# COVID-19 Relief Rhode Island Impacts and Opportunities

# Introduction

On March 6, 2020, President Trump signed into law the Coronavirus Preparedness and Response Supplemental Appropriations Act. On March 13, 2020, President Trump declared that a nationwide emergency exists as a result of COVID-19 beginning on January 20, 2020. The Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security (CARES) Act were signed into law by the President on March 18 and 27, 2020, respectively. A fourth act, the Paycheck Protection Program and Health Care Enhancement Act, was signed by the President on April 24, 2020.

This report lays out the contents of the four acts with particular emphasis on provisions that impact Rhode Island state and local budgets and Rhode Island citizens. The staff notes that this is still a work in progress as additional details and requirements become clearer as federal departments publish rules and regulations. This report updates the revised one released on May 14, 2020. Changes to that report are in blue.

| Federal Coronavirus Relief Projections for Rhode Island |            |  |  |  |
|---|------------|--|--|--|
| <b>Granting Federal Agency</b>                          | Amount     |  |  |  |
| Treasury  | \$ 1,250.0 |  |  |  |
| Department of Education                                 | 121.9      |  |  |  |
| Administration for Children and Families                | 22.1       |  |  |  |
| Administration for Community Living                     | 6.4        |  |  |  |
| Centers for Disease Control and Prevention              | 98.2       |  |  |  |
| Health Resources and Services Administration            | 17.7       |  |  |  |
| Labor   | 5.9        |  |  |  |
| Justice   | 4.5        |  |  |  |
| United States Department of Agriculture                 | 4.0        |  |  |  |
| Commerce  | 3.5        |  |  |  |
| Homeland Security                                       | 1.5        |  |  |  |
| Housing and Urban Development                           | 35.8       |  |  |  |
| Transportation  | 128.6      |  |  |  |
| Independent Agencies                                    | 3.9        |  |  |  |
| Health and Human Services                               | 355.1      |  |  |  |
| Total   | \$ 2,059.1 |  |  |  |

\$ in millions

There are estimates that the first four of these federal actions provide approximately \$2.1 billion to Rhode Island, not including optional tax changes for individuals and businesses or the direct stimulus payments to individuals. State specific estimates on the fourth act are not yet available. The following table shows the 44 items that combine to produce that total, in addition to funding that may be awarded through existing law regarding disaster declarations. It is followed by numbered explanations of each that correspond to the table including notes where funding may be available through the most recently enacted legislation.

| Item #    | Item   | Amount    | Award Through    | Act                             |
|-----------|--|-----------|------------------|---------------------------------|
| 1         | Federal Disaster Declaration                             | ?         | State            | Stafford Act                    |
|           | Treasury   |           | State            | Starford Pet                    |
| 2         | Coronavirus Relief Fund                                  | \$1,250.0 | State            | CARES                           |
| 2         | Department of Education                                  | \$1,250.0 | State            | CARLS                           |
| 3         | Governor's Fund  | 8.7       | State            | CARES                           |
| 4         | K-12 Fund  |           | State            | CARES                           |
|           |  | 46.4      |                  |                                 |
| 5         | Higher Education Fund - General                          | 66.8      | State & Private  | CARES                           |
|           | Administration for Children and Families                 |           | ~                |                                 |
| 6         | Child Care and Development Block Grant                   | 8.2       | State            | CARES                           |
| 7         | Community Services Block Grant                           | 5.5       | State            | CARES                           |
| 8         | Low Income Home Energy Assistance Program                | 5.9       | State            | CARES                           |
| 9         | Family Violence Prevention                               | 0.2       | State            | CARES                           |
| 10        | Child Welfare Services                                   | 0.1       | State            | CARES                           |
| 11        | Head Start   | 2.2       | Provider         | CARES                           |
|           | Administration for Community Living                      |           |                  |                                 |
| 12        | Supportive Services                                      | 1.0       | State            | CARES                           |
| 13        | Congregate and Home Delivered Meals                      | 3.6       | State            | Families First; CARES           |
| 14        | Family Caregivers  | 0.5       | State            | CARES                           |
| 15        | Protection of Vulnerable Older Americans                 | 0.1       | State            | CARES                           |
| 16        | Centers for Independent Living                           | 0.9       | Provider         | CARES                           |
| New-1     |  | 0.3       | State            | CARES                           |
| 110 W - 1 | Centers for Disease Control and Prevention               | 0.3       | State            | CANEO                           |
| 17        | CDC Grants   | 98.2      | State            | CPR; CARES; PPP & Health Care   |
| 1/        | HRSA   | 70.2      | Sidle            | Crix, ChixLo, FFF & Health Calt |
| 10        | Community Health Centers                                 | 11.5      | Drovider         | CPR; CARES                      |
| 18        | -  | 11.5      | Provider         | CARES                           |
| New - 3   | Workforce Programs                                       | 0.2       | Provider         | CARES                           |
|           | Community Mental Health Centers & Behavioral             |           |                  |                                 |
| 19        | Healthcare Programs                                      | 6.0       | State & Provider | CARES                           |
|           | Labor  |           |                  |                                 |
| 20        | Unemployment Insurance                                   | 3.6       | State            | Families First; CARES           |
| 21        | WIOA Dislocated Workers Funding                          | 2.3       | State            | CARES                           |
|           | Justice  |           |                  |                                 |
| 22        | State and Local Law Enforcement                          | 4.5       | State & Local    | CARES                           |
|           | USDA   |           |                  |                                 |
| 23        | Food & Nutrition Assistance Programs                     | 2.7       | State            | Families First; CARES           |
|           | Supplemental Nutrition Program for Women,                |           |                  |                                 |
| 24        | Infants, and Children (WIC)                              | 1.3       | State            | Families First                  |
| 2.        | Commerce   | 110       | State            |                                 |
| 25        | Manufacturing Extension Partnership (MEP)                | 0.2       | Provider         | CARES                           |
| New-2     | Awards to Fishery Participants                           | 3.3       | Provider         | CARES                           |
| New-2     | · ·  | 5.5       | Flovidei         | CARES                           |
|           | Homeland Security  | 0.0       | <b>a</b>         | G + D = 2                       |
| 26        | Emergency Performance Management Grant                   | 0.9       | State            | CARES                           |
| 27        | Emergency Food and Shelter Program                       | 0.6       | State            | CARES                           |
|           | Housing and Urban Development                            |           |                  |                                 |
| 28        | Community Development Fund (CDBG)                        | 14.6      | State & Local    | CARES                           |
| 29        | Homelessness Assistance Grants                           | 11.2      | State & Local    | CARES                           |
| 30        | Public Housing Operating Fund                            | 5.9       | Local            | CARES                           |
| 31        | Tenant- Based Rental Assistance                          | 3.3       | Provider & Local | CARES                           |
| 32        | Housing Opportunities for Persons with AIDS <sup>1</sup> | 0.6       | State & Local    | CARES                           |
|           |  | 1         |                  |                                 |
| New-4     |  | 0.2       | Local            | CARES                           |
| ~~~       | Transportation   | 1011      | ~                | 0 ( D D C                       |
| 33        | Federal Transit Funding <sup>2</sup>                     | 104.6     | State            | CARES                           |
| 34        | Grants-in-Aid for Airports                               | 24.0      | Airports         | CARES                           |
|           | Independent Agencies                                     |           |                  |                                 |
| 35        | Election Security Grants                                 | 3.0       | State            | CARES                           |
| 36        | National Endowment for the Arts                          | 0.4       | State            | CARES                           |
| 37        | National Endowment for the Humanities                    | 0.4       | Provider         | CARES                           |
| 38        | Institute of Museum and Library Services                 | 0.1       | State            | CARES                           |
|           | Health and Human Services                                |           |                  |                                 |
| 39        | FMAP Rate Increase <sup>3</sup>                          | 64.0      | State & Local    | Families First                  |
| 37        | Office of the Secretary                                  | 04.0      | State & LOCAI    | 1 annies 1115t                  |
| 40        | •  | 200.2     | Drosida          | CADEC                           |
| 40 41     | Provider Relief Funds                                    | 288.2     | Provider         | CARES                           |
| /1.1      | Hospital Preparedness                                    | 2.9       | State & Provider | CARES                           |

in millions. Totals do not include competitive grants or loans for which RI might be eligible. Estimates from FFIS unless otherwise noted. <sup>1</sup>HUD, <sup>2</sup>RI Department of Transportation & RIPTA, <sup>3</sup>fiscal staff estimate assuming six months

**1. Federal Disaster Declaration.** Under current federal law, the Stafford Act authorizes the President to provide federal assistance when the magnitude of an incident or threatened incident exceeds the affected state, territorial, Indian Tribal, and local government capabilities to respond or recover. On March 13, 2020, the President declared that an emergency exists nationwide as a result of COVID-19 beginning on January 20, 2020. The Stafford Act constitutes the statutory authority for most federal disaster response activities, especially as they pertain to Federal Emergency Management Agency (FEMA) programs. Under this declaration, Rhode Island would qualify for reimbursement of 75 percent of certain expenses.

On April 13, 2020, Rhode Island requested that its share be waived and the Agency reimburse 100 percent of qualifying expenses. There are several unknowns including which specific expenses would qualify. Federal guidelines suggest that these reimbursements will not duplicate assistance provided by the United States Department of Health and Human Services or any other federal agencies. Lack of guidance on other federal sources complicates the effort to assign expenses to specific grants. According to the state's accounting system, as of June 12, 2020, \$123.0 million has been spent or encumbered by the Rhode Island Emergency Management Agency, the majority on ventilators and personal protective equipment.

**2. Coronavirus Relief Fund.** The CARES Act provides \$150.0 billion for FY 2020 for states, tribal governments, and local governments. Payments to states are based on population; however, the act does include a minimum payment of \$1,250.0 million, which applies to Rhode Island. Funds can be used for "necessary" expenditures incurred related to COVID-19 that were not accounted for in the budget most recently approved, and were incurred between March 1, 2020 and December 30, 2020. Local governments with populations of at least 500,000 are eligible for direct payments from the state's allotment; no Rhode Island municipality meets that threshold.

Guidance on the allowable uses of funds was released by the Department of Treasury on April 22, 2020. It identifies expenditures that qualify as those used for actions taken to respond to the public health emergency. These may include expenditures incurred to respond directly to the emergency, such as medical or public health needs, as well as expenditures incurred to respond to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions due to COVID-19 related business closures. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 related public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. Costs must be incurred between March 1, 2020, and December 30, 2020.

These funds cannot be used for the state's share of Medicaid expenses and expenditures otherwise reimbursed through other federal programs. The guidance is very clear that funds may not be used to fill shortfalls in government revenue.

# Education

The CARES Act includes \$30.8 billion for an Education Stabilization Fund, nearly all of which will be distributed to states through three separate funds described below. Preliminary estimates indicate Rhode Island will receive a total of \$121.9 million for local education agencies and institutions of higher education, both public and private. To be eligible for these funds, states must

first provide support for both elementary and secondary education and public higher education at no less than the three-year average for fiscal years 2017, 2018 and 2019 for both FY 2020 and FY 2021. This is referred to as maintenance of effort; the Secretary of Education has discretion to waive the maintenance of effort requirement but no rules or regulations have been posted.

Determining maintenance of effort requires a number of steps and decisions. For higher education, this includes funding for institutions and need-based financial aid, but excludes expenditures for research and development, tuition and fees, or capital projects. It is unclear whether debt service is considered a capital project expense or an operating expense. For elementary and secondary education it is not clear if school construction aid would be included. The Governor's revised budget exceeds that threshold by \$83.1 million for elementary and secondary education and by at least \$15.9 million for higher education.

|                       | Mai          | ntenance of | Effor | rt Calculatio | ns      |            |               |           |
|-----------------------|--------------|-------------|-------|---------------|---------|------------|---------------|-----------|
|                       | <b>K-1</b> 2 |             |       |               | $P_{i}$ | ublic Higi | her Ed        | ucation   |
|                       | Construction |             | Cor   | istruction    | N       | o Debt     | Deb           | t Service |
| State Support         | Aid          | Excluded    | Aid   | l Included    | Service |            | vice Included |           |
| FY 2017               | \$           | 1,006.5     | \$    | 1,086.5       | \$      | 178.2      | \$            | 192.2     |
| FY 2018               | \$           | 1,054.6     | \$    | 1,134.6       | \$      | 184.6      | \$            | 210.0     |
| FY 2019               | \$           | 1,080.5     | \$    | 1,160.5       | \$      | 191.6      | \$            | 223.2     |
| Three-Year Average    | \$           | 1,047.2     | \$    | 1,127.2       | \$      | 184.8      | \$            | 208.5     |
| FY 2020 Gov. Revised  | \$           | 1,130.3     | \$    | 1,210.3       | \$      | 200.7      | \$            | 237.3     |
| Chg. to 3-Yr. Average | \$           | 83.1        | \$    | 83.1          | \$      | 15.9       | \$            | 28.8      |
| FY 2021 Governor      | \$           | 1,175.2     | \$    | 1,255.2       | \$      | 202.3      | \$            | 234.8     |
| Chg. to 3-Yr. Average | \$           | 128.0       | \$    | 128.0         | \$      | 17.5       | \$            | 26.3      |

\$ in millions

**3.** Governor's Fund. The Education Stabilization Fund includes \$2.95 billion for the Governor's Emergency Education Relief Fund for which Rhode Island is eligible for \$8.7 million. States must apply for funds, which will be awarded based on two formulas. Funds are for grants to local education agencies, higher education institutions and other education related entities within the state that have been most affected by the coronavirus.

**4. K-12 Fund.** The Education Stabilization Fund includes \$13.2 billion for emergency relief for elementary and secondary schools. State education agencies must apply for funds which will be awarded in proportion to Title I-A grants. Rhode Island is estimated to receive \$46.4 million and at least 90.0 percent of the funds must be distributed to local education agencies and proportionally to Title I-A funds. Funds can be used for preparedness and response activities related to and resulting from coronavirus, such as sanitizing school buildings and planning for long-term closures. Funds can also be used for educational activities, addressing the needs of special populations, and purchasing technology for students. The Department of Elementary and Secondary Education made funding distribution estimates available to local education agencies on May 8, totaling \$41.7 million or 90.0 percent of available funds. No more than \$0.2 million or 0.5 percent of the total award may be used on administrative costs.

**5. Higher Education Fund - General.** The act appropriates 46.3 percent of total Education Stabilization funds, or approximately \$14 billion for emergency relief for higher education

institutions. Of the total, 90.0 percent of the funds will be awarded on a formula basis that accounts for a state's share of full-time equivalent Pell students. At least 50 percent must provide emergency financial aid to students to cover eligible expenses such as food, housing, course materials, technology, health care and child care. Remaining funds may be used by institutions to defray expenses, such as lost revenue and technology costs associated with a transition to distance education. The United States Department of Education published the distribution by institutions indicating that Rhode Island's public institutions will receive \$28.7 million; private institutions will receive \$36.0 million.

Additionally, 7.5 percent of the total funds will be allocated to minority serving institutions to be used to defray expenses; it may also be used for grants to students for any component of the student's cost of attendance, including food, housing, course materials, technology, health care, and child care. Rhode Island institutions will receive \$1.7 million, including \$0.9 million for public institutions. The remaining 2.5 percent of funds will be allocated to institutions with the greatest need as determined by the Secretary of Education; *Federal Funds Information for States* indicates that a private Rhode Island institution will receive \$0.4 million.

# **Children and Families**

6. Child Care and Development Block Grant. The CARES Act includes \$3.5 billion for child care assistance programs for low-income families. Funds can be used for payments to child care providers in the case of decreased enrollment or closures related to coronavirus, as well as ensuring providers are able to remain open or reopen. Funds can also be used to provide child care assistance to health care and other essential workers during coronavirus response efforts. Rhode Island is estimated to receive \$8.2 million from block grant funds, which can be used to offset Child Care Assistance Program payments that the state has continued to make while day care providers are closed. This funding is in addition to the state's FY 2020 block grant award of \$24.3 million including discretionary and restricted funds. Unspent funds may be carried forward into the next fiscal year.

