

## A Summary of State Programs to Use CARES Act Coronavirus Relief Funds (CRF)

### Background

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted into law in response to the COVID-19 pandemic. At \$2 trillion, it is one of the largest relief packages in U.S. history. It aims to shore up the economy and provide relief to families facing economic hardship due to the downturn caused by the pandemic. Included in the act is an estimated \$560 billion for individuals, \$500 billion for large corporations, \$377 billion for small businesses, \$340 billion in support for State and Local Governments, and \$154 billion for Public Health. Specifically, Title V of the CARES Act established the Coronavirus Relief Fund (CRF), which provides financial relief to states, tribes, and local governments for the increased costs associated with the COVID-19 public health emergency. Per Title V, Nevada received over \$1.25 billion allocated in the following manner: \$836 million to the State of Nevada; \$295 million to Clark County, and \$119 million to the City of Las Vegas. Recently, Governor Sisolak announced the distribution of \$148 million to northern Nevada and rural counties, leaving a total of \$688 million that must be disbursed and expended by December 31, 2020.

Dozens of states have established new programs to facilitate the rapid distribution of CRF funds. Below, we highlight a few of those programs in the areas of employment/income, small business relief, housing, infrastructure, healthcare, and education.

### Employment/Income

#### California: [Disaster Relief for Undocumented Workers](#)

To support undocumented workers in the State of California, Governor Newsome announced a disaster relief initiative to assist undocumented workers who have lost employment due to the COVID-19 pandemic. This program will provide approved applicants with one-time cash payments of \$500 per adult and \$1,000 per household. The total cost of the program totals \$125 million, with \$75 million coming from the state's Disaster Relief Fund and the remaining \$50 million coming from a network of philanthropic partners.

#### Idaho: [Return to Work Bonuses](#)

Citing a study that finds that “more than 60 percent of Americans who are out of work as a result of the pandemic earn more with the enhanced unemployment benefits than they do from their normal wages,” Idaho created a program to provide back-to-work bonuses to workers to offset the benefits of remaining unemployed. Employers must apply for the bonuses for their eligible employees, which includes a one-time cash payment of \$1,500 for employees working minimum of 30 hours a week and \$750 for employees working a minimum of 20 hours a week. The total cost of the program is \$100 million.

### Small Businesses Relief

#### Connecticut: [Recovery Bridge Loan Program and Business Response Program for Minority- and Women-Owned Businesses](#)

Connecticut has made available one year, no-interest loans equaling \$75,000 to eligible businesses and non-profits affected by the COVID-19 pandemic. To be eligible, businesses/non-profits must have 100 or fewer employees. The cost of the program is \$25 million.

The [COVID-19 Business Response Program](#) offers zero-interest lines of credit up to \$20,000 to qualifying small businesses with 20 or fewer employees who must be designated minority and/or woman owned

small business. The total cost of the program is \$2 million. This project is a multi-agency partnership among the Hartford Economic Development Corporation, state Department of Economic and Community Development, and the Connecticut Minority Business Initiative.

**Indiana:** [Indiana Small Business Restart Grants](#)

Indiana distributed \$30 million in CRF funds to this program, \$5 million of which have been allocated to minority- and women-owned businesses. Eligible small businesses can seek reimbursement for up to 80 percent of qualified expenses, such as rent/mortgage payments, utilities, lease payments, and safety investments, such as personal protective equipment (PPE) and infrastructure improvements.

**Montana:** [Loan Deferment Program](#)

The Loan Deferment Program provided payments to qualifying lenders to convert existing commercial loans to interest only status, with the result being an existing borrower will be able to defer principal and interest payments on existing loans for a period of 6 to 12 months, thereby freeing up a significant amount of otherwise-dedicated capital for the borrower on a monthly basis. The total cost of the program is \$125 million; of this amount, \$25 million is being set aside for hotels and restaurants.

[Business Adaptation Program](#)

The Business Adaptation Program provides reimbursement for COVID-19 expenses related to keeping staff and customers safe – from the purchase of personal protective equipment to resources needed for staff to work remotely. The total cost of the program is \$20 million and the maximum reimbursement amount per business is \$5,000.

