
CARES ACT BRIEFING

MONDAY, MAY 18, 2020

Joint House and Senate Appropriations Virtual Committee Hearing
Georgia General Assembly



AGENDA

- General Overview of Federal Funds to States for COVID-19
- Coronavirus Relief Fund (CRF)
- Education
- Agriculture
- Unemployment
- Health



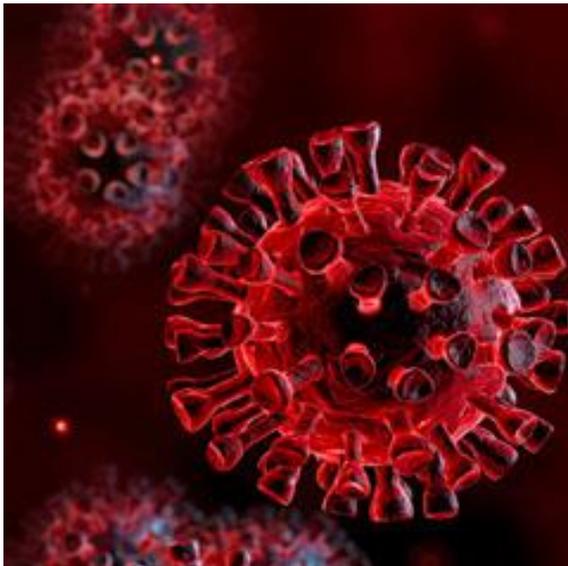
COVID-19 Federal Legislation

March 6 - Round 1

\$8.3 billion - Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020

March 18 – Round 2

Families First Coronavirus Response Act



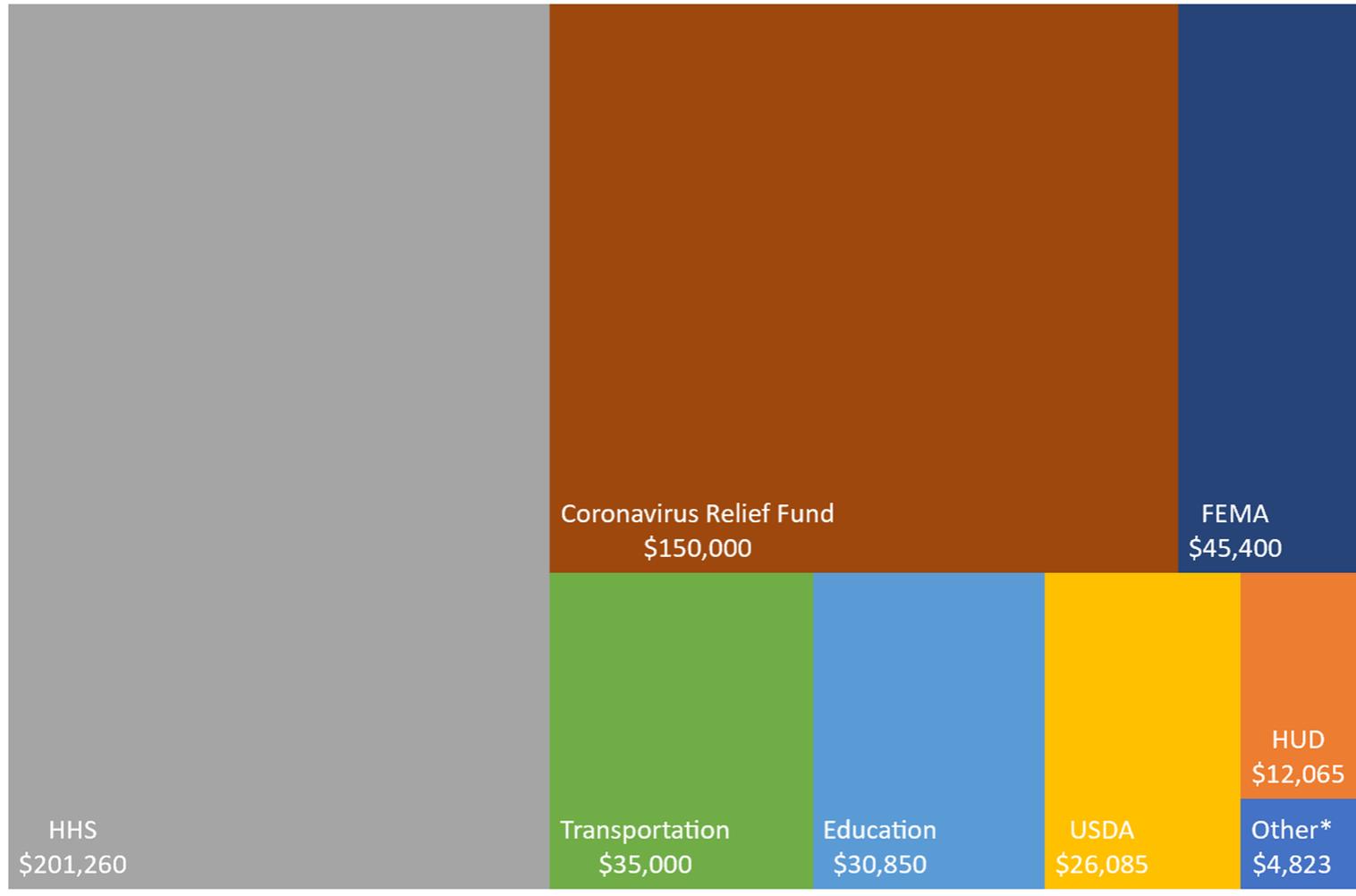
March 27: Round 3

\$2.2 trillion - Coronavirus Aid, Relief, and Economic Security Act or the CARES Act

April 21: Round 3.5

\$484 billion - Paycheck Protection Program and Health Care Enhancement Act

Coronavirus Funding for States
(\$ in millions)



* Includes Interior, Independent Agencies, Justice, Labor, and Commerce

Source: Federal Funds Information for States, May 2020



NATIONAL CONFERENCE OF STATE LEGISLATURES

Possible Flexibility

- Select Matching Funds Waived
- Transit Funding
- Governor's Education Relief Fund
- FMAP Increase (in Families First not CARES)



DIRECT AID TO STATES: CORONAVIRUS RELIEF FUND

- Provides \$150 billion in Coronavirus Relief Fund (CRF) to states, territories, local and tribal governments to use for expenditures incurred due to the public health emergency with respect to COVID-19 in the face of revenue declines, allocated by population proportions.
- Distribution is based on population. No state shall receive a payment for fiscal year 2020 that is less than \$1.25 billion.
 - 45% of a state's funds are set aside for local governments, with populations that exceed 500,000, with certified requests to the U.S. secretary of Treasury.
 - Georgia eligible for \$4.117 billion--\$2.264 for state, \$1.853 maximum for localities



DIRECT AID TO STATES: CORONAVIRUS RELIEF FUND

- Funds can be used for costs that:
 - Are necessary expenditures incurred due to COVID-19.
 - Were not accounted for in the budget most recently approved as of the date of enactment of this section.
 - Were incurred during the period that begins March 1, 2020, and ends Dec. 30, 2020.