**7. Community Services Block Grant.** The CARES Act includes \$1.0 billion for the Community Services Block Grant with Rhode Island estimated to receive \$5.5 million to support programs and services, including those targeting low-income families. The supplemental appropriation is in addition to the state's annual \$4.1 million block grant award, nearly all of which is distributed to providers including community action agencies.

**8.** Low Income Home Energy Assistance Program. The CARES Act includes \$900.0 million for the Low Income Home Energy Assistance Program or LIHEAP. Rhode Island is estimated to receive \$5.9 million to assist low income households meet the increasing costs of home energy and reduce the severity of an energy related crisis. This is in addition to the FY 2020 award of \$24.2 million. Eligibility for the program is unchanged. The Department of Human Services will work with local community action agencies to enroll recently eligible residents in the program.

**9. Family Violence Prevention.** The CARES Act includes \$45.0 million for family violence prevention grants. Rhode Island's Department of Human Services is expected to receive \$0.2 million to be awarded to local organizations to provide temporary housing and assistance to victims of family, domestic, and dating violence.

**10.** Child Welfare Services. The CARES Act includes \$45.0 million for child welfare services. Rhode Island is estimated to receive \$0.1 million for services to prevent neglect, abuse or exploitation of children, support at-risk families through services which assist with youth returning to their families, promote the safety of youth in foster care or adoptive families, and provide training and professional development for Department of Children, Youth and Families staff. Rhode Island receives \$0.8 million annually; the additional funding represents an increase of approximately 17 percent.

**11. Head Start.** The CARES Act includes \$750.0 million for Head Start programs, of this amount \$500.0 million is for providers that can support supplemental summer learning programs and \$250.0 million is for expenses incurred resulting from the coronavirus. Seats in the summer program are to be prioritized for currently enrolled students entering kindergarten in the fall of 2020 and those with individualized education plans (IEP). *Federal Funds Information for States* estimates that Rhode Island will receive a total of \$2.2 million to be distributed directly to the state's six current providers.

# **Community Living**

**12. Supportive Services.** The CARES Act includes \$200.0 million for supportive services for older and disabled individuals; Rhode Island is estimated to receive \$1.0 million which will be awarded to the Office of Healthy Aging. Funds can be used for program administration and distributed to providers for a variety of activities outlined in Title III-B of the Older Americans Act. These activities include health education, counseling, screenings, housing services, home modification, home security, transportation, elder abuse prevention and response activities, and inhome services, among others.

**13. Congregate and Home Delivered Meals.** The federal government has appropriated \$750.0 million for nutrition programs serving elderly and disabled individuals in response to the coronavirus. This includes \$250.0 million under the Families First Coronavirus Response Act and \$500.0 million under the CARES Act to support home-delivered meals, congregate meal services, and nutrition services. Rhode Island is estimated to receive a total of \$3.6 million for nutrition services, of which \$1.2 million has already been awarded. As of April 1, the Office of Healthy Aging has distributed \$0.8 million for home-delivered meals to community providers and has since received federal approval to use the remaining \$0.4 million, which was designated for congregate meals, for that purpose as well.

**14. Family Caregivers.** The CARES Act includes \$100.0 million for family caregiver support services, of which Rhode Island is projected to receive \$0.5 million. Funds can be used for activities outlined in Title III-E of the Older Americans Act, including providing information to caregivers on available support, assisting caregivers in accessing that support, individual counseling and caregiver training, respite care, and, on a limited basis, services that supplement the care provided by caregivers. Funds will be awarded to the Office of Healthy Aging and are limited for use to the previously mentioned activities, which includes respite services provided through the CareBreaks program.

**15. Protection of Vulnerable Older Americans.** The CARES Act includes \$20.0 million for elder rights protection activities, of which Rhode Island is projected to receive \$0.1 million. Funds

are to support state Ombudsman programs and can be used to expand their virtual presence to residents and their families. There is no state match requirement.

**16. Centers for Independent Living.** The CARES Act includes \$85.0 million for independent living centers, of which Rhode Island is projected to receive \$0.9 million. Funds will be awarded directly to the state's only center, the Ocean State Center for Independent Living located in Warwick. The Center provides a variety of services for elderly and disabled individuals, including assessment services, assistance with assistive technologies, advocacy and training, and independent living skills, among others.

**New - 1. Aging and Disability Resource Centers.** The CARES Act includes \$50.0 million to be awarded as competitive grants to aging and disability resource centers. The Administration for Community Living will award funds to improve long term services and supports, beginning with grants to states to launch aging and disability resource center programs. Funding is also available for states and territories to oversee active programs as well as No Wrong-Door systems. Rhode Island received notification on April 28, 2020 that it has been awarded \$0.3 million.

# **Disease Control and Prevention**

**17. CDC Grants.** The Coronavirus Preparedness and Response Supplemental Appropriations Act provides \$2.2 billion to the Centers for Disease Control and Prevention for "CDC-Wide Activities and Programs." The funds may be used through federal fiscal year 2022 to prevent, prepare for, and respond to coronavirus, domestically or internationally. Of the total, \$950.0 million is for grants or cooperative agreements with states, municipalities and other entities for surveillance, laboratory capacity or other preparedness and response activities. *Federal Funds Information for States* indicates that Rhode Island will receive \$5.4 million and subsequently, the Department of Health indicated that it would receive an additional \$0.7 million, for a total of \$6.1 million. The CARES Act includes an additional \$1.5 billion for surveillance, laboratory capacity, infection control and other response activities. *Federal Funds Information for States* indicates that Rhode Island \$1.5 billion for surveillance, laboratory capacity, infection control and other response activities. *Federal Funds Information for States* indicates that Rhode Island \$1.5 billion for surveillance, laboratory capacity, infection control and other response activities. *Federal Funds Information for States* indicates that Rhode Island \$1.5 billion, for total funding of \$11.5 million.

The Paycheck Protection Program and Health Care Enhancement Act provides an additional \$1.0 billion to the Centers for Disease Prevention and Control. The amount that the state will receive from this allocation has not been determined. The act also provides \$11.0 billion for additional testing capacity for states, local entities, territories, and tribal organizations. Based on guidance issued, funding will go to existing grant recipients for Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases. Recent estimates from *Federal Funds Information for States* suggest Rhode Island will receive \$86.7 million for the state testing component. Some of the requirements for the grant award include: a plan for testing a minimum two percent of the state's population each month, and how that will be increased by Fall 2020; a list of established and proposed laboratories that will be conducting tests; and plans for testing at non-traditional sites.

# **Community Health Centers**

**18. Community Health Centers.** The CARES Act provides \$1.3 billion for FY 2020 for COVID-19 related expenses incurred by federally qualified health centers. Rhode Island has nine health centers and its \$7.3 million share has been awarded directly to the eight federally qualified

health centers. The health centers will also receive \$3.7 million to expand COVID-19 testing with awards ranging from \$0.2 million to \$1.0 million for Providence Community Health Centers. There is also \$79.0 million for rural health centers. The act also supports telehealth networks and resource centers and provides \$29.0 million for FY 2021 through FY 2025 along with a new reporting requirement for this funding opportunity. The Coronavirus Preparedness and Response Supplemental Appropriations Act provides an additional \$0.5 million.

**New Item – 3. Workforce Programs.** The CARES Act provides \$4.4 million for the establishment of programs to support training health professionals to meet health care needs of high-risk populations, such as older individuals and those with chronic diseases. *Federal Funds Information for States* indicates that the University of Rhode Island will receive \$0.1 million. The Act also includes \$23.7 million through competitive grants for each federal fiscal year 2021 through 2025 to reauthorize health profession workforce programs that plan, develop, operate, and evaluate projects to improve preventive medicine, health promotion and disease prevention, or access to and quality of health care services in rural or medically underserved communities. According to *Federal Funds Information for States*, \$0.1 million has been awarded to Brown University.

**19. Community Mental Health Centers and Behavioral Healthcare Programs.** The CARES Act includes \$425.0 million to support activities related to behavioral healthcare and substance abuse issues. According to *Federal Funds Information for States*, Rhode Island will receive \$6.0 million through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals including \$4.0 million provided to the state's seven community mental health centers to increase access to mental health services. Funding also includes \$2.0 million for emergency response grants to provide flexible funding to address mental health and substance use disorders, as well as to provide resources and support to youth and those who are homeless.

#### Labor

**20. Unemployment Insurance.** The Families First Coronavirus Response Act provides \$1.0 billion for emergency grants to states for activities related to processing and paying unemployment insurance benefits. State allocations are determined proportionally to each state's relative taxable unemployment insurance wages. To be eligible for an additional grant, a state's unemployment claims must be at least 10.0 percent higher than the same quarter in the previous calendar year. For Rhode Island, \$3.3 million will be available as the state meets the eligibility requirements. Prior to the health crisis, Rhode Island's unemployment rate was around 3.4 percent; the Department of Labor and Training reported 4.6 percent for March 2020.

Data as of April 8, 2020 suggests Rhode Island unemployment has reached at least 15 percent which will more than qualify the state for both initial and supplemental grants. For states that receive both the initial and additional emergency unemployment insurance administration grants, the act provides full federal funding rather than the normal 50.0 percent cost share of extended benefits, including the first week for states with no waiting week, and for weeks of unemployment beginning after the date of enactment. The act also provides interest-free loans to states to help pay unemployment insurance benefits through December 31, 2020, if needed.

Additionally, the CARES Act provides \$100.0 million for grants for short-time compensation programs, where employers maintain their workforce through a reduction in hours and

unemployment benefits make up or the reduction. Rhode Island already has such a program called WorkShare through the Department of Labor and Training. According to *Federal Funds Information for States*, the state will receive \$0.3 million; \$0.1 million is for improving the administration of short-time compensation programs while \$0.2 million is for promoting and enrolling employers in these programs.

**21. WIOA Dislocated Workers Funding.** The CARES Act includes \$345.0 million through September 30, 2022, to prevent, prepare for, and respond to coronavirus domestically or internationally, for necessary expenses for the dislocated worker assistance national reserve. Funds may also be used to replace grant funding previously obligated to an impacted area. The U.S. Department of Labor announced \$131.3 million of awards on April 15, 2020 of which Rhode Island will receive \$2.3 million.

# **Public Safety**

**22. State and Local Law Enforcement.** The CARES Act provides \$850.0 million in formula grants to states for the continuation of criminal justice programs. The Department of Justice released guidance on April 1, 2020, indicating Rhode Island is eligible for \$4.5 million with \$3.2 million going to the state and \$1.3 million going to local entities. According to the Department of Justice, funds may be used to hire personnel, pay overtime costs, cover protective equipment and supplies, address correctional inmates' medical needs and defray expenses related to the distribution of resources to hard-hit areas, among other activities. Grant funds may be applied retroactively to January 20, 2020.

# Nutrition

**23. Food and Nutrition Assistance Programs.** The federal government has appropriated a total of \$25.5 billion for food and nutrition programs in response to the coronavirus pandemic. This includes \$8.8 billion for child nutrition programs, \$15.8 billion for the Supplemental Nutrition Assistance Program (SNAP), and \$850.0 million for the Commodity Assistance Program of which up to \$250.0 million can be spent on the distribution of food. Many food and nutrition benefits or reimbursement programs are paid on an individual basis. Funding for Rhode Island will be based on actual participation in the programs; however, *Federal Funds Information for States* estimates the state will receive a total of \$2.7 million from the emergency food assistance program. These funds are distributed to the Rhode Island Food Bank, which administers the program.

**24.** Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The Families First Coronavirus Response Act provides a \$500.0 million supplemental appropriation for the program to be used through September 30, 2021, distributed on a formula basis. The act also allows flexibility to help serve families during the pandemic. *Federal Funds Information for States* indicates that Rhode Island will receive \$1.3 million.

The Special Supplemental Nutrition Program for Women, Infants, and Children nutrition assistance program is administered by the Department of Health. It provides supplemental foods, nutrition education and information, referral and coordination services for eligible low income women and children under the age of five, who are at risk of poor health and development because of inadequate nutrition or health care or both.

#### Commerce

**25.** Manufacturing Extension Partnership (MEP). The CARES Act includes \$60.0 million through September 30, 2021, with \$50.0 million to be distributed as grants to assist manufacturers. It also waives the cost-sharing requirements for these funds. *Federal Funds Information for States* indicates that Rhode Island will receive \$227,500, which would go to Polaris MEP, the 501(c)(3) organization that administers this program.

**New – 2. Awards to Fishery Participants.** The CARES Act provides \$300.0 million for assistance to Tribes, persons, fishing communities, aquaculture businesses or other fishery-related businesses that have incurred economic revenue losses or any negative impacts to subsistence, cultural, or ceremonial fisheries resulting from COVID-19. According to *Federal Funds Information for States*, Rhode Island is expected to receive \$3.3 million.

# **Emergency Management**

**26. Emergency Performance Management Grant.** The CARES Act includes \$400.0 million available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically and internationally. Of the total amount, \$100.0 million is for Emergency Management Performance grants for local emergency management activities to support coordination, including communications and logistics. *Federal Funds Information for States* indicates that Rhode Island will receive \$942,000. Typically, Emergency Management Performance grants require a 50.0 percent state match; however, for all areas affected by COVID-19, the state share will be 25.0 percent.

**27. Emergency Food and Shelter Program.** The CARES Act includes \$200.0 million for the Emergency Food and Shelter Program, of which Rhode Island's municipalities are estimated to receive \$615,000 directly.

# Housing and Urban Development

**28.** Community Development Fund (CDBG). The CARES Act appropriates \$5.0 billion through September 30, 2022, including \$2.0 billion distributed in accordance with the FY 2020 formula and \$1.0 billion to mitigate health risks and economic and housing disruptions caused by the coronavirus. The remaining funds will be allocated at the discretion of the Secretary of Housing and Urban Development. Rhode Island municipalities are estimated to receive \$9.9 million. Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket will receive \$6.7 million of that total directly, with the state administering the funds for the remaining communities from the FY 2020 formula allocation. *Federal Funds Information for States* estimates Rhode Island's share of the \$1.0 billion discretionary allocation will total \$4.7 million to be administered by the state for the municipalities not directly funded.

**29. Homelessness Assistance Grants.** The CARES Act appropriates \$4.0 billion through September 30, 2022; half of these funds are to be allocated under the same formula as FY 2020. Rhode Island is estimated to receive \$11.2 million. Pawtucket, Providence and Woonsocket will receive \$5.4 million directly from U.S. Housing and Urban Development, with the remaining funding provided through the state to private shelters.

The Housing Resources Commission typically allocates funding to private shelters, but has allocated \$1.5 million from these funds to Housing Help RI, an initiative to provide emergency housing assistance to very low-income renters at immediate risk of homelessness. The program will provide one-time grants up to \$5,000 for past due rent, late fees or relocation assistance; awards will be paid directly to the property owner or operator. To be eligible, an applicant must be a Rhode Island resident who is renting or in transient housing, whose household earns less than 50.0 percent of the area median income and meets specific criteria for being housing insecure.

**30.** Public Housing Operating Fund. The CARES Act appropriates \$685.0 million through September 30, 2021, to support public housing. *Federal Funds Information for States* indicates Rhode Island municipalities will receive \$5.9 million.

**31. Tenant-Based Rental Assistance.** The CARES Act appropriates \$1.3 billion for rental assistance. This includes \$850.0 million for local public housing agencies' administrative expenses. *Federal Funds Information for States* indicates Rhode Island municipalities will receive \$3.3 million directly from U.S. Housing and Urban Development. Awards as of May 8, appear to total \$2.1 million.

**32. Housing Opportunities for Persons with AIDS.** The CARES Act appropriates \$65.0 million through September 30, 2021, with allocations made to municipalities available until September 30, 2022. The U.S. Housing and Urban Development website indicates allocations to Rhode Island entities will total \$0.6 million, including \$0.2 million to the City of Providence.