[Business Stabilization Grant Program](#)

The Business Stabilization Grant program provides working capital for small businesses to support payroll, rent, accounts payable, debt service and expenses related to shifts in operations in order to retain existing businesses, retain current employees or retain business viability for future re-employment. The total cost of the program is \$75 million; the maximum award amount per business of \$10,000.

[Innovation Grant Program](#)

The Innovation Grant program is intended to help companies scale up, improve capabilities, or drive expanded distribution of products or services developed in response to COVID-19. Projects should demonstrate significant impact in improving public health, safety, and economic impact. Eligible companies include non-profit and for-profit businesses of less than 150 employees that have created an innovative product or service intended to directly confront the COVID-19 emergency. The total cost of the program is \$5 million with a maximum award amount of \$25,000.

**Pennsylvania:** [Small Business Assistance Program](#)

Pennsylvania has set aside \$225 million to support small businesses that were impacted by the COVID-19 public health crisis and subsequent business closure order. The State will allocate \$100 million for the **Main Street Business Revitalization Program** for small businesses that experienced loss as a result of mandatory closure of non-essential enterprises and have or will incur costs to adapt to new business operations related to COVID-19. The State will allocate \$100 million for the **Historically Disadvantaged Business Revitalization Program** for small businesses that experienced loss as a result of the business closure order, have or will incur costs to adapt to new business operations related to COVID-19, and in which socially and economically disadvantaged individuals own at least a 51 percent interest and also control management and daily business operations. Finally, the State will allocate \$25 million for the

**Loan Payment Deferment and Loss Reserve Program**, which will allow Community Development Financial Institutions the opportunity to offer forbearance and payment relief for existing portfolio businesses that are struggling due to the impact of COVID, as well as shore up the financial position of the CDFIs that are experiencing significant increased defaults in their existing loan portfolios.

**Tennessee: [Business Relief Program](#)**

The Tennessee Business Relief Program will provide reimbursement for small businesses for costs incurred as a result of mandatory closures. The types of business eligible include but are not limited to barber shops, bars, restaurants, hotels, clothing stores, and department stores. The total cost of the program is \$200 million.

## Housing

**Idaho: [Property Tax Relief Program](#)**

This program will utilize federal CRF to cover local public safety personnel salaries and give cities and counties the opportunity to pass on the savings to property taxpayers. The total cost of this program is \$200 million.

**Illinois: [Emergency Relief for Households](#)**

This program leverages CRF funds to direct an additional \$90 million to the *Low-Income Home Energy Assistance Program* and the *Community Services Block Grant Program*. These programs combined will provide support for rent, food, temporary shelter, utility bills and other essential services to qualifying low-income households who need emergency assistance.

**Iowa: [Rental Assistance Program](#)**

The Illinois Rental Assistance Program provides rental assistance in the form of cash payments for up to four months and \$3,200 to eligible households. To qualify, applicants must be at risk of eviction or foreclosure, have a household income equal to or less than 80% of MFI, and have not received the additional \$600 in federal CARES Act stimulus unemployment benefits.

**Maine: [Rent Relief Program](#)**

The Maine Rent Relief Program allows households that meet certain income and ability to pay requirements to receive a one-time, up to \$500 payment in rental assistance to be paid directly to their landlord.

**New Hampshire: [Housing Relief Program](#)**

The New Hampshire Housing Relief Program will provide one-time grant payments to eligible low-income applicants not to exceed \$2,500. The type of assistance available through the grant includes: Past-due rent from April 2020 forward for households that fell behind on rent due to either increased household expenses or lost household revenue, past-due housing/household related expenses that may impact an individual's/families' ability to remain housed, first month's rent and ongoing short-term rental assistance to assist with initial costs to facilitate the transition of working households from shelters into permanent housing, and other housing related one-time expenses that if not paid impact the ability to maintain housing. The total cost of this program is \$35 million.

## Infrastructure

### **New Hampshire:** [Emergency Broadband Expansion Program](#)

The Emergency Broadband Expansion Program will use federal coronavirus relief funds (CRF) to expand broadband access for remote students, families, and businesses to improve their access to distance learning, telework, telehealth, and other remote services. The total cost of this program is \$50 million.

