funding may use these funds for any of the purposes identified in Elementary and Secondary Education Act section 6205(a)(3) (20 U.S.C. 7515(a)(3)). Examples of allowable activities include activities that enhance students' Hawaiian and English language literacy, meet the special needs of Native Hawaiian students with disabilities, support Native Hawaiian gifted and talented students, and provide professional development of educators.

# Who is eligible to receive funds from the \$85,000,000 reserved for Alaska Native education organizations and entities under ARPA Sec. 11006?

Organizations and entities eligible to receive grants under Elementary and Secondary Education Act Section 6304(a)(1) (20 U.S.C. 7544(a)(1)) are eligible for ARPA Sec. 11006 funds. This list includes:

- Alaska Native organizations with experience operating education and related programs;
- Alaska Native organizations that partner with a state or local education agency or Alaska Native organizations with experience operating education and other related programs; and
- An entity located in Alaska, predominately governed by Alaska Natives, that has experience
  operating education and related programs and is granted an official charter or sanction (as
  described in the definition of "Tribal organization" under 25 U.S.C. 5304) from an Alaska Native
  Tribe or an Alaska Native organization.

# What can Alaska Native education organizations and entities use ARPA Sec. 11006 funding for?

Alaska Native education organizations and entities that receive ARPA Sec. 11006 funding may use these funds for any of the purposes identified in Elementary and Secondary Education Act section 6304(a)(2-3) (20 U.S.C. 7544(a)(2-3)). Examples of authorized activities include activities that improve the educational outcomes and school readiness of Alaska Natives, assist in the collection of data, develop curricula, provide professional development for educators, opportunities for student enrichment, and promote Alaska Native students' academic progress.