**New - 4. Supportive Housing for Persons with Disabilities.** The CARES Act appropriates \$15.0 million through September 30, 2023 for project-based housing for people with disabilities. The funding is intended to support coronavirus response activities to maintain normal operations. U.S. Housing and Urban Development reports that Providence and Pawtucket will receive \$181,273 and \$42,612 respectively.

# Transportation

**33. Federal Transit Funding.** The CARES Act provides \$25.0 billion for Transit Infrastructure grants to help transit agencies prevent, prepare and respond to COVID-19. The funds are available for use from January 20, 2020, until expended and will be allocated through existing formula grant programs. Rhode Island will receive \$104.6 million, of which \$91.2 million will go to the Rhode Island Public Transit Authority and \$13.3 million will go to the Department of Transportation. The Federal Transit Administration issued guidance for use of the funds on April 2, 2020, and the use appears to be flexible. The funds can be used for operational expenses, defined as "necessary to operate, maintain, and manage a public transit system." This includes drivers' salaries, fuel or items having a useful life of less than one year. There is no matching requirement and funds do not have to be incorporated into a state's Transportation Improvement Plan for use, unless they will be used for "substantial functional, locational or capacity changes."

**34. Grants-in-Aid for Airports.** The CARES Act provides \$10.0 billion to the Federal Aviation Administration for grants-in-aid to airports to prevent, prepare and respond to COVID-19. The funds are available for use until they are expended. Commercial service airports will receive funding based on number of passengers that boarded an aircraft there in calendar year 2018, as well as the amount of debt and the amount of money the airport has in reserve, using its fiscal year

2018 data. General aviation airports will receive funding based on the airport's category, such as national, regional, local and unclassified; T.F. Green is categorized as a regional airport. *Federal Funds Information for States* indicates that the allocation to Rhode Island airports will be \$24.0 million.

# **Independent Agencies**

**35. Election Security Grants.** The CARES Act includes \$400.0 million for election security grants to prevent, prepare for and respond to the coronavirus in the 2020 federal election cycle. *Federal Funds Information for States* indicates Rhode Island will receive \$3.0 million. Through two executive orders the Governor delayed the presidential primary election from April 28, 2020 until June 2, 2020, making it a predominantly mail ballot election and altering procedures and timelines. The Secretary of State estimates this will require an additional \$0.9 million for printing and mailing costs.

**36.** National Endowment for the Arts. The CARES Act includes \$75.0 million to remain available through September 30, 2021, to be distributed as grants through the National Endowment for the Arts. The Rhode Island State Council on the Arts reports it will receive \$424,300. The legislation waives the state's matching requirement.

**37.** National Endowment for the Humanities. The CARES Act includes \$75.0 million to remain available through September 30, 2021 to be distributed as grants. The Rhode Island Council for the Humanities, a 501(c)(3) organization, reports it will receive \$416,300.

**38. Institute of Museum and Library Services.** The CARES Act provides \$50.0 million in grants to expand digital network access, purchase internet accessible devices, and provide technical support services for libraries and museums to prevent, prepare for and respond to COVID-19. The funds are available through September 30, 2021. The act waives any matching fund requirement. *Federal Funds Information for States* indicates Rhode Island will receive \$96,000; the funds will go to the Office of Library and Information Services.

# Health and Human Services

**39. FMAP Rate Increase.** The Families First Coronavirus Response Act increases the federal contribution rate for Medicaid by 6.2 percent. For Rhode Island, the rate increases from 52.95 percent to 59.15 percent. This higher match rate is available in the quarter when the public health emergency began, or January 1, 2020, until the end of the quarter when the public health emergency ends. House Fiscal Staff estimates savings of approximately \$32 million for each of the last two quarters of FY 2020. States must retain their program eligibility and other procedures to take advantage of this opportunity.

• **40. Provider Relief Funds.** The CARES Act provides \$100 billion for necessary expenses to reimburse, through grants or other mechanisms, eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus. Distribution is left to the discretion of the Department of Health and Human Services. On April 10, the first \$30 billion was released to providers who received Medicare fee-for-service claims payments in calendar year 2019. *Federal Funds Information for States* indicates Rhode Island health care providers received \$90.5 million of this. Another \$12 billion was dedicated to "hot spots," and approximately 400

hospitals that provided care to 100 or more COVID-19 patients as of mid-April received this funding, including Rhode Island Hospital which got \$19.8 million. Additionally, *Federal Funds Information for States* indicates Rhode Island will receive \$34.5 million of the \$4.9 billion set aside for skilled nursing facilities and another \$56.7 million of the \$10.2 billion set aside for safety net hospital distribution awards. The safety net distribution funding is going to hospitals that serve a disproportionate number of Medicaid patients or provide large amounts of uncompensated care with hospitals receiving a minimum of \$5 million up to a maximum \$50 million.

**41. Hospital Preparedness.** The CARES Act provides "at least" \$250.0 million for hospital preparedness activities. According to *Federal Funds Information for States*, Rhode Island will receive \$2.9 million of the \$334.9 million that has been released.

**Stimulus Payments to Individuals.** The CARES Act provides direct payments to individuals in the form of a tax credit. Individuals will receive \$1,200 and married couples filing jointly will receive \$2,400. There is also a \$500 payment for each dependent child younger than 17. Payments are reduced for individuals with adjusted gross incomes over \$75,000 or over \$150,000 for couples so that anyone making over \$99,000 or \$198,000 for individuals and couples, respectively, would not receive a payment.

# Appendix

The pages that follow contain summaries of the four acts that have passed in response to the ongoing pandemic, beginning with the most recent. The descriptions follow the structure of each respective act as noted in the table of contents below.

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# 116 H.R.266: Paycheck Protection Program and Health Care Enhancement Act

#### **Division A - Small Business Programs**

Amendments to the Paycheck Protection Program, Economic Injury Disaster Loans, and Emergency Grants. Section 101 amends Small Business Administration programs enumerated in the CARES Act. It recapitalizes the programs, including \$321.3 billion more for the Paycheck Protection Program and \$10.0 billion more for Economic Injury Disaster Loan Grant program for total appropriations of \$670.3 billion and \$20.0 billion, respectively. This section expands the eligibility for the Disaster program to include all farming and agriculture-related industries. It sets aside \$60 billion of Paycheck Protection Program resources for specific types of lending institutions by asset level:

- At least \$30 billion for federally-insured banks and credit unions with between \$10 billion and \$50 billion in assets
- At least \$30 billion for community financial institutions, and federally-insured banks and credit unions with less than \$10 billion in assets

**Emergency Designation.** Section 102 provides that the effects of this division shall not be entered on either PAYGO scorecard.

#### **Division B - Additional Emergency Appropriations for Coronavirus Response**

#### **Title I: Department Of Health And Human Services**

**Public Health and Social Services Emergency Fund - Hospitals and Health Care Providers.** The act provides \$75.0 billion in competitive funding to prevent, prepare for, and respond to coronavirus including reimbursements to eligible health care providers for health care expenses or lost revenues that are attributable to coronavirus. These funds may not be used to reimburse expenses or losses that have been reimbursed from other sources. Eligible health care providers include public entities, Medicare or Medicaid enrolled suppliers and providers, for-profit and nonprofit entities that provide diagnoses, testing, or care for individuals with possible or actual cases of COVID-19. Health care providers are required to submit an application to the Secretary of the Department of Health and Human Services justifying the need for reimbursement.

The act provides competitive funding for building or constructing temporary structures, property leasing, medical supplies and equipment including personal protective equipment and testing supplies, increased workforce and trainings, emergency operation centers, retrofitting facilities and surge capacity. Health care providers are required to submit an application to the Secretary of the Department of Health and Human Services justifying the need of reimbursement.

**Public Health and Social Services Emergency Fund - Testing**. The act directs \$25.0 billion to prevent, prepare for, and respond to coronavirus for necessary expenses to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 testing. This includes testing for active infection and for prior exposure. The act includes \$11.0 billion for states, local entities, territories, and tribal organizations; of that amount \$2.0 billion is available to

states based on the formula applied to the Public Health Emergency Preparedness Cooperative Agreement in federal fiscal year 2019. Another \$4.3 billion shall be allocated based on the relative number of cases of COVID-19 and \$750.0 million for the Indian Health Service. Funding must be allocated within 30 days of enactment and are available until spent.

Recent estimates suggest Rhode Island will receive \$86.7 million from the state testing component. Some of the grant requirements include: a plan for testing a minimum two percent of the state's population each month, and how that will be increased by fall 2020, a list of established and proposed laboratories that will be conducting tests, and plans for testing at non-traditional sites. Within the \$25.0 billion, the act further directs a number of appropriations for specific uses as described below.

- *Centers for Disease Control.* The act provides \$1.0 billion to the Centers for Disease Prevention and Control. These funds are allocated to federal agencies, including the National Institute of Health to improve and implement testing and to accelerate research of other rapid testing. The amount that the state will receive from this allocation has not been determined.
- *Biomedical Advanced Research and Development Authority*. The act provides \$1.0 billion to the Biomedical Advanced Research and Development Authority for research, development, manufacturing, production, and purchasing of diagnostic, serologic, or other COVID-19 tests or other supplies.
- *Public Health Emergency Preparedness Cooperative Agreement.* The act provides \$2.0 billion for the Public Health Emergency Preparedness Cooperative Agreement, which has provided funding to state, local, and territorial public health departments. The funds will be distributed on a formula basis. The amount that the state will receive has not been determined.
- *Food and Drug Administration*. The act provides \$22.0 million for the U.S Food and Drug Administration's salaries and expenses for diagnostic, serological, antigen, and other tests and administrative activities to prevent, prepare for, and respond to coronavirus.
- *State and Local Grants for COVID-19 Preparedness.* The act provides discretionary grant funding for states and local entities to rent, lease, purchase, acquire, construct, alter, renovate, or equip non-federally owned facilities for diagnostic, serologic or other COVID-19 tests, or related supplies.
- *Health Resources and Services Administration Primary Health Care.* The act includes \$600.0 million for grants to community health centers.
- *Rural Health Clinics*. The act provides \$225.0 million for additional COVID-19 testing and related expenses for rural health clinics. Expenditures may include building temporary structures, leasing properties, and retrofitting facilities to support testing.

• *Testing for the Uninsured.* The act provides \$1.0 billion to cover the costs of testing the uninsured, as defined under the Families First Coronavirus Response Act.

#### **Title II: Independent Agencies**

**Small Business Administration.** This title provides \$2.1 billion more through September 30, 2021 for the Small Business Administration to support its coronavirus response.

**Disaster Loans Program.** This title provides \$50.0 billion more until expended for the Disaster Loan Program Account. This is in addition to the \$562.0 million provided for loans and staffing in Title IV of Division B of the CARES Act, and \$20.0 million for administrative expenses provided in the Coronavirus Preparedness and Response Supplemental Appropriations Act.

**Emergency EIDL Grants.** This title provides that the \$10.0 billion provided in Division A for the EIDL Grant program is available until expended. The CARES Act provided an initial \$10.0 billion.

#### **Title III: General Provisions**

**General Provisions.** These sections provide that the appropriations provided by this act are for response to the coronavirus and are in additional to any previously provided amounts for the remainder of the current fiscal year unless specified otherwise.

**Budgetary Effects.** These sections mandate that the effects of this division shall not be entered on either PAYGO scorecard.

# 116 H.R 748 Coronavirus Aid, Relief, and Economic Security Act or "CARES Act"

# <u>Division A - Keeping Workers Paid and Employed, Health Care System Enhancements, and Economic Stabilization</u>

#### Title I: Keeping American Workers Paid and Employed Act

**Definitions.** Section 1101 establishes that the Small Business Administration is the administrator of the sections in Title I, and provides that small business concerns are consistent with the current law definitions, including the administrator's discretion.

**Paycheck Protection Program.** Section 1102 establishes the Paycheck Protection Program among its available small business loan programs. The program provides no-cost, unsecured deferred loans for eligible individuals or a variety of entities with fewer than 500 employees for the period of February 15, 2020 to June 30, 2020. The loans can be used to cover small business concerns, including mortgage interest, rent, utilities, and personnel expenses for employees, sole proprietors, independent contractors, and certain franchisees. Personnel expenses for each employee are capped at \$100,000 annually. The loan deferment period is six months to one year, and loans are eligible for forgiveness under certain criteria established under Section 1106. The maximum amount under the existing express loan program is increased from \$350,000 to \$1.0 million through January 1, 2021. Section 1107 provides \$349.0 billion to support the paycheck protection program.

**Entrepreneurial Development.** Section 1103 establishes grants for small business and women's business centers to support education, training and advising. Supported topics include accessing available resources, impacts of disease transmission, business operations, use of telework and electronic customer engagement, the associated risks and prevention thereof.

The administrator is required to obligate 80.0 percent of funding to small business centers, and 20.0 percent to women's business centers; there is no matching requirement. Funding must to be used to establish a centralized digital COVID-19 information center for information from federal agencies and to provide training to the grantee's counselors regarding the supported topics. Section 1107 provides \$265.0 million to support this program, including \$240.0 million for small business grants and \$25.0 million for women's business centers.

**State Trade Expansion Program.** Section 1104 extends the grant amounts made available to awardees through FY 2021 at levels provided for FY 2018 and FY 2019. It also requires the administrator to reimburse recipients for financial losses from international trade events cancelled due to COVID-19 within the grant's funding level. Rhode Island's current grant was awarded in 2019 and is administered by the Chafee Center at Bryant University.

**Women's Business Center Matching Funds.** Section 1105 waives the matching funds requirement currently in place for entities supporting women's business enterprises for three months from enactment of H.R. 748, the CARES Act.

**Loan Forgiveness.** Section 1106 identifies the conditions under which loans made through the Paycheck Protection Program under Section 1102 may be forgiven, up to the principal amount of the loan. This section provides formulas to reduce the amounts as a function of average employees per month and total salary and wages compared to a prior period. It provides the administrator discretion to adjust the formula for seasonal employers, and permits the administrator to forgive additional wages paid to tipped employees. Turnover in staffing and related expenses are disregarded provided the amounts are equivalent at the beginning and end of the period. Businesses must apply to their lender for forgiveness, and no loan may be forgiven without documentation; the administrator will reimburse lenders for forgiven amounts. The amounts included are not taxable, and the administrator must promulgate regulations within 30 days.

**Appropriations.** Section 1107 provides the following appropriations: \$349.0 billion for loans under section 1102, \$675.0 million for the administrator's salaries and benefits, \$25.0 million for Inspector General expenses until September 24, 2024, \$265.0 million for section 1103, \$10.0 million for technical assistance for minority business development, \$17.0 billion for loans under section 1112, \$25.0 million for Treasury salaries and benefits for section 1109, and for the administrator to provide guarantees of trust certificates up to \$100.0 billion to secure loans under this Act through September 30, 2021.

**Minority Business Development.** Section 1108 provides technical assistance grants to minority business development centers for the same purposes as small business and women's business centers in Section 1103. Section 1107 provides \$10.0 million for this purpose.

**U.S. Treasury Program Management Authority.** Section 1109 provides for the eligibility for lenders currently administering small business loans, and expanded eligibility for insured lenders not currently administering loans to provide loans for the paycheck protection program, provided that the borrower certifies it is not applying for a duplicative loan that is under consideration elsewhere.

**Emergency EIDL Grants.** Section 1110 establishes eligibility for a variety of business entities to receive small business loans for a disaster or during an emergency declaration which causes a substantial economic injury through December 31, 2020; it includes funding of \$10.0 billion for implementation. It allows loans to be approved based on a credit score without tax returns, or alternative methods of repayment, and waives the existing requirements for:

- a) An inability to obtain credit elsewhere
- b) Personal guarantees for loans and advances for amounts up to \$200,000
- c) To be in operation for one year prior to the disaster for those businesses in operation prior to February 1, 2020

It also allows eligible employers to receive a loan advance up to \$10,000 for expenses similar to the Paycheck Protection Program through December 31, 2020. The loan advance will not have to be repaid, and funding is in addition to any loan funding provided under the Paycheck Protection Program. The Small Business Administration has noted the expectation is for funds to be made available within days of a successful application and based on the number of employees at approximately \$1,000 per employee.