### **Nebraska:** [Rural Broadband Remote Access Grant](#)

The Rural Broadband Remote Access Grant will provide grant funding to projects working to improve broadband access and services to areas with a minimum of 25 Mbps download and 3 Mbps upload speeds. The total cost of this program is \$40 million.

### **Montana:** [Telework Assistance Grants](#)

The Montana Telework Assistance Grants will provide grants up to \$1,000 per individual for purchasing equipment to assist Montanans with disabilities access telework equipment. The total cost of this program is \$650,000.

## Healthcare

### **Virginia:** [Long-Term Care Facilities Support](#)

The state of Virginia will provide new funding to support nursing homes and assisted living facilities in addressing staffing shortages, increasing infection control measures, and purchasing personal protective equipment (PPE), as well as complying with the new testing requirements. The majority of funding will go to nursing facilities, which receive Medicaid payments. More than \$56 million is provided for periodic testing of nursing home residents and staff. The total cost of this program is \$246 million.

### **Tennessee:** [Small and Rural Hospital Readiness Grants](#)

The state of Tennessee is providing \$10 million in grants to small and rural hospitals that are facing financial strain due to the ongoing response to COVID-19.

### **Wisconsin:** [Financial Assistance to Hospitals and Assistance to Long-Term Care, Home and Community Based Services, and Emergency Medical Services](#)

The State of Wisconsin is providing direct payments to certain hospitals to assist with lost revenue and expenses they have incurred related to the COVID-19 pandemic. This payment will be based upon each hospital's percentage of both inpatient and outpatient Medicaid revenue, compared to other facilities throughout the state. Calculated payments will be offset by COVID-19 related relief payments provided by other federal programs, private insurance, the Indian Health Service, Medicaid, or Medicare. The total cost of this program is \$40 million.

### [Financial Assistance to Long-Term Care, Home and Community Based Services, and Emergency Medical Services](#)

The state of Wisconsin is providing financial assistance to emergency medical services, home and community-based services, and long-term care providers such as skilled nursing facilities and assisted living facilities. The program will be administered in two parts: an initial release of funds to support immediate needs, and a second, targeted release for additional needs of individual providers. Both rounds of funding will be allocated to support expenses directly related to COVID-19 as well as expenses associated with the interruption of typical operations, such as overtime pay, changes to sanitation procedures, and disruption to the standard delivery of care. The total cost of this program is \$100 million.

## Education

### **Colorado:** [Emergency Education Relief Fund](#)

The Colorado Emergency Education Relief Fund will provide \$33 million in direct grants to school districts, public schools, public institutions of higher education, and other education-related entities. These grants will focus on student-centered learning, rethinking the student experience, strengthening and formalizing linkages between higher education, PreK-12, and industry, and catalyzing innovations that can drive long-term impact and be sustainable after the life of the grant. Moreover, the fund will provide \$6 million to increase the capacity of Colorado Empowered Learning (state supported online-learning program), \$1 million for direct support of students requiring financial need, \$3 million to educator recruitment and retention. The total cost of the fund is \$44 million.

### **Wisconsin:** [K- 12 and Higher Education Funding](#)

Wisconsin is providing \$46 million to K-12 schools and \$37 million to higher education institutions. The funding for K-12 will prioritize students and districts with the highest remote learning needs and have been most significantly affected by the COVID-19 pandemic. The funding for higher education will be used to reimburse necessary, unbudgeted expenditures. The total cost of the program is \$80 million.

### **Virginia:** [Emergency Education Relief Fund](#)

The state of Virginia is providing \$43.4 million to PreK-12 assistance and \$23.4 million to intuitions of higher education. The funding for PreK-12 includes \$26.9 million to support short-term and long-term initiatives expanding high-speed internet access to all communities in the Commonwealth, \$10 million to expand early childhood education and childcare program, \$3.5 million to support the expansion of the Virtual Virginia online learning program to provide content for elementary and middle school students, and \$3 million to cover unfunded costs for the continuation of school-based meals programs while schools remain closed. The total cost of the funding is \$66.8 million.

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