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# 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



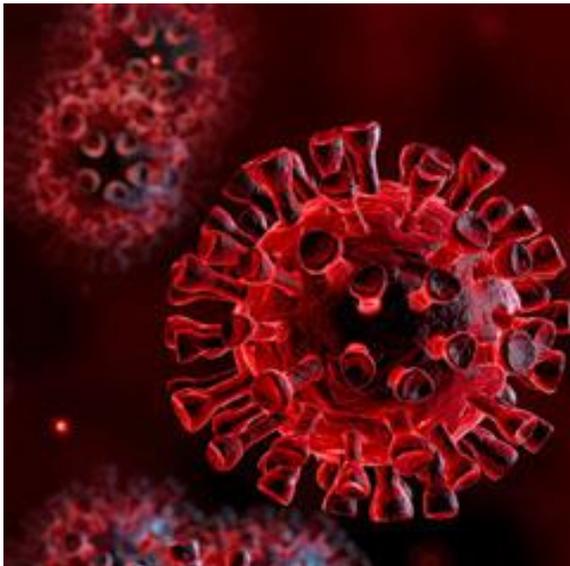
# COVID-19 Federal Legislation

## March 6 - Round 1

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

## March 18 – Round 2

Families First Coronavirus Response Act



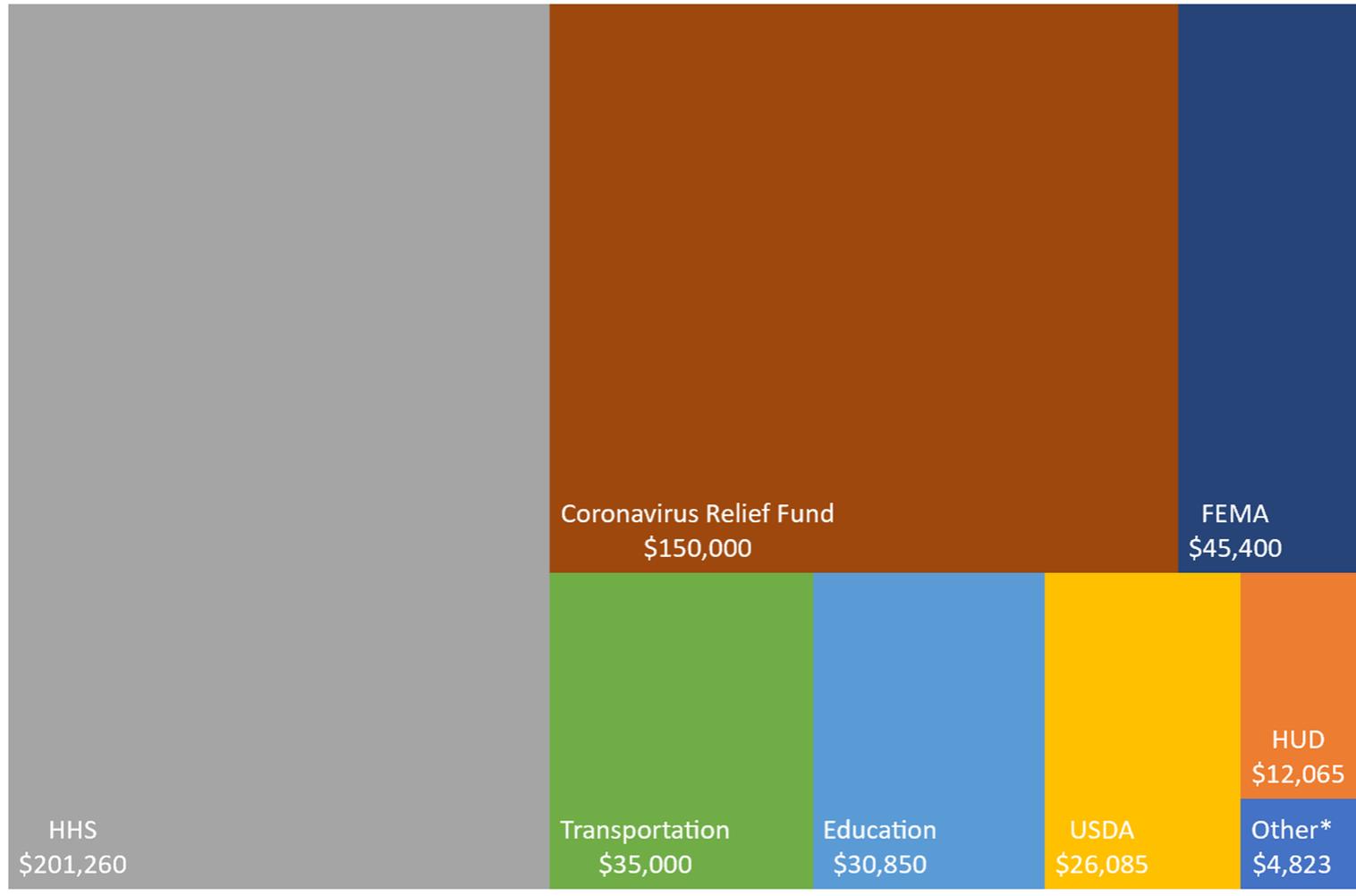
## March 27: Round 3

\$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](https://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](https://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