**Languages Other Than English.** Section 1111 requires the administrator to provide resources and services for the program in the country's ten most common languages besides English, including a requirement for Mandarin, Cantonese, Japanese, and Korean. It provides \$25.0 million for implementation.

**Certain Loan Payments Subsidy.** Excluding the loans established under Section 1102, Section 1112 requires the administrator to pay all existing covered loans on behalf of the borrowers for six months. It also requires the administrator to work with federal and state regulators to not increase bank reserve amounts, waive statutory maximum loan maturities for one year, and extend lender site visit requirements. It provides \$17.0 billion for implementation.

**Bankruptcy.** Section 1113 makes term-limited technical changes to the definition of "debtor" for a period of one year from enactment. It establishes procedures for those in bankruptcy to change the confirmed plans in place, provided the modification term does not expire more than seven years after the first payment of the original confirmed plan was made. It excludes federal payments received from the calculation of current monthly income.

**Emergency Rulemaking Authority.** Section 1114 directs the administrator to promulgate rules within 15 days of enactment, and excludes these rules from the posting and notification requirements under Section 535(b) of Title 5.

# Title II: Assistance for American Workers, Families, and Businesses

### Subtitle A. Unemployment Insurance Provisions

**Unemployment - Expansion.** Section 2102 provides unemployment benefits for any covered individuals for up to 39 weeks of unemployment as a result of COVID-19 beginning January 27, 2020 and ending December 31, 2020; the Secretary of Labor shall establish a process for retroactive assistance. Covered individuals include those who are not eligible for regular compensation, extended benefits, or pandemic emergency unemployment in section 2107, including those who have exhausted all rights to these benefits. Additionally, individuals are eligible if they meet one of the following criteria:

- Diagnosed with COVID-19
- Have a household member diagnosed
- Caring for a diagnosed family member
- Caring for children whose school or other place of care is closed
- Unable to reach their place of employment as a result of quarantine
- Have been advised by a healthcare provider to self-quarantine due to concerns related to COVID-19
- Have new employment scheduled but it does not commence as a result of COVID-19
- Become the major support for a household as the previous head perished as a result of the disease
- Quit their job as a direct result of COVID-19
- Place of employment is closed due to the virus

• Is self-employed, seeking part time employment, does not have sufficient work history or would otherwise not qualify for regular or extended benefits

Individuals able to telework with pay or those receiving paid sick leave or other paid leave benefits are not eligible.

Benefit payments will include a payment pursuant to state calculations in addition to the Federal Pandemic Compensation detailed in Section 2104, \$600 per week until July 31, 2020. The assistance provided is federally funded as well as funding for any additional administrative expenses as a result of this expansion.

**Unemployment - State Account Relief.** Section 2103 provides emergency unemployment relief for governmental entities and nonprofit organizations. The Secretary of Labor shall transfer unemployment funds from federal to state accounts. Funds transferred to states will be equal to one-half of benefit payments made for the period March 13 through December 31, 2020.

**Unemployment - Additional Federal Benefits.** Section 2104 provides an emergency increase in unemployment compensation benefits. It provides \$600 in addition to the state benefit payment each week until July 31, 2020. States may pay this benefit in the same way as the state benefit or separately. States will receive 100 percent of the assistance provided as well as funding for any additional administrative expenses as a result of this expansion. The Secretary of Labor will determine if these payments are advanced or reimbursed.

**Unemployment - Federal Funding for First Week.** Section 2105 provides full federal funding for the first week of unemployment as well as additional administrative expenses incurred in the cases where states waived the first week. The Secretary of Labor will determine if these payments are advanced or reimbursed.

**Unemployment - State Staffing.** Section 2106 amends the Families First Coronavirus Response Act, the second act, to extend emergency state staffing flexibility for unemployment to cover merit based employment, such as temporary staff, rehired retirees, and other temporary actions through December 31, 2020.

**Unemployment - Extended Benefits.** Section 2107 creates Pandemic Emergency Unemployment Compensation which provides an additional 13 weeks of emergency unemployment payments to those who have exhausted all rights to regular unemployment, have no rights to regular unemployment, and are able to work, available to work, and actively seeking work. The amount is equal to the state payment the individual would be eligible for and the additional \$600 discussed in Section 2104. This funding is 100 percent federal.

**Unemployment - Short-Time Compensation Financing Benefits and Agreements, Grants and Guidance.** Sections 2108 through 2111 relate to short-time compensation programs where employers maintain their workforce through a reduction in hours and unemployment benefits are paid to make up for the reduction. These sections fully fund these benefits through December 31, 2020. There is also \$100.0 million of grants for administration, divided amongst states in the same manner as unemployment administration grants. Rhode Island already has such a program called

WorkShare through the Department of Labor and Training. The state will receive \$0.3 million which can be used to support the unemployment program. According to *Federal Funds Information for States*, the state will receive \$0.3 million, \$0.1 million to improve the administration of short-time compensation programs and \$0.2 million to promote and enroll employers in these programs.

**Unemployment - Railroads Waiver of Waiting Period, Enhanced and Extended Benefits.** Sections 2112 through 2114 extend these provisions, including extended benefits and the removal of the first week waiting period for any individuals collecting unemployment through the Railroad Unemployment Insurance Act.

**Unemployment - Oversight and Implementation.** Sections 2115 and 2116 include \$25.0 million for the Office of the Inspector General to carry out oversight activities and authorization for the Secretary of Labor to issue operating instructions to carry out the subtitle.

# Subtitle B. Rebates and Other Individual Provisions

**Rebates for Individuals.** Section 2201 provides direct payments to individuals. Individuals will receive \$1,200 and married couples filing jointly will receive \$2,400. There is also a \$500 payment for each dependent child younger than 17. Payments are reduced for individuals with adjusted gross incomes over \$75,000 or over \$150,000 for couples so that anyone making over \$99,000 or \$198,000 for individuals and couples, respectively, would not receive a payment. Payments will be disbursed electronically to any account to which the payee authorized, on or after January 1, 2018. These payments are being given as a tax credit.

**Withdrawals from Retirement Plans.** Section 2202 allows for distributions without early withdrawal penalties of up to \$100,000 for a "coronavirus-related distribution" for any individual diagnosed with COVID-19, whose spouse or dependent is diagnosed with the virus, or who experiences adverse financial consequences as a result of being quarantined, furloughed, or laid off or having work hours reduced or being unable to work due to a lack of childcare. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$0.3 million for FY 2021 and \$1.3 million for FY 2022.

**Temporary Waiver of Required Minimum Distribution Rules.** Section 2203 temporarily waives the required minimum distribution rules for calendar year 2020 for certain defined contribution plans, employer maintained deferred compensation plans, or individual retirement plans. As this waiver allows taxpayers to lower their income, it could affect personal income tax collection revenues for Rhode Island. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$6.6 million for FY 2021 and \$2.8 million for FY 2022.

**Charitable Contributions Partial Deduction.** Section 2204 would allow individuals that do not elect to itemize deductions to take an above the line deduction of up to \$300 of qualified charitable contributions made beginning in 2020 for the purpose of calculating adjusted gross income. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$0.3 million for FY 2021 and \$0.4 million for FY 2022.

**Charitable Contributions Modification of Limitations.** Section 2205 temporarily modifies cash charitable contribution limitations for individuals, corporations, and food inventory contributions to allow for increased donations. These modifications apply to tax years beginning with 2020.

**Employer Student Loan Payment Exclusion.** Section 2206 excludes employer payments of student loans before January 1, 2021 for the purposes of determining gross income in calculating the personal rebate amount in Section 2201. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$0.2 million for FY 2021 and \$0.1 million for FY 2022.

# **Subtitle C. Business Provisions**

**Employer Tax - Employee Retention Credit.** Section 2301 creates a credit against social security employment taxes equal to 50.0 percent of wages for each employee. This credit is in lieu of participation in the Paycheck Protection Program. Eligible employers must have been in operation during 2020 and fully or partially suspended operations or seen a significant decline in gross receipts for the first two quarters of 2020. A significant decline is either less than 50 percent of receipts from the first quarter of last year or less than 80 percent of receipts from the second quarter of last year. Nonprofit organizations are also eligible for the credit. The credit cannot be more than \$10,000 per employee per quarter and is treated as a refund. It only applies to wages paid after March 12 and before January 1, 2021.

**Employer Tax - Delay Payment.** Section 2302 allows employers to defer payment of the employer share of the Social Security tax due to the federal government for 2020. The deferred tax must be paid within two years, with 50.0 percent repaid by December 31, 2021, and the remaining amount by December 31, 2022. This deferral is not available to recipients of loan forgiveness for paycheck protection loans under section 1106. The social security funds will be held harmless from this deferral. The Secretary of the Treasury will issue regulations or guidance to carry out this section. This option is available to state and local governments.

**Net Operating Loss Modifications.** Section 2303 provides C-corporations the option to carryback tax year 2018 through tax year 2020 net operating losses over the prior five year period, and eliminates the limit on net operating loss carryforwards from 80.0 percent of income for the tax year 2018 to the tax year 2020 period, provided that losses carried forward past tax year 2021 remain subject to the 80.0 percent cap. This allows C-corporations to receive a refund against previously paid taxes for domestic income; net operating losses carried back before tax year 2018 are more valuable due to the higher federal rate during those tax years. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$2.0 million for FY 2021 and \$0.7 million for FY 2022.

**Modification of Limitation on Losses for Taxpayers other than Corporations.** Section 2304 temporarily eliminates the cap on excess business losses for pass-through entities through tax year 2020. According to the Office of Revenue Analysis, the impact to the state cannot be estimated.

**Modification of Credit for Prior Year Minimum Tax Liability of Corporations.** Section 2305 allows businesses to refund credits for alternative minimum tax payments made previously for tax

year 2019, or the entire credit can be refunded against tax year 2018 if elected and the refund claim filed by December 31, 2020. According to the Office of Revenue Analysis, there would be no impact to state taxes.

**Modifications of Limitation on Business Interest.** Section 2306 increases the cap for interest deductions from 30.0 percent of adjusted taxable income to 50.0 percent for tax years 2019 and 2020, provided that the 50.0 percent adjustment only applies to 2020 for partnerships. The Office of Revenue Analysis estimates that these changes will result in reductions to Rhode Island state tax revenues of \$1.6 million for FY 2021 and \$1.0 million for FY 2022.

**Qualified Improvement Property Technical Amendments.** Section 2307 makes a technical correction to depreciation for qualified improvement property.

**Temporary Exception from Excise Tax for Alcohol Used to Produce Hand Sanitizer.** Section 2308 would temporarily exempt from the alcohol excise tax any alcohol used in, or contained in hand sanitizer produced and distributed in a manner consistent with any guidance issued by the Food and Drug Administration that is related to the outbreak of COVID-19 between December 31, 2019 and January 1, 2021.

# Title III: Supporting America's Health Care System in the Fight against the Coronavirus

#### Subtitle A. Health Provisions

**Medical Product Supplies.** Sections 3101 through 3103 require federal agencies to assess and make recommendations on the security of the federal medical product supply chain within 60 days of passage of the act. The act adds certain medical supplies to the national stockpile, including personal protective equipment, medical devices and diagnostic tests. It also adds respiratory protective devices as a priority for use during a public health emergency.

**Mitigating Emergency Drug Shortages.** Sections 3111 and 3112 prioritize and expedite the review of drug applications and expand reporting by manufacturers when there is a drug shortage and any discontinuation or interruption to the supply.

**Medical Devices Production Interruption.** Section 3121 addresses the availability of medical devices and requires manufacturers to notify the federal government of any discontinuation or interruption in making the devices.

**Coverage of Diagnostic Testing for COVID-19.** Section 3201 makes technical corrections to references in the Families First Coronavirus Response Act and expands the types of tests which providers are required to cover as part of a group health plan.

**Pricing of Diagnostic Testing.** Section 3202 requires health insurance issuers and group health plans to reimburse providers for the publically posted cash price of a diagnostic test regardless of if there is a negotiated agreement; however, the price may be negotiated if there is no agreement in place. It also requires health care providers to publically post cash prices of such a test subject to a civil penalty.

**Rapid Coverage of Preventative Services and Vaccines for Coronavirus.** Section 3203 requires health insurance issuers and group providers to provide no cost coverage for qualifying coronavirus preventative services within 15 days of its recommendation by an appropriate regulator.

**FQHC Funding, Rural Health Care Programs (Table Item #18).** Section 3211 provides \$1.3 billion for fiscal year 2020 for COVID-19 related expenses incurred by federally qualified health centers. Rhode Island has nine health centers. Block Island Health Services is the only one not designated as a federal qualified health center. The available funding will offset any costs incurred through health centers or managed care organizations that reimburse for services provided. Rhode Island's \$7.3 million share has been awarded directly to the eight federally qualified health centers with another \$0.5 million available for Coronavirus-related activities. The health centers have been awarded another \$3.7 million for expanded testing for total funding of \$11.5 million.

**Telehealth Resources Center.** Section 3212 provides \$29.0 million for federal fiscal year 2021 through 2025 to provide grants that support evidence-based projects that utilize telehealth network technologies. There are reporting requirements on the activities and outcomes of the grant program.

**Rural Health Care Programs.** Section 3213 provides \$79.0 million for rural health centers and makes other program changes.

**Ready Reserve Corps, Volunteer Health Care Professional Liability, National Health Care Services Corps Members.** Sections 3214 through 3216 expand opportunities for the Ready Reserve Corps to serve in a time of public emergency in addition to a national emergency and provides immunity from liability for health care professional providing assistance in a public health emergency. It also allows members of the federal National Health Services Corps to provide health services as deemed necessary by the Secretary of Health and Human Services.

**HIPAA Requirements.** Section 3221 updates requirements under the Health Insurance Portability and Accessibility Act (HIPAA) for substance use disorders. Section 3226 instructs the Secretary of Health and Human Services to carry out a national campaign to increase awareness of and support public outreach on the importance of donating blood.

**Nutrition Services to the Elderly.** Under Section 3222, the Secretary of Health and Human Services can allow state or area agencies on aging to transfer up to 100 percent of its funds for congregate and home delivered meals between programs in order to meet the needs of area seniors. This section also waives meal delivery requirements so that delivery systems for individuals who are home bound for any reason shall also apply to individuals practicing social distancing. The Assistant Secretary for Aging may also waive nutrition requirements. This section does not have a direct fiscal impact to Rhode Island, but will allow the Office of Healthy Aging to shift distributed aid for nutrition services between programs as needed. The Office does not need to seek a waiver to shift funds between programs, but must track the use of funds.

**Community Service Employment Programs.** Section 3223 allows individuals who have participated in community service employment programs for the maximum amount of 48 months to continue participating beyond that maximum, beginning March 1, 2020. It also allows employment providers to exceed an individual's participation beyond the average participation cap of 27 months per individual or the extended cap of 36 months. Additionally, the Secretary of Labor may increase funding for project administrative grants by up to 20.0 percent of its grant amount. This does not have a direct impact to Rhode Island but will allow residents currently participating in these programs to continue working beyond the maximum monthly limits.

**Guidance on Protected Health Information.** Section 3224 requires that no later than 180 days after its enactment, the U.S. Secretary of Health and Human Services must issue guidance on the sharing of patients' protected health information that may come into effect during emergencies. This guidance must be in compliance with regulations promulgated pursuant to the Health Insurance Portability and Accountability Act.

**Reauthorization of Healthy Start Program.** Section 3225 requires that no later than four years after its enactment, the U.S. Comptroller General must conduct an independent evaluation and submit it to Congress regarding the Healthy Start Program, a maternal and child health initiative. The Act appropriates \$125.5 million annually for federal fiscal years 2021 through 2025. The Department of Health does not currently receive funding from this program.

**Blood Supply Campaign/Report.** Section 3226 instructs the Secretary of Health and Human Services to carry out a national campaign to improve awareness of blood donation and support outreach activities to the public and health care providers about the importance and safety of blood donation. It also requires a future report on the activities and if the goals were accomplished.