- No lost revenue!



DIRECT AID TO STATES: CORONAVIRUS RELIEF FUND

- Guidance released 22 April , updated FAQ 4 May
- Still no flexibility of funds to be used for revenue shortfalls
- More clarification/confirmation of expenses
 - Cash flow loan
 - Funds for emergency legislative sessions
 - Loans to small businesses



EDUCATION STABILIZATION FUND: GEORGIA IMPLEMENTATION

- **Governor's Emergency Education Relief Fund (GEER)**
 - Status: Gov. Kemp has not received \$105.7 million
 - Application due June 1, 2020
- **Higher Education Emergency Relief Fund (HEER)**
 - Status: Funds are available to institutions, most have received
 - GA institutions receive \$401 million
 - GA HBCUs, MSIs, etc. receive additional \$57.5 million
- **Elementary and Secondary School Emergency Relief Fund (ESSER)**
 - Status: GADOE has applied for and received \$457 million
 - Local Education Agencies: \$411 million via Title I formula
 - GADOE set-aside: \$46 million



K-12 CARES Act Funding: \$411 million to support Georgia's Schools



At-risk student populations
supporting students with disabilities, English Learners, migrant students, homeless students, low-income students, children in foster care



Distance/Remote Learning – devices, hot spots; internet service; instructional packets/resources; online learning platforms



School Meals – preparing/delivering meals; costs for meals not covered by USDA; hazard pay; transportation costs



Mental and Physical Health – counseling; telehealth; school nursing; therapeutic services; wraparound supports; training



Supplemental Learning – extended learning schedules; remediation; before/after school programs; additional pay for teachers and mentors



Facilities and Equipment – deep cleaning buildings/buses; PPE (such as masks, gloves, disinfectants) and supplies; hazard pay



Professional Development – training for school leaders, teachers, and staff; extended PD days



Continuity of Core Staff and Services – restoring potential budget reductions; offsetting need to furlough school staff

Superintendent Woods is strongly committed to:

- **Urgency & Access** – Funds will be awarded to districts as quickly as possible so they can address pressing needs and conduct long-term planning
- **Flexibility** – GaDOE will make it as seamless as possible for districts to utilize these funds
- **Equity** – funds will be used to fill gaps in connectivity, food security, learning opportunities, and non-academic supports with an emphasis on meeting the needs of Georgia's most struggling students
- **Transparency** – GaDOE will collect and report on how districts draw down and spend their funding across the CARES Act categories



EDUCATION STABILIZATION FUND: ONGOING ISSUES

- **Maintenance of Effort for ESSER and GEER**
 - Waiver application process TBA
- **“Equitable Services” guidance**
 - April 30 non-regulatory guidance FAQ document: All private school students qualify
 - State and local responses vary widely

AGRICULTURE – CORONAVIRUS FOOD ASSISTANCE PROGRAM

- **Direct Support to Farmers and Ranchers**
 - \$16 billion
 - Details on payments rate expected very shortly
 - Farmers will have to signup (farmers.gov/cfap)
 - Paperwork can be filled out now
 - Overall amounts
 - \$9.6 billion for the livestock industry
 - \$3.9 billion for row crop producers
 - \$2.1 billion for specialty crops producers (nuts, fruits, vegetables)
 - Payment limits per type
 - Second round later in 2020
- **Food Box Purchase Program - \$3 billion**
 - Aimed at food distributors impacted by COVID-19 related closures
 - USDA will pay for food boxes delivered to non-profits such as food pantries
 - \$100 million per month for meat, dairy, and produce
 - Contracts posted on usda.gov

AGRICULTURE – EMERGENCY LOAN PROGRAMS

■ Paycheck Protection Program (PPP)

- US Small Business Administration (SBA) backed loans to small businesses suffering from COVID-19
 - Arranged through local lenders
 - Maximum of \$10 million
 - Loans are eligible for forgiveness, turning them into grants
- Agricultural producers can apply if:
 - the business has 500 or fewer employees or average annual receipts of \$1 million.

■ Economic Injury Disaster Loans (EIDLs)

- Longstanding form of disaster assistance provided through the SBA
- Apply through SBA's online portal
- Legal maximum of \$2 million; reports of only \$150,000
- Includes \$10,000 advance grant
- **ONLY** agricultural producers can currently apply