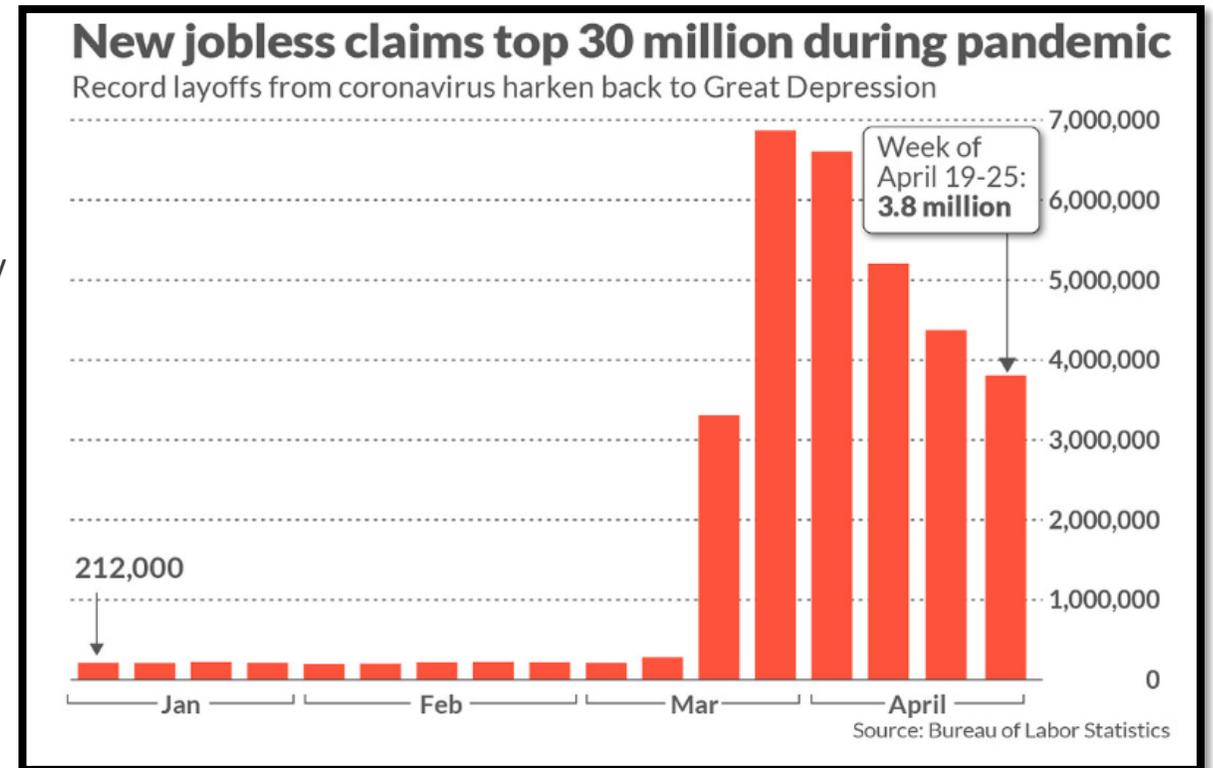
# UNEMPLOYMENT SNAPSHOT IN GEORGIA

- 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	<b>Federal Action</b>	Federal Agencies	Fiscal
Health	Human Services	Podcasts	Webinars	Resources to Share With Constituents

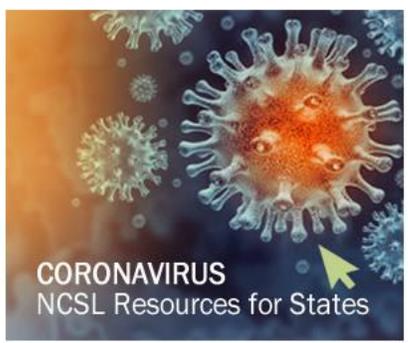
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NCSL Resources for States

## Resources for State Legislators and Staff

# Questions?

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