**OTA Cap Removal.** Section 3301 removes the limit on other transaction authority for public health emergencies which is used to identify and develop new medical countermeasures for infectious diseases and other threats. This allows the federal government to use competitive procedures when entering into transactions associated with the emergency.

**Zoonotic Animal Drugs.** Section 3302 includes a process for the U.S. Secretary of Health and Human Services to expedite review of new animal drugs if preliminary clinical evidence indicates that drug, alone or in combination with one or more other animal drugs, has the potential to prevent life threatening zoonotic (spread between humans and animals) diseases.

**Health Workforce Programs (Table Item #New-3).** Section 3401 appropriates \$23.7 million through competitive grants for each federal fiscal year 2021 through 2025 to reauthorize health profession workforce programs that plan, develop, operate, and evaluate projects to improve preventive medicine, health promotion and disease prevention, or access to and quality of health care services in rural or medically underserved communities. According to *Federal Funds Information for States*, \$0.1 million has been awarded to Brown University as an Area Health Education Centers Program provider.

**Health Workforce Coordination.** Section 3402 requires that the U.S. Secretary of Health and Human Services develop a comprehensive and coordinated plan pertaining to health care

workforce development programs of the Department of Health and Human Services, including education and training programs. The plan must be submitted to Congress within a year of enactment and it must include performance measures to determine the "extent to which the programs are strengthening the nation's health care system."

**Geriatric Care Workforce Training Grants (Table Item #New-3).** Section 3403 authorizes the establishment of programs to support training health professionals to meet health care needs of high-risk populations, such as older individuals and those with chronic diseases. *Federal Funds Information for States* indicates that the University of Rhode Island will receive \$0.1 million.

**Nursing Workforce Programs.** Section 3404 reauthorizes nurse training programs to address challenges with the geographic distribution of the nursing workforce and increase access to and the quality of health care services. The section also requires an evaluation and report on nurse loan repayment programs due 18 months after the passage of the act.

#### Subtitle B. Education Provisions

**Campus-Based Aid Match Waivers.** Section 3503 provides an exemption for institutions of higher education from matching requirements for various campus-based aid programs for academic years 2019-2020 and 2020-2021. Covered programs include Federal Supplemental Educational Opportunity Grants (SEOGs) and the Federal Work-Study Program.

**Emergency Aid SEOG for Students.** Section 3504 allows the use of Supplemental Educational Opportunity Grant funds for emergency financial aid grants to assist undergraduate and graduate students for unexpected expenses as a result of the pandemic. A student cannot receive more than the maximum federal Pell Grant.

**Work Study.** Section 3505 allows higher education institutions participating in federal work study programs to make payments to students unable to fulfill their work-study obligation due to the pandemic. Payments may not exceed one academic year and may be made in one-time grants or multiple payments.

Adjustments for Loans, Pell Grants, Student Loan Flexibility and Other Grants. Sections 3506 through 3508 and Section 3518 require the Secretary of Education to exclude loans and Pell Grants from a student's enrollment history if the student was unable to complete the semester as a result of the pandemic. The sections also permit the waiver of the requirement that the amount of grant or loan assistance, including Pell Grants, be returned to the federal government if a recipient of the assistance withdraws as a result of the pandemic. The Secretary of Education will cancel a borrower's repayment obligation for anyone who withdraws as a result of the pandemic. Finally, the Secretary is allowed to modify the required and allowable uses of higher education grants, including individual recipients of financial aid, and any matching requirements for these grants.

Academic Progress. Section 3509 allows institutions to exclude attempted credits which were not completed as a result of the pandemic in determining a student's academic progress.

**Foreign Institutions.** Section 3510 allows foreign institutions to offer distance education for the duration of the emergency if the country in which they are located declares a national emergency or disaster.

**State Testing and Accountability.** Section 3511 allows state education agencies to seek waivers from federal state testing and accountability requirements upon the request of local education agencies. The Rhode Island Department of Elementary and Secondary Education has requested a waiver from spring testing, including the PSAT/SAT, Rhode Island Comprehensive Assessment System (RICAS), Next Generation Science Assessment (NGSA), and the Dynamic Learning Maps (DLM) alternate assessments. As the tests would not occur, the state will not re-calculate or release new school level performance ratings in the fall; however, it will release any data that has already been collected. The Department solicited public comment on its waiver request through April 10. The Department has rescheduled the SAT for current juniors to the 2020-2021 school year.

**HBCU Capital Loans.** Section 3512 allows the Secretary of Education to grant a deferment for the duration of the emergency to any Historically Black College and University that has received a capital loan. There is \$62.0 million appropriated to carry out this section.

**Student Loan Relief.** Section 3513 suspends federal student loan payments through September 30, 2020, as well as the accrual of interest for the period. For any students in a loan forgiveness program, the Secretary of Education shall deem each month of suspension as if the borrower had made a payment. The section also suspends any involuntary collections, such as wage garnishment or the reduction of tax refunds.

**National and Community Service Volunteers.** Section 3514 allows national and community service volunteers eligible for an education award, such as AmeriCorps and VISTA volunteers, to accrue other hours towards their minimum requirements. This applies to those who are performing a limited service and those whose position has been suspended or placed on hold due to COVID-19. For service members that may be required to exit the program early, their hours will be considered complete and will be awarded their full education award. There is no impact to the state from this provision, though it will help individual participants complete their service requirements and receive the education award.

**Workforce Innovation Opportunity Act Response (Table Item #21).** Section 3515 allows up to 20.0 percent of Workforce Innovation Opportunity Act funding to be used for administrative costs of workforce investment activities as opposed to the usual 10.0 percent. The additional 10.0 percent must be used to respond to the pandemic. Any remaining unobligated funding for the current program year may be used for statewide rapid response activities. Additionally, \$345.0 million is appropriated in Division B for training and employment services, of which Rhode Island is estimated to receive \$2.3 million.

**Technical Amendments to the Federal Financial Aid System.** Section 3516 makes technical amendments, renumbers and labels sections, to Section 6103 of the Internal Revenue Service code.

**Institutional Aid Calculation.** Section 3517 allows the Secretary of Education to waive eligibility data requirements, wait-out period, and allotment requirements while calculating awards

for FY 2021 grant programs for Historically Black Colleges and Universities and other Minority Serving Institutions. The intent of this section is to not adversely affect institutions that were receiving this aid when doing the formula calculation for next year. Any unspent funds may be carried forward and expended in the next five years.

**Teach Grants and Teacher Loan Forgiveness.** Section 3519 allows the Secretary of Education to modify the required and allowable uses of higher education grants, including individual recipients of financial aid. The Secretary may also modify any matching requirements for these grants.

# Subtitle C. Labor Provisions

**Paid Sick and Family and Medical Leave Limitations.** Sections 3601 and 3602 amend the Families First Coronavirus Response Act to clarify that for paid Family and Medical Leave an employer shall not be required to pay more than \$200 per day or \$10,000 total for each employee who takes this leave. For paid sick leave, an employer shall not be required to pay more than either \$511 per day or \$5,110 total for an employee who takes leave directly as a result of being infected with COVID-19, and \$200 per day or \$2,000 total for an employee who takes leave indirectly as a result of the virus, such as caring for a sick family member.

**Unemployment - Application Accessibility.** Section 3603 amends the Families First Coronavirus Response Act, to require states to ensure applications for unemployment are accessible in two of three ways, in person, by phone, or online. Rhode Island's applications already meet this criteria.

**Executive Branch Employee Waiver for Paid Leave.** Section 3604 allows the Director of the United States Office of Management and Budget to exclude certain executive branch employees from eligibility for paid Family and Medical Leave with good cause.

**Paid Leave - Rehired Employees.** Section 3605 amends the Families First Coronavirus Response Act's section on Family and Medical Leave to include rehired employees who were laid off after February 29, 2020, as eligible for this leave, as long as they worked at least 30 of the last 60 calendar days prior to being laid off.

**Paid Leave Tax Credit Advance Refunding.** Section 3606 amends the Families First Coronavirus Response Act's section on payroll credits for paid sick and family leave to allow for an advanced credit.

**Deadline Postponement Reasons.** Section 3607 includes a public health emergency as an allowable reason for the Secretary of Labor to postpone certain deadlines.

**Single Employer Plan Funding Rules.** Section 3608 provides for a delay for any minimum required contribution to a single employer pension plan that would otherwise be due during calendar year 2020. The new due date for any such contribution is now January 1, 2021.

**Small Employer Charity Pension Plan Rules.** Section 3609 classifies the pension plans of nonprofit employers whose primary purpose is serving mothers and children as a Small Employer Charity Pension Plan effective December 31, 2018.

**Federal Contracts.** Section 3610 allows the use of any funds made available by this act to allow agencies to modify the terms or conditions of contracts to include the benefits authorized as a result of this pandemic.

**Technical Correction to the Second Act.** Section 3611 makes a number of technical corrections to the Families First Coronavirus Response Act.

#### Subtitle D. Finance Committee

**Telehealth Services.** Section 3701 provides for an exemption for telehealth services for purposes of a deductible.

**Menstrual Care Products.** Section 3702 allows for menstrual products to be included as a medical expense for the purposes of Flexible Spending Arrangements and Health Reimbursement Arrangements.

**Telehealth Services Under Medicare.** Section 3703 increases opportunities for telehealth services paid for by Medicare.

**Medicare Telehealth Services for FQHC.** Section 3704 allows for federally qualified health centers and rural health clinics to be reimbursed by Medicare for telehealth services.

**Waiver for Home Dialysis Patients.** Section 3705 temporarily waives the requirement for physicians to have direct visits with home dialysis patients.

**Telehealth Services - Hospice Physician or Nurse Practitioner.** Section 3706 temporarily allows using telehealth to recertify eligibility for hospice care during the emergency period.

**Using Telehealth for Homecare.** Section 3707 instructs the Secretary of Health and Human Services to encourage the use of telehealth for home health services.

**Medicare and Medicaid Care Planning.** Section 3708 adds nurse practitioner, clinical nurse specialist and physician assistant to those who can provide care planning oversight, in addition to a physician. This applies to both Medicare and Medicaid.

**Medicare Sequestration Delay.** Section 3709 temporarily suspends Medicare reductions under any sequestration orders for six months to December 31, 2020.

**Increase Certain Medicare Payments - COVID-19.** Section 3710 increases Medicare rates paid for certain hospital discharges that would apply to a diagnosis for an individual with COVID-19 until the emergency period ends. According to the Hospital Association of Rhode Island, the value of the impact is unknown at this time.

**Inpatient Rehabilitative Services.** Section 3711 increases access to inpatient rehabilitation services by waiving the Medicare requirement of 15 hours of therapy.

**Durable Medical Equipment.** Section 3712 changes the fee schedule for durable medical equipment paid for by Medicare. For rural areas, it maintains the current fee schedule until December 31, 2020, or for the duration of the public health emergency. For all other areas, the rates will be increased during the public health emergency.

**No Cost Sharing for Vaccine.** Section 3713 includes a provision that there will be no Medicare cost-sharing requirement for a COVID-19 vaccine.

**Drug Refills.** Section 3714 allows for a three-month supply of medication during the emergency period for Medicare prescription drug plans.

**HCBS in Hospitals.** Section 3715 allows for home and community based services to be provided in an acute care hospital if appropriate and to ensure a smooth transition from a hospital setting to a community setting. This will have an impact on the Medicaid program that has not yet been determined.

**Uninsured Individuals Clarification.** Section 3716 amends the Families First Coronavirus Response Act to clarify that an uninsured individual eligible for coverage is not to be considered to be enrolled in a federal health care program. This clarification was necessary because an individual enrolled in such a plan would then not be considered uninsured, negating eligibility for the intended emergency period coverage.

**Coverage for COVID-19 Testing Clarification.** Section 3717 amends language included in the Families First Coronavirus Response Act related to co-payments for COVID-19 related testing. It removes the reference to testing products approved under certain sections of the Federal Food, Drug and Cosmetic Act.

**Clinical Diagnostic Laboratory Testing Reporting Requirement.** Section 3718 delays the reporting period for Medicare payment rates.

**Medicare Accelerated Payments.** Section 3719 allows the Secretary of Health and Human Services to accelerate Medicare payments to a hospital which has significant cash flow problems resulting from an emergency. According to the Hospital Association of Rhode Island, \$252.3 million has been advanced to state hospitals.

**Cost Sharing Requirement under FMAP Increase.** Section 3720 amends language included in the Families First Coronavirus Response Act to regarding eligibility for a state that imposes an otherwise disqualifying cost sharing premium to allow such a provision to be in place for 30 days as long as it was in effect before the Act was passed.

#### Subtitle E. Health and Human Services Extenders

**Medicare Geographic Index Floor.** Section 3801 extends by six months, to December 1, 2020, the work geographic index floor under the Medicare program. This impacts scheduled changes to rates paid for certain services through Medicare in specific geographic regions.

**Quality Measures.** Section 3802 provides \$20.0 million to extend funding through November 30, 2020 for the Quality Measure, Endorsement, Input and Selection process.

Aging and Disability Resource Centers and State Health Insurance Programs. Section 3803 continues existing funding for state health insurance programs and aging and disability resource centers through November 30, 2020.

**MFP Demonstration Program.** Section 3811 provides \$337.5 million to be available from January 1, 2020 through September 30, 2020, for the Money Follows the Person Rebalancing Demonstration Program; there is no impact to Rhode Island.

**Spousal Impoverishment Protections.** Section 3812 extends spousal impoverishments protections for home and community based services from May 22, 2020 to November 30, 2020.

**DSH Delay.** Section 3813 delays the reduction in funding for uncompensated care programs from May 23, 2020 to December 1, 2020. This change aligns with the funding level anticipated in Governor Raimondo's FY 2021 recommended budget.

**Community Mental Health Services Demo Program.** Section 3814 extends funding for eight state projects that certify community behavioral health clinics from May 23, 2020 to November 30, 2020 and includes new reporting requirements.

**Extension of Sexual Risk Avoidance Education Program.** Section 3821 extends the Sexual Risk Avoidance Education program through November 30, 2020, at the current \$48.3 million funding level. This program provides funds to states on a competitive basis to provide education exclusively focused on sexual risk avoidance. The Department of Health does not currently receive funding for this program.

**Extension of Personal Responsibility Education Program.** Section 3822 extends the Personal Responsibility Education Program through November 30, 2020, at the current funding level of \$48.3 million. The program provides funding to states, community groups, tribes, and tribal organizations to implement evidence-based, or evidence-informed, innovative strategies to prevent teen pregnancy and sexually transmitted diseases. Grant recipients are encouraged to target high-risk populations, such as adjudicated youth, youth in foster care and minority youth, and pregnant or parenting teens. Rhode Island does not appear to receive funding from this grant.

**Demonstration Projects to Address Health Professions Workforce Needs.** Section 3823 extends the Health Professions Opportunity Grants Program through November 30, 2020. This program provides funding to help low income individuals obtain education and training in high-demand health care jobs. It does not appear that Rhode Island receives funding from this grant.

**Temporary Assistance for Needy Families Funding.** Section 3824 extends funding for the Temporary Assistance for Needy Families program through November 30, 2020, at the current level. There is no state fiscal impact from this section as the program will remain level funded.

**Graduate Medical Education Programs.** Section 3831 includes \$4.0 billion to fund community health centers for federal fiscal year 2020, \$310.0 million to fund the National Health Services Corps for federal fiscal year 2020 and another \$51.8 million for the first two months of federal fiscal year 2021. It also includes \$81.4 million for federal fiscal year 2020 and \$21.1 million for the first two months of federal fiscal year 2021 to support Teaching Health Centers that operate graduate medical education programs.

**Diabetes Programs.** Section 3832 extends funding for the Diabetes Programs authorized under the Public Health Act of 1946 and provides an additional \$25.1 million to be used through November 30, 2020. The Department of Health currently receives funding from various programs to prevent deaths and disabilities due to diabetes, heart disease, and stroke. The impact to the state is not yet known as guidance has not been issued.

**Prevention of Duplicate Appropriations for FY 2020.** Section 3841 provides that expenditures by federal agencies shall be charged to the applicable appropriation.

#### Subtitle F. Over-the-Counter Drugs

**Regulation of Certain Nonprescription Drugs.** Section 3851 amends the Federal Food, Drug, and Cosmetic Act.

**Misbranding.** Section 3852 makes changes to the definition of misbranding to ensure that it is consistent with amendments with the Federal Food, Drug, and Cosmetic Act.

**Drugs Excluded from OTC Drug Review.** Section 3853 clarifies that nothing in the changes apply to drugs that the Food and Drug Administration excluded from its over-the-counter drug review.

**Treatment of Sunscreen Innovation Act.** Section 3854 of the act makes changes to include specific provisions addressing sunscreen products.

**Annual Update to Congress.** Section 3855 requires the federal Food and Drug Administration to provide an annual report to Congress on over-the-counter cough and cold drugs with respect to children under the age of six.

**Technical Corrections.** Section 3856 makes a number of technical corrections to the federal Food, Drug, and Cosmetics Act.

**Fees - OTC Drugs.** Sections 3861 and 3862 authorize an annual fee to each person that owns a facility engaged in manufacturing or processing of over-the-counter drugs. It also authorizes the Food and Drug Administration to charge a fee ranging from \$0.1 million to \$0.5 million to anyone

requesting over-the-counter drug information. These fees are dedicated to the Administration for review of over-the-counter drug related activities.

#### Title IV: Economic Stabilization and Assistance to Severely Distressed Sectors of the United States Economy

#### Subtitle A. Coronavirus Economic Stabilization Act of 2020

**Short Title.** Section 4001 cites the subtitle as the "Coronavirus Economic Stabilization Act of 2020"

**Definitions.** Section 4002 includes definitions for the subtitle.

**Emergency Relief and Taxpayer Protections.** Section 4003 authorizes the Secretary of the Treasury to make loans, loan guarantees, and other investments up to \$500.0 billion in support of eligible businesses including nonprofit organizations, states, and municipalities. The act sets certain limits of how much shall be available for loans and loan guarantees of no more than \$25.0 billion for passenger air carriers, no more than \$4.0 billion for cargo air carriers, and no more than \$17.0 billion for businesses critical to maintaining national security. "Eligible business" is defined as an air carrier or a United States business that has not otherwise received adequate economic relief in the form of loans or loan guarantees provided under the CARES Act.

As a state, it appears that Rhode Island would be eligible for these loans. Within 10 days after the date of enactment, the Secretary shall publish procedures for application and minimum requirements. The act limits the duration of the loan or loan guarantee to five years.

On March 30, 2020 the Secretary released preliminary procedures and minimum requirements that that indicated they will be supplemented with additional terms and a loan application form. On April 10, 2020, the Secretary released answers to frequently asked questions. As of April 6, 2020, the Treasury Department has not yet begun accepting applications but indicated that in the coming days, it would provide a web-based form for application submissions, which as of May 11 was not available.

**Limitation on Certain Employee Compensation.** Section 4004 caps total compensation for officers and employees of any eligible business that receives a loan pursuant to Section 4003 to \$425,000 in calendar year 2019 from the time the loan or loan guarantee is in effect through 12 months after the loan or guarantee is no longer outstanding. There is an exception for an employee whose compensation is determined through an existing collective bargaining agreement entered into prior to March 1, 2020. The section also prohibits any severance payments or other compensation from exceeding twice the maximum compensation received in 2019. There are additional caps for officers and employees of eligible businesses whose total compensation exceeds \$3.0 million in 2019.

**Continuation of Certain Air Services.** Section 4005 authorizes the U.S. Secretary of Transportation to require, to the extent reasonable, an air carrier receiving loans and loan guarantees under the Emergency Relief and Taxpayer Protections described above to maintain

scheduled air transportation service as the Secretary deems necessary to ensure services to any point served by that carrier before March 1, 2020. The authorization expires on March 1, 2022.

**Coordination with Secretary of Transportation.** Section 4006 of the act requires that in implementation of the act with respect to air carriers, the U.S. Secretary of Health of Human Services must coordinate with the Secretary of Transportation.

**Suspension of Certain Aviation Excise Taxes.** Section 4007 imposes a federal excise tax holiday from the sale of kerosene used in commercial aviation. The term of the tax holiday is effective from enactment of the CARES Act through December 31, 2020.

**Debt Guarantee Authority.** Section 4008 provides that the Federal Deposit Insurance Company and National Credit Union Administration may guarantee any amounts in non-interest bearing accounts through December 31, 2020.

**Exceptions to Open Meetings Administrative Procedures.** Section 4009 allows the Chairman of the Board of Governors of the Federal Reserve System to conduct meetings without regard to the administrative requirements of open meetings, if unusual or exigent circumstances exists, such as the COVID-19 outbreak. This will terminate once the pandemic is declared to be over by the President or on December 31, 2020. This does not apply to state agencies.

**Temporary Hiring Flexibility.** Section 4010 allows for the Secretaries of Housing and Urban Development, the Securities and Exchange Commission and the Commodity Futures Trading Commission to fill temporary and term appointments through expedited procedures during the crisis when these roles are necessary to prevent, prepare for, or respond to COVID-19.

**Temporary Lending Limit Waiver.** Section 4011 authorizes the Comptroller of Currency to waive the limits on loans or extensions of credit for foreign and domestic non-bank financial institutions.

**Temporary Relief for Community Banks.** Section 4012 temporarily lowers the leverage ratio for community banks to eight percent, and permits a "reasonable grace period" to those qualifying institutions that fall below that threshold. Previously, the law required a ratio between eight and ten percent; the Federal Deposit Insurance Corporation (FDIC) established the minimum to be nine percent by rule, effective January 1, 2020.

**Temporary Relief from Troubled Debt Restructurings.** Section 4013 temporarily exempts loan modifications, including forbearance, interest rate, repayment or other arrangements that defer or delay payments for a loan that was not more than 30 days past due as of December 31, 2019. The exemption applies to modifications made from March 1, 2020 to December 31, 2020, as a result of the COVID-19 pandemic from the Generally Accepted Accounting Principles. This is intended to prevent troubled debt restructuring classifications or disclosures during the covered period.

**Optional Temporary Relief from Current Expected Credit Losses.** Section 4014 temporarily exempts credit unions and any Federal Deposit Insurance Company insured institution from the

current expected credit loss standards effective for most Securities Exchange Commission filers after December 15, 2019.

**Non-Applicability of Restrictions on ESF During National Emergency.** Section 4015 temporarily exempts the Secretary of the Treasury from reimbursing the Exchange Stabilization Fund through December 31, 2020; however, after that time, the fund will be required to reimburse the Treasury Money Market Funds Guaranty Program.

**Temporary Credit Union Provisions.** Section 4016 permits more credit unions additional access to liquidity, and extends eligibility for assistance from the National Credit Union Liquidity Facility for those institutions which cannot receive additional funds from other sources.

**Easier Access to Pandemic Recovery Materials.** Section 4017 allows for certain requirements in the Defense Production Act of 1950 to not apply for one to two years, depending on the requirement.

**Inspector General for Pandemic Recovery Established.** Section 4018 establishes an inspector general to audit and investigate purchases, management, and the sale of loans, loan guarantees, and other investments made by the Secretary of the Treasury.

**Conflicts of Interest.** Section 4019 provides that the President, Vice President, head of an executive department or member of congress, or their relatives that hold a controlling interest in a business is precluded from emergency business relief in the form of loans, loan guarantees and other investments under the Coronavirus Economic Stabilization Act of 2020.

**Congressional Oversight Commission.** Section 4020 creates a Congressional Oversight Commission that will submit reports to Congress on the impact of loans, loan guarantees and investments on the economy, and financial markets and institutions.

**Credit Protection During COVID-19.** Section 4021 provides that pursuant to an agreement or arrangement with a borrower, a lender will not report a change to the credit status of a borrower, except for obligations or accounts which are charged off.

**Foreclosure Moratorium and Consumer Right to Request Forbearance.** Section 4022 provides that a borrower whose residential mortgage for a one to four family property is insured, guaranteed or securitized by a variety of government entities will be granted a no-cost 180-day forbearance, regardless of delinquency status, upon request which may be extended for an additional 180 days. No additional fees may be charged or additional paperwork required beyond a self-attestation of a COVID-19 related economic hardship. A moratorium is also imposed on foreclosure or eviction actions on the same types of properties, except for vacant, abandoned properties.

**Forbearance of Residential Mortgage Loan Payments for Multifamily Properties with Federally Backed Loans.** Section 4023 provides that a borrower with a federally-backed mortgage for a five or more family property who was current on payments as of February 1, 2020 will be provided a 30-day forbearance upon request, which may be extended for two, 30-day

periods. If a forbearance is provided, that borrower may not undertake evictions actions solely for non-payment or charge any additional fees, nor issue an order to vacate until the forbearance has expired.

**Temporary Moratorium on Eviction Filings.** Section 4024 institutes a 120-day moratorium on evictions for properties which have a federally backed mortgage.

**Protection of Collective Bargaining Agreements.** Section 4025 prevents the federal government from issuing a loan to an air carrier or eligible business on the condition of entering into negotiations with a certified bargaining representative regarding pay or other conditions of employment.

**Reports.** Section 4026 requires the Department of the Treasury to publish information on its website and provide reports to Congress on loans and loan guarantees made under section 4003. The Board of Governors of the Federal Reserve System shall also provide reports to Congress when it authorizes a new facility or provides financial assistance. The Secretary and Chairman of the Board of Governors of the Federal Reserve System are required to appear before Congressional Committees regarding obligations entered into under this act. The Comptroller General of the United States is to conduct a study and provide an annual report to Congress on the loans, loan guarantees and other investments while loans remain outstanding.

**Appropriation to the Department of Treasury Stabilization Fund.** Section 4027 provides \$500.0 billion to the Department of Treasury Stabilization Fund to carry out the provisions of the Coronavirus Economic Stabilization Act of 2020.

**Rule of Construction.** Section 4028 allows the Secretary of the Treasury to provide eligible businesses, states and municipalities relief only in the form of loans, loan guarantees and other allowed investments.

**Termination of Authority.** Section 4029 provides that the authority to issue loans terminates on December 31, 2020.

### Subtitle B. Air Carrier Worker Support

**Definitions.** Section 4111 establishes definitions for airline catering employee, airline catering services, contractor, employee, and Secretary of the Treasury for the purposes of this subtitle.

**Pandemic Relief for Aviation Workers.** Section 4112 provides \$25.0 billion for passenger air carriers, \$4.0 billion for cargo air carriers, and \$3.0 billion for contractors to be used for the continuation of payment of wages, salaries and benefits. The section also includes \$100.0 million for administrative expenses to provide assistance under this subtitle.

**Procedures for Providing Payroll Support.** Section 4113 defines eligible amounts of assistance including salaries and benefits reported by an air carrier to the Department of Transportation from April 1, 2019 through September 30, 2019. For those that do not report and contractors, sworn financial statements for the same period can be used.

**Required Assurances.** Section 4114 requires carriers to assure that there would be no furloughs or reduced pay rates until September 30, 2020 and that there would be no stock buy backs through September 30, 2021 to be eligible for assistance.

**Protection of Collective Bargaining Agreements.** Section 4115 prevents the federal government from issuing a loan to an air carrier on the condition of entering into negotiations with a certified bargaining representative regarding pay or other conditions of employment.

**Limitation on Certain Employee Compensation.** Section 4116 excludes high paid carrier employees from receiving compensation which exceeds their 2019 compensation as well as severance which is twice their compensation in 2019.

**Tax Payer Protection.** Section 4117 allows the Secretary to receive financial information from recipients of assistance to provide appropriate compensation to the federal government for the assistance.

**Reports.** Section 4118 requires a report by November 1, 2020 on the financial assistance provided as well as an update one year following the enactment of the act.

**Coordination.** Section 4119 requires the Secretary to coordinate with the Secretary of Transportation.

**Direct Appropriation.** Section 4120 directly appropriates \$32.0 billion to carry out this section.

# Title V: Coronavirus Relief Fund for States and Local Governments (Table Item #2)

The act provides \$150.0 billion for FY 2020 for states, tribal governments, and local governments. Payments to states are based on the relative population of the state for the most recent year for which data are available from the Census Bureau; however, the act does include a minimum payment of \$1,250.0 million, which Rhode Island would be eligible for. The act requires the secretary of the Department of the Treasury to make payments no later than 30 days after enactment. Funds can be used for "necessary" expenditures incurred related to COVID-19 that were not accounted for in the budget most recently approved as of the date of enactment of this section, and were incurred between March 1, 2020 and December 30, 2020.

Local governments with populations of at least 500,000 are eligible for direct payments from the state's allotment, but Rhode Island's cities and towns do not meet the population threshold to be eligible for direct funding.

### Title VI: Miscellaneous

**Borrowing for United States Postal Service.** The act provides authorization for borrowing of \$10.0 million by the United States Postal Service for operating expenses.

**Emergency Designation for Postal Service.** Section 6002 authorizes the funding for the postal services as an emergency requirement under the Statutory Pay-As-You-Go Act of 2010 and the concurrent resolution in the Senate.

### <u>Division B - Emergency Appropriations for Coronavirus Health Response and Agency</u> <u>Operations</u>

**Appropriations for Federal Agencies.** Division B provides supplemental appropriations to help federal executive agencies, the Judiciary and Legislative branches respond to the COVID-19 pandemic. Unless otherwise noted, appropriations are available until September 30, 2021.

**Food and Nutrition Assistance Programs (Table Item #23).** The act includes \$25.5 billion for food and nutrition programs to remain available through September 30, 2021. This includes \$8.8 billion for child nutrition programs, \$15.8 billion for the Supplemental Nutrition Assistance Program (SNAP), and \$450.0 million for the Commodity Assistance Program of which up to \$150.0 million can be spent on the distribution of food. The Families First Coronavirus Response Act includes \$400.0 million for the Commodity Assistance Program for total funding of \$850.0 million. Many food and nutrition benefits or reimbursement programs are paid on an individual basis. Funding for Rhode Island will be based on actual participation in the programs; however, *Federal Funds Information for States* estimates Rhode Island will receive a total of \$2.7 million from the emergency food assistance program, including \$1.4 million from the CARES Act. These funds are distributed to the Rhode Island Food Bank, which administers the program.

**State and Local Law Enforcement (Table Item #22).** The act includes \$850.0 million in funding formula grants to states for the continuation of criminal justice programs. The Department of Justice released guidance on April 1, 2020 indicating Rhode Island is eligible for \$3.2 million with local entities eligible for an additional \$1.3 million. Applications for these funds will be accepted through May 29, 2020. Funding would be awarded to the Department of Public Safety and distributed through the Rhode Island Public Safety Grants Administration Office. According to the Department of Justice, funds may be used to hire personnel, pay overtime costs, cover protective equipment and supplies, address correctional inmates' medical needs and defray expenses related to the distribution of resources to hard-hit areas, among other activities. Grant funds may be applied retroactively to January 20, 2020.

**Economic Development Assistance.** This act includes \$1.5 billion for the Economic Development Administration through September 30, 2022. This includes \$3.0 million for the Office of the Inspector General for oversight responsibilities, and up to \$30.0 million for staffing expenses of the Economic Development Administration; the remainder is available for economic adjustment assistance grants at the discretion of the Secretary of Commerce. The grants may provide for development of public facilities, public services, and businesses including funding of a revolving loan fund, planning, technical assistance, training, and any other assistance to alleviate long-term economic deterioration and sudden and severe economic dislocation. The program provides that no more than 15.0 percent of funding made available to any one state.

**Disaster Loans Program.** The act includes an additional \$562.0 million to remain available until expended for the cost of direct loans and staffing expenses for the Small Business Administration

through the Disaster Loan Program. Emergency Economic Impact Disaster Loans Grants enacted as part of Section 1110. Loans are provided by application to the Small Business Administration.

**Elections (Table Item #35).** The act includes \$400.0 million in election security grants to prevent, prepare for and respond to the coronavirus in the 2020 federal election cycle. *Federal Funds Information for States* indicates Rhode Island will receive \$3.0 million. On March 23, 2020, the Governor signed Executive Order 20-11, which delays the presidential primary election from April until June 2, 2020. The Order also states that the primary will be a predominantly mail ballot election. A second Executive Order, 20-27, was signed on April 17 that modified various procedural requirements including suspending timeframes for declaration and certifying mail ballots, reducing the period for requesting emergency mail ballots by seven days, to May 20 and increasing the period for regular mail ballots by seven days, to May 19; and adding several days to the deadlines for local boards of canvassers to certify mail ballot applications as well as for the Board of Elections to open and certify mail ballots. The Secretary of State estimates this will require an additional \$0.9 million for printing and mailing costs.

**FEMA - Disaster Relief Fund (Table Item #1).** The act includes \$45.0 billion to remain available until expended. Of the total, \$25.0 billion shall be for major disasters declared.

**FEMA - Federal Assistance (Table Items #26 & #27).** The act includes \$400.0 million to remain available until September 30, 2021 to prevent, prepare for, and respond to coronavirus, domestically and internationally. Of the total amount, \$100.0 million is for Emergency Management Performance grants for emergency management activities in state, local, territorial and tribal governments to support coordination, including communications and logistics, according to the National Conference of State Legislatures. *Federal Funds Information for States* indicates that Rhode Island will receive \$942,000. It should be noted that typically Emergency Management Performance grants require a 50.0 percent state match; however, for direct federal assistance for all areas affected by COVID-19, the federal cost share will be 75.0 percent.

The total also includes \$200.0 million for the Emergency Food and Shelter Program, of which *Federal Funds Information for States* indicates that Rhode Island will receive \$615,000, and \$100.0 million for assistance to firefighter grants for the purchase of personal protective equipment and related supplies, including reimbursements.

**National Endowment for the Arts (Table Item #36).** The act includes \$75.0 million to remain available through September 30, 2021 to be distributed as grants through the National Endowment for the Arts; there is no matching requirement for these funds. The Rhode Island State Council on the Arts reports it has been notified it will receive \$424,300.

**Manufacturing Extension Partnership (MEP) (Table Item #25).** The act includes \$60.0 million to remain available through September 30, 2021 with \$50.0 million to be distributed as grants to assist manufacturers. It also waives the cost-sharing requirements for these funds. *Federal Funds Information for States* indicates that Rhode Island will receive \$227,500, which would go to Polaris MEP, the 501(c)(3) organization that administers this program.

**Awards to Fishery Participants (Table Item #New-2).** The CARES Act provides \$300.0 million for assistance to Tribes, persons, fishing communities, aquaculture businesses or other fishery-related business that have incurred economic revenue losses greater than 35 percent compared to a five-year average revenue or any negative impacts to subsistence, cultural, or ceremonial fisheries resulting from COVID-19. According to *Federal Funds Information for States*, Rhode Island is expected to receive \$3.3 million.

**National Endowment for the Humanities (Table Item #37).** The act includes \$75.0 million to remain available through September 30, 2021 to be distributed as grants. The Rhode Island Council for the Humanities, a 501(c)(3) organization, reports it will receive \$416,300.

**Institute of Museum and Library Services (Table Item #38).** The act provides \$50.0 million in grants to states, territories and tribes to expand digital network access, purchase internet accessible devices, and provide technical support services for libraries and museums to prevent, prepare for and respond to COVID-19. The funds are to remain available through September 30, 2021. The legislation waives any matching fund requirement. *Federal Funds Information for States* indicates Rhode Island will receive \$96,000; the funds will go to the Office of Library and Information Services.

**Education Stabilization Fund - General (Table Items #3 through #5).** The act includes \$30.8 billion for an Education Stabilization Fund available through September 30, 2021. Of the total, 0.5 percent is for outlying U.S. areas, 0.5 percent is for Native American tribes, 1.0 percent is for competitive grants awarded to states with the highest coronavirus burden, and remaining funds will be distributed to states through three separate education relief funds described below. A total of \$307.5 million will be awarded through two competitive grant opportunities, including funding innovative learning opportunities for students in kindergarten through grade 12 and for new short-term educational opportunities and career pathways to help people return to work. *Federal Funds Information for States* indicates Rhode Island will receive a total of \$121.9 million from education relief funds, which will be awarded to local education agencies and institutions of higher education, both public and private.

In order to be eligible for these funds, states must first provide support for both elementary and secondary education and public higher education at no less than the three-year average for fiscal years 2017, 2018 and 2019. This is referred to as maintenance of effort. Determining maintenance of effort requires a number of steps and decisions. For higher education, this includes funding for institutions of higher education and need-based financial aid, but excludes expenditures for research and development, tuition and fees, or capital projects. It is unclear whether debt service is considered a capital project expense or an operating expense. Regardless of how debt service is treated, the state meets the maintenance of effort requirement for public higher education. The three year average state support with debt service is \$205.6 million and without debt service it is \$176.3 million; the enacted budget includes \$227.1 million and \$188.5 million, respectively.

The legislation does not specify which state expenditures to include in the calculation of elementary and secondary education maintenance of effort. Depending on which expenses are included, such as construction aid, the three-year average varies between \$1,047.2 million and \$1,127.2 million maintenance of effort. Based on the enacted budget, the state meets the

maintenance of effort requirement; the enacted budget includes \$1,210.6 million for education aid, or \$1,130.5 million excluding construction aid.

The Secretary of Education has discretion to waive the maintenance of effort requirement; however, no rules or regulations have been posted. The only guidance in the act is that there must be a "precipitous" decline in financial resources.

• *Education Stabilization - Governor (Table Item #3).* The act appropriates 9.8 percent of total Education Stabilization funds or \$2.95 billion for the Governor's Emergency Education Relief fund. States must apply for funds, which will be awarded based on two formulas. Governors may use funds to provide grants to local education agencies and higher education institutions within the state that have been most affected by the coronavirus. Funds may also be provided to any other higher education institution, local education agency, or education related entity in the state that the Governor deems essential for implementing emergency educational services to students. Estimates provided by both the *Congressional Research Service* and the *Federal Funds Information for States* indicate Rhode Island will receive \$8.7 million. Funds that are not awarded within one year of receipt must be returned to the federal government.

• Education Stabilization - Elementary and Secondary Education Relief (Table Item #4). The act appropriates 43.9 percent of total Education Stabilization funds or \$13.2 billion for emergency relief for elementary and secondary schools. State education agencies must apply for funds which will be awarded in proportion to the distribution of Title I-A grants. At least 90.0 percent of funds must be distributed to local education agencies, including charter schools, in the same proportion as Title I-A funds, and no more than 0.5 percent may be reserved for administrative costs. Funds that are not awarded within one year of receipt must be returned to the federal government to be redistributed to other states. Estimates provided by both the *Congressional Research Service* and the *Federal Funds Information for States* indicate Rhode Island will receive \$46.4 million. The Department of Elementary and Secondary Education made funding distribution estimates available to local education agencies on May 8 totaling \$41.7 million or 90.0 percent of available funds. No more than \$0.2 million or 0.5 percent of the total award may be used on administrative costs.

Local education agencies may use their grant awards for preparedness and response activities related to the coronavirus, cleaning and sanitizing school buildings, and training staff on sanitation and the spread of infectious diseases. Funds can also be used for educational activities outlined in the Elementary and Secondary Education Act, addressing the needs of special populations such low-income students, English learners, and students with disabilities, and purchasing technology for students. Additionally, schools may use funds to plan and coordinate long-term closures, actives related to summer learning, and supplemental afterschool programs. However, local education agencies must also continue to provide equitable services to non-public schools.

• *Education Stabilization - Higher Education Relief Fund (Table Item #5).* The act appropriates 46.3 percent of total Education Stabilization funds or approximately \$14 billion for emergency relief for higher education institutions. Of the total award, 90.0 percent of funds will be awarded based on a formula that includes 75.0 percent of the state's share of full-time equivalent Pell students and 25.0 percent of full-time equivalent non-Pell students, excluding those who were exclusively enrolled online prior to coronavirus. Of these funds, at least 50 percent must provide

emergency financial aid grants to students that can cover eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care and child care. Remaining funding may be used by the institutions to defray expenses, such as lost revenue and technology costs associated with a transition to distance education. Guidance from the United States Department of Education indicates that Rhode Island's public institutions will receive \$28.7 million; private institutions will receive \$36.0 million.

Additionally, 7.5 percent of the total funds will be allocated to minority serving institutions to be used to defray expenses; it may also be used for grants to students for any component of the student's cost of attendance, including food, housing, course materials, technology, health care, and child care. Rhode Island institutions will receive \$1.7 million, including \$0.9 million for public institutions. The remaining 2.5 percent of funds will be allocated to institutions with the greatest need as determined by the Secretary of Education; *Federal Funds Information for States* indicates that a private Rhode Island institution will receive \$0.4 million.

**CDC Activities and Program Support (Table Item #17).** The act includes \$4.3 billion, available until September 30, 2024, which includes \$1.5 billion for surveillance, laboratory capacity, infection control and other response activities. It also includes \$500.0 million for global disease detection and emergency response and another \$500.0 million for public health data surveillance and infrastructure upgrades. The funding also includes \$300.0 million for the Infectious Diseases Rapid Response Reserve Fund and \$125.0 million for tribal and health organizations. *Federal Funds Information for States* indicates that Rhode Island will receive \$5.4 million.

Aging and Disability Services Programs (Table Items #12 through #16 and #New-1). The act includes \$955.0 million to remain available through September 30, 2021 for aging and disability services. This includes \$200.0 million for supportive services, \$100.0 million for family caregiver support services and \$20.0 million for elder rights protection activities. A total of \$500.0 million is included for nutritional programs including \$480.0 million for congregate and home delivered nutrition services and \$20.0 million for nutritional services for Native American tribes. Additionally, \$50.0 million is available for aging and disability resource centers and \$85.0 million is for independent living centers that have previously received Older Americans Act funding. States are not required to provide matching funds. Also, upon passage of the act though September 30, 2020, the state long-term care ombudsman shall have continuing direct access to residents of long-term care facilities during any portion of the coronavirus public health emergency.

*Federal Funds Information for States* indicates Rhode Island will receive \$4.9 million for all Older Americans Act programs. Of this amount, \$4.0 million will be awarded to the Office of Healthy Aging and \$1.0 million will be awarded directly to Ocean State Independent Living Center, the state's only independent living center. The estimate includes \$0.9 million for elder rights protection through the state ombudsman program and \$0.5 million for activities outlined in Title III-E, the national caregivers program, such as respite services.

Rhode Island is estimated to receive \$1.0 million to support activities outlined in Title III-B, including for program administration and to distribute to supportive services providers. These activities include health education, counseling, and screenings; housing services, home

modification, and home security; transportation; elder abuse prevention and response activities; and in-home services, among others. Estimates also indicate \$2.4 million will be available for nutrition services; this is in addition to \$1.2 million awarded to the state under the Families First Coronavirus Response Act.

Additionally, on April 28, 2020 Rhode Island was notified that it was competitively awarded \$0.3 million to support the aging and disability resource center program. This program is supported through the Office of Healthy Aging and the Executive Office of Health and Human Services.

**Heath Care Provider Relief (Table Item #40).** The act provides \$100 billion for necessary expenses to reimburse, through grants or other mechanisms, eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus. Distribution is left to the discretion of the Department of Health and Human Services. On April 10, the first \$30 billion was released to providers who received Medicare fee-for-service claims payments in calendar year 2019. *Federal Funds Information for States* indicates Rhode Island health care providers received \$90.5 million of this. Another \$12 billion was dedicated to "hot spots," and approximately 400 hospitals that provided care to 100 or more COVID-19 patients as of mid-April received this funding, including Rhode Island Hospital which got \$19.8 million. *Federal Funds Information for States* indicates Rhode 1sland set as a for skilled nursing facilities and another \$56.7 million of the \$10.2 billion set aside for safety net hospital distribution awards.

**Hospital Preparedness (Table Item #41).** The act provides "at least" \$250.0 million for hospital preparedness activities and *Federal Funds Information for States* indicates Rhode Island has received \$2.9 million of the \$334.9 million that has been released.

**Low Income Home Energy Assistance Program - LIHEAP (Table Item #8).** The act includes \$900.0 million to remain available through September 30, 2021 for the Low Income Home Energy Assistance Program or LIHEAP. The program assists low income households meet the increasing costs of home energy and reduce the severity of an energy related crisis. *Federal Funds Information for States* indicates Rhode Island will receive \$5.9 million to expand access to the program, which is in addition to \$24.2 million awarded to the Department of Human Services in FY 2020. It should be noted that the Department typically carries forward unspent grant funds from prior years. The Governor's revised FY 2020 budget assumes \$31.6 million from LIHEAP funds, including prior year funds; the supplemental appropriation would bring total available funds to \$36.4 million. The program is fully federally funded and the Department of Human Services works with local community action agencies to enroll eligible residents in the program.

**Child Care and Development Block Grant (Table Item #6).** The act includes \$3.5 billion to remain available through September 30, 2021 to supplement state general revenues for child assistance programs for low-income families. Funds can be used to provide continued payments and assistance to child care providers in the case of decreased enrollment or closures related to coronavirus, as well as ensuring providers are able to remain open or reopen. States are encouraged to place conditions on payments to child care providers that ensure that a portion of funds are used to pay staff wages. Funds can also be used to provide child care assistance to health

care workers, emergency responders, sanitation workers, and other essential workers during the response to coronavirus, without regard to income eligibility requirements.

*Federal Funds Information for States* indicates Rhode Island will receive \$8.2 million in addition to the FY 2020 block grant award of \$24.3 million, which includes discretionary and restricted funds. Total available funds in FY 2020 would be \$32.5 million, a 33.7 percent increase over existing funds; unspent funds may be carried forward into the following fiscal year. The new funds can be used to offset child care assistance program payments that the state has continued to make while day care providers are closed. Additionally, the Department of Human Services is currently paying providers based on enrollment rather than attendance, paying applicable family co-pays, and assisting with child care payments to the few open providers for eligible health care professionals.

The Department of Human Services indicates payments for health care professionals and co-pays will continue until June 1, when child care providers are anticipated to begin reopening. It also anticipates increasing reimbursement rates for all providers beginning June 1 through August 31, 2020, as well as continuing payments based on enrollment rather than attendance during this period.

**Children and Family Services Programs (Table Items #7, #9 through #11).** The act includes \$1.9 billion through September 30, 2021 for children and family services, including \$1.0 billion for the Community Services Block Grant, \$750.0 million for Head Start, \$2.0 million for the National Domestic Violence Hotline, \$45.0 million for family violence prevention and services formula grants, \$25.0 million for activities supporting runaway and homeless youth, \$45.0 million for child welfare services and \$7.0 million for federal administrative expenses.

*Federal Funds Information for States* indicates Rhode Island will receive a total of \$8.1 million, of which \$5.6 million will be awarded to the Department of Human Services, \$0.8 million to the Department of Children, Youth and Families, and \$2.2 million directly to providers. For the Department of Human Services, this includes \$5.5 million from the Community Services Block Grant, which is used to support programs and services targeting low-income families. The supplemental appropriation is in addition to the FY 2020 \$4.1 million block grant award, nearly all of which is distributed to providers including community action agencies. The Department will also receive \$0.2 million to provide sub-awards to local organizations for temporary housing and assistance to victims of family, domestic, and dating violence.

The Department of Children, Youth and Families is projected to receive \$0.1 million from Title IV-B, subpart 1 funds awarded under the Social Security Act. Rhode Island usually receives \$0.8 million annually for child welfare services; the additional funding represents an increase of approximately 17 percent. In addition to state agencies, the state's six Head Start providers are projected to receive \$2.2 million for expenses incurred as a result of the coronavirus pandemic and for a summer program. Seats in the summer program would be prioritized for currently enrolled students that are entering kindergarten in the fall of 2020 and those with an individualized education plan.

**WIOA Dislocated Worker Funding (Table Item #21).** The act includes \$345.0 million available through September 30, 2022, to prevent, prepare for, and respond to coronavirus, domestically or

internationally, for necessary expenses for the dislocated workers assistance national reserve. Funds may also be used to replace grant funding previously obligated to an impacted area. The U.S. Department of Labor announced \$131.3 million of awards on April 15, 2020 of which Rhode Island will receive \$2.3 million.

**SAMSHA Surveillance and Program Support (Table Item #19).** The act includes \$425.0 million, available until September 30, 2021, to support coronavirus prevention activities. This includes \$250.0 million for certified community behavioral health centers, \$50.0 million for suicide prevention activities, \$100.0 million for other public health activities, and \$15.0 million for tribal and urban Indian Health organizations.

**Centers for Medicare and Medicaid Services Funds.** The act includes \$200.0 million, available until September 30, 2023, which includes \$100.0 million for surveillance and certification activities while prioritizing nursing home facilities.

**Heath Resources and Services Administration.** The act provides \$275.0 million for the Public Health and Social Services Emergency Fund to prevent, prepare for, and respond to coronavirus, domestically or internationally for use through September 30, 2022. Specific allocations are through the Health Resources and Services Administration and include \$5.0 million for poison control centers, \$90.0 million for Ryan White HIV/AIDS programs, and \$180.0 million for rural health.

**Veterans Affairs.** The act includes funding for various U.S. Department of Veterans Affairs programs, accommodations for veteran health care needs, and waivers from certain requirements for health care providers and state veterans' homes. It appropriates \$19.6 billion through September 30, 2021, except for \$12.5 million available through September 30, 2022. This includes \$13.0 million for the Veterans Benefits Administration operation, \$17.2 billion for the Veterans Health Administration, \$2.3 billion for departmental administration, and \$2.8 million for the Armed Forces Retirement Home Trust Fund.

The act allows the Secretary of Veterans Affairs to enter into short-term agreements to provide telehealth mental health services to isolated veterans. The Department must provide necessary personal protective equipment for those employees and contractors providing home care to veterans. During the COVID-19 public health emergency, the Secretary can provide medicines, personal protective equipment, medical supplies, and any other equipment, supplies, and assistance to state homes. The act also provides updated guidance for programs serving homeless veterans and waives occupancy rate requirements for state veterans' homes regarding per diem payments and construction grant eligibility.

For all state veterans' homes, this will provide a per diem for up to ten days for any nursing home bed that is on hold for a resident in the hospital or up to 12 days for a resident with an extended absence that is not in a hospital. Prior to the CARES Act, only facilities with nursing home bed occupancy rates of 90.0 percent or more could receive reimbursements for the beds that were on hold. In addition, veterans' homes will receive a 2.9 percent increase to per diem rates, effective March 1, 2020 through FY 2021. It should be noted that as of March 13, the Rhode Island Veterans' Home has temporarily stopped the admission of new residents due to the coronavirus pandemic. This means that vacant beds will not filled until the facility can safely admit new

residents. While a decline in census will impact federal reimbursement, the increased per diem rates will offset some of the loss.

**Federal Transit Funding (Table Item #33).** The act provides \$25.0 billion for Transit Infrastructure grants to help transit agencies prevent, prepare and respond to COVID-19. The funds are available for use from January 20, 2020 until expended. Funds will be allocated through existing formula grant programs. Rhode Island will receive \$104.6 million, of which \$91.2 million will go to the Rhode Island Public Transit Authority and \$13.3 million will go to the Department of Transportation. The Federal Transit Administration issued guidance for use of the funds on April 2. The funds can be used for operational expenses, defined as "necessary to operate, maintain, and manage a public transit system." This includes drivers' salaries, fuel or items having a useful life of less than one year. There is no matching requirement and funds do not have to be incorporated into a state's Transportation Improvement Plan for use, unless they will be used for "substantial functional, locational or capacity changes."

**Federal Aviation Administration (Table Item #34).** The CARES Act provides \$10.0 billion to the Federal Aviation Administration for grants-in-aid to airports to prevent, prepare and respond to COVID-19. The funds are available for use until they are expended. Commercial service airports will receive funding based on calendar year 2018 number of passengers that board an aircraft there; the amount of debt an airport has and the amount of money the airport has in reserve, using its fiscal year 2018 data. General aviation airports will receive funding based on the airport's category, such as national, regional, local and unclassified; T.F. Green is categorized as a regional airport. *Federal Funds Information for States* indicates that the allocation to Rhode Island airports will be \$24.0 million.

**Housing and Urban Development - General.** The act provides \$57.5 million for implementation and oversight of operations and funding through U.S. Housing and Urban Development. This includes \$35.0 million for staffing and telework information technology, \$15.0 million for its program offices, and \$2.5 million for special enforcement grants, outreach and education, each available until September 30, 2021, and \$5.0 million for the Office of the Inspector General until exhausted. This section provides the Secretary of Housing and Urban Development broad authority to waive existing requirements and provisions as deemed necessary except for those related to fair housing, nondiscrimination, labor and environment.

**Tenant-Based Rental Assistance (Table Item #31).** The act appropriates \$1.3 billion until exhausted for rental assistance. This includes \$850.0 million for administrative expenses of public housing agencies. This includes \$850.0 million for local public housing agencies' administrative expenses. *Federal Funds Information for States* indicates Rhode Island municipalities will receive \$3.3 million directly from U.S. Housing and Urban Development. Awards as of May 8, appear to total \$2.1 million.

**Public Housing Operating Fund (Table Item #30).** The act appropriates \$685.0 million through September 30, 2021. *Federal Funds Information for States* indicates Rhode Island municipalities will receive \$5.9 million.

**Native American Programs.** The act appropriates \$300.0 million through September 30, 2024. This includes \$200.0 million for Native American Housing Block Grants and \$100.0 million for Indian Community Block Grants. There is no current estimate of an allocation for Rhode Island.

**Housing Opportunities for Persons with AIDS (Table Item #32).** The act appropriates \$65.0 million through September 30, 2021 with allocations made to municipalities available until September 30, 2022. The Housing and Urban Development website indicates allocations to Rhode Island entities will total \$0.6 million, including \$0.2 million to the City of Providence.

**Community Development Fund (Table Item #28).** The act appropriates \$5.0 billion through September 30, 2022. This includes \$2.0 billion allocated under the distribution formula for FY 2020, with those allocations made within 30 days of enactment; \$1.0 billion allocated directly to states and other jurisdictions for prevention, preparedness and response based on health need, risk of transmission, and economic and housing disruptions within 45 days of enactment. The remaining funds are to be allocated by formula at the discretion of the Secretary of Housing and Urban Development. The Housing and Urban Development website indicates allocations to Rhode Island entities will total \$9.9 million. Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket will receive \$6.7 million of that total directly, with the state administering the funds for the remaining communities. *Federal Funds Information for States* estimates Rhode Island's share of the \$1.0 billion discretionary allocation will total \$4.7 million to be administered by the state for the municipalities not directly funded.

**Homelessness Assistance Grants (Table Item #29).** The act appropriates \$4.0 billion through September 30, 2022; half of these funds are to be allocated under the same formula as FY 2020, with allocations made within 30 days of enactment. The Office of Housing and Community Development has already received guidance for these programs and the Housing and Urban Development website indicates that allocations to Rhode Island entities will total \$11.2 million. Pawtucket, Providence and Woonsocket will receive \$5.4 million of that directly. The state will administer the remainder of the funding through the Housing Resources Commission to private shelters around the state.

The Housing Resources Commission typically allocates funding to private shelters, but has allocated \$1.5 million from these funds to Housing Help RI, an initiative to provide emergency housing assistance to very low-income renters at immediate risk of homelessness. The program will provide one-time grants up to \$5,000 for past due rent, late fees or relocation assistance; awards are paid directly to the property owner or operator. To be eligible, an applicant must be a Rhode Island resident who is renting or in transient housing, whose household earns less than 50.0 percent of the area median income and meets specific criteria for being housing insecure.

**Project-Based Rental Assistance.** The act appropriates \$1.0 billion until expended for Section 8 project-based rental assistance. There is no current estimate of an allocation for Rhode Island.

**Housing for the Elderly.** The act appropriates \$50.0 million through September 30, 2023 for project-based housing for the elderly. There is no current estimate of an allocation for Rhode Island.

Housing for Persons with Disabilities (Table Item #New-4). The act appropriates \$15.0 million through September 30, 2023 for project-based housing for people with disabilities. U.S. Housing and Urban Development reports that Providence and Pawtucket will receive \$181,273 and \$42,612 respectively.

**National Guard Deployment.** The act includes \$1.4 billion for National Guard deployments which is intended to support 20,000 members for six months who are deployed under Title 32 for the COVID-19 response. This funding will partially reimburse states for National Guard troops deployed under a State Active Duty status, which are typically state funded. The Military Staff expects 75 percent of its state active duty costs to be reimbursed with this funding.

# 116 H.R. 6201 - Families First Coronavirus Response Act

### Division A - Second Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020

#### **Title I: Department of Agriculture**

**Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (Table Item #24).** The act provides a \$500.0 million supplemental appropriation for the program to be used through September 30, 2021. The act allows flexibility to help serve families during the pandemic. *Federal Funds Information for States* indicates that Rhode Island will receive \$1.3 million; the funds are distributed on a formula basis.

The Special Supplemental Nutrition Program for Women, Infants, and Children nutrition assistance program is administered by the Department of Health. It provides supplemental foods, nutrition education and information, referral and coordination services for eligible women and children under the age of five, who are at risk of poor health and development because of inadequate nutrition or health care or both. In order to qualify, an annual household income before taxes must be \$31,284 or less for a family of two; \$8,177 can be added for each additional family member. Funds are distributed to states on a formula basis and Rhode Island received approximately \$9 million in federal fiscal year 2019. In calendar year 2019, the program had 35,660 participants.

**Commodity Assistance Program - Emergency Food (Table Item #24).** Division B, Title I provides \$400 million for the Commodity Assistance Program for the emergency assistance program, which provides emergency food assistance to low-income individuals at no cost. Funding is to remain available until September 30, 2021 and up to \$100.0 million of the appropriation may be used towards the cost of distributing food. The CARES Act includes an additional \$450.0 million for the program, for total funding of \$850.0 million. *Federal Funds Information for States* estimates that Rhode Island will receive a total of \$2.7 million, including \$1.3 million from the Families First Coronavirus Response Act. These funds are distributed to the Rhode Island Food Bank, which administers the program.

**Food Assistance for School Children.** Title I also provides food assistance for students who receive free or reduced price meals at school that have been impacted by a school closure of at least five consecutive days. Families receiving Supplemental Nutrition Assistance Program (SNAP) benefits will receive additional benefits on their Electronic Benefits Transfer (EBT) card for each breakfast and lunch that each eligible child would have received at school equivalent to the free meal reimbursement rate that would have been paid to school. Families will receive \$5.70 per day, times the number of days school is closed, for each eligible child.

The Rhode Island Department of Human Services is actively working with food assistance beneficiaries with eligible children to receive the supplemental benefit. On April 20, Governor Raimondo announced that March and April benefits would be available beginning that day to eligible families. For those families with eligible children that are not currently enrolled in SNAP, they will be issued a Pandemic-EBT card with benefits automatically added. Any unused funds will expire within 12 months of issuance.

If schools remain closed beyond April, benefits for May through June will be issued on the 15th of each month. Benefits made available on April 20 cover the period March 16 through April 30, which is equivalent to \$193.80 per eligible child. The Department estimates 73,205 children will receive the school meals benefit during the first issuance, more than half of which are from families that do not currently receive nutrition assistance benefits. There is no state fiscal impact as the program is fully federally funded.

### **Title II: Department of Defense**

**Funding for the Defense Health Program as Outlined in Division F.** The act provides \$82.0 million for medical health services, consisting of SARS, CoV-2 or COVID-19 related items and services detailed in Division F, for the "Defense Health Program." Funding is available until September 30, 2022.

### Title III: Department of the Treasury

**Paid Leave - IRS Operational Costs.** Division A, Title III provides \$15.0 million for the Internal Revenue Service to implement refundable tax credits, detailed in Division G, for employers who pay benefits related to the expansion of the Family and Medical Leave Act and emergency paid sick leave authorized in Divisions C and E, respectively.

### Title IV: Department of Health and Human Services

**Indian Health Services.** The act includes \$64.0 million to remain available until September 30, 2022 for "Indian Health Services." Funding shall be allocated at the discretion of the Director of the Indian Health Service.

# Title V: Department of Health and Human Services

Aging and Disability Services - Nutrition Programs (Table Item #13). The act provides \$250.0 million for elderly nutrition programs, available until September 30, 2021. Specifically, \$160.0 million is for home-delivered meals, \$80.0 million is for congregate nutrition services and \$10.0 million is for nutrition services for Native Americans. Funding is distributed to states through a formula based on the state's share of the U.S. population age 60 and older. Rhode Island has received \$1.2 million from the supplemental appropriation, including \$0.4 million for congregate nutrition services and \$0.8 million for home-delivered meals. However, the Office of Healthy Aging received approval to distribute all funds for home-delivered meals.

**Public Health and Social Services Emergency Fund in Division F.** The act provides \$1.0 billion, available until spent to pay providers for health services related to COVID-19 detailed in Division F.

#### **Title VI: Department of Veterans Affairs**

**Medical Health and Medical Community Health Services.** Title VI provides \$60.0 million for medical community care health services consisting of SARS-CoV-2 or COVID-19 related items and services described in Division F. Funding is available until September 30, 2022 and will be used to offset co-pays for such services provided to Tricare recipients, veterans, and federal civil service employees. The program will only impact those eligible recipients.

### **Title VII: General Provisions**

**Reporting Requirements of Funding Recipients.** This section requires that federal agencies that receive funding report the anticipated uses, including estimated personnel and administrative costs every 60 days until all the funds are spent or expire. This also requires state and local governments receiving funding to provide regular reporting to the State Emergency Operations Center as well as data on testing and results to the Centers for Disease Control and Prevention.

#### **Division B - Nutrition Waivers**

#### Title I: Maintaining Essential Access to Lunch for Students Act

**National School Lunch Act Requirements.** Title I of Division B allows the Secretary of Agriculture to provide qualified COVID-19 waivers for schools and other meal providers from requirements outlined in the National School Lunch Act, which provides low-cost or free meals to qualifying students through subsidies to schools. The act allows states or eligible service providers to request waivers relating to providing meals or meal supplements during a school closure which resulted from COVID-19. In March, the US Department of Agriculture issued nationwide waivers for states to be able to serve meals outside of the regular meal times and in non-congregate settings.

As federal reimbursement is based on the number of meals served, school closures may impact the cost of nutrition operations at the local level. Funding is used to offset the cost of providing such meals during the school day. It should be noted that many local education agencies are making breakfast and lunch available for pick-up at designated schools and will continue to receive reimbursement for those served meals. A full-list of schools providing meals is available on websites for the Rhode Island Department of Elementary and Secondary Education and Department of Health.

#### Title II: COVID-19 Child Nutrition Response Act

**School Meal Waivers.** Title II of Division B allows the Secretary of Agriculture to establish waivers for all states from providing meals and meal supplements under a qualified program and from nutritional content requirements. The nutritional content waiver would only apply when a supply chain disruption, resulting from COVID-19, occurs. Qualified programs include: school lunch programs, summer for services for children, and child and adult fare food programs, as well as school breakfast programs. All waivers expire on September 30, 2020. In March, nationwide waivers were issued for states to be able to serve meals outside of the regular meal times for these programs, in non-congregate settings, and for meals served after school, the flexibility to serve

outside of a structured environment and without an educational or enrichment purpose. Those states that receive waivers must submit a report within one year to the Secretary on how the waiver was used and a description of whether the waiver resulted in improved services to children. There is no impact to the state from this provision but may impact the content of meals available to students. As noted earlier, many local education agencies are making breakfast and lunch available for pick-up at designated schools and will continue to receive reimbursement for those served meals. A full-list of schools providing meals is available on websites for the Rhode Island Department of Elementary and