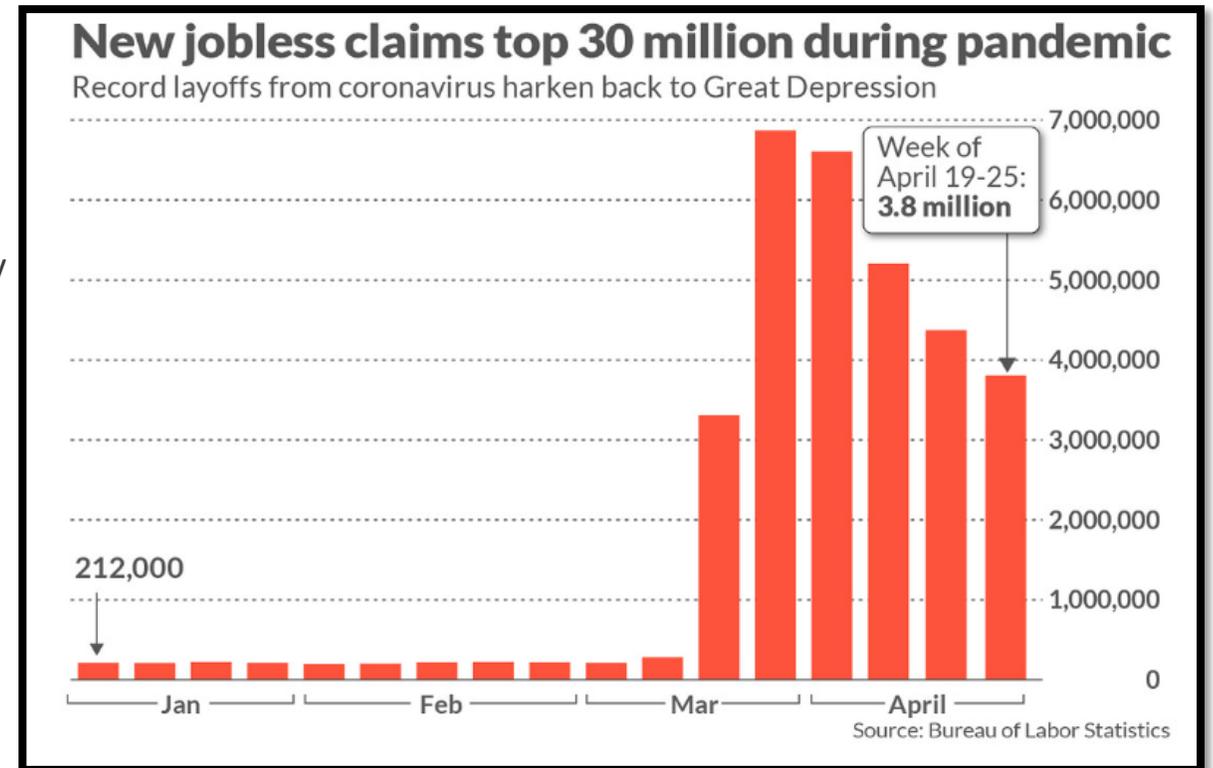
UNEMPLOYMENT SNAPSHOT IN GEORGIA

- March 2020 labor statistics revealed the largest increase for unemployment on record
 - 1,292% increase in unemployment claims
- Georgia's labor force was down by 22,434 to reach a total of 5,133,913, the largest over-the-month drop since March 2010 and the lowest labor force total since September 2019. This total was up 47,461 from this time last year.
- By industry, the highest increase in initial claims for unemployment over the month were:
 - Accommodation and Food Services: 132,564
 - Health Care and Social Assistance: 37,621
 - Trade: 23,074



NCSL EMPLOYMENT AND LABOR RESOURCES

- Unemployment Insurance Benefits
 - 33.5 million claims filed since March 15.
- Occupational Licensing in Times of Emergencies:
 - 49 states have taken executive, legislative and/or regulatory action related to health care worker licensing.
- Workers Compensation:
 - 12 states allow certain workers to get workers compensation for contracting COVID-19 on the job.
- Workshare Programs
 - 27 states and DC have programs,
 - Temporarily reduce hours and receive reduced UI.



FEDERAL LABOR PROVISIONS: UNEMPLOYMENT INSURANCE

- Provided \$1 billion in emergency transfers to pay for unemployment benefits. Each state receives a proportional amount based on the share of federal unemployment insurance taxes paid by its employers.
- Appropriates \$360 million for the Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers, and homeless veterans.
- Expands the unemployment insurance from 3 to 4 months, and provides temporary unemployment compensation of \$600 per week, which is in addition to and the same time as regular state and federal UI benefits.
- The U.S. Department of Labor has provided further guidance to the states on the implementation of the federal stimulus bills UI provisions



Families First Coronavirus Act: Medicaid Provisions

- 6.2 percent increase in federal medical assistance percentages (FMAP)
- Applies to regular FMAP and not expanded Medicaid rates under the ACA
- No cost-sharing for Medicaid and Children's Health Insurance Plan (CHIP) enrollees and a 100% FMAP to cover the costs

HEALTH

Families First Coronavirus Act: Health Coverage Provisions:

- Provides \$1.2 billion to cover testing costs
- Requires commercial insurance to cover testing and diagnosis for COVID-19 with no cost-sharing to the patient
- Appropriates \$1 billion to the National Disaster Medical System allowing them to reimburse costs for testing uninsured individuals



HEALTH

CARES Act: Overall Health Provisions:

- Extends a few Medicaid programs, including, Money Follows the Person until Nov. 30, 2020, and continued protection against spousal impoverishment
- Delayed by 30 days, a requirement from second package, that a state maintain premiums to receive the 6.2 percentage point increase in Federal Medical Assistance Percentage (FMAP) funding
- Delay in Disproportionate Share Hospitals (DSH) cuts until Dec. 1, 2020
- Reauthorizes and updates Title VII of the Public Health Service Act (PHSA) supporting clinician training and faculty development



HEALTH

CARES Act: Overall Funding:

- \$4.3 billion to the CDC
- \$425 million to SAMHSA
- \$200 million to the CMS
- \$100 billion for grants to hospitals, for unreimbursed health care related expenses or lost revenue as a result of COVID-19
- \$275 million to expand services and capacity for rural hospitals, telehealth, poison control centers, and the Ryan White HIV/AIDS program through the Health Resources and Services Administration (HRSA)
- Allows community health centers (CHCs) to use FY2020 funding to maintain or increase staffing and capacity to address COVID-19



- Population Groups
- All Documents** 
- Cost and Quality
- Diseases and Conditions
- Federal Issues | Health and Human Services
- Health Insurance
- Medicaid and CHIP
- New and Emerging Health Issues
- Pharmaceuticals
- Population Groups

NCSL Coronavirus (COVID-19) Resources for States

5/15/2020

Latest Updates	Census	Continuity of Government	Criminal Justice	Education
Elections	Employment	Federal Action	Federal Agencies	Fiscal
Health	Human Services	Podcasts	Webinars	Resources to Share With Constituents

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Questions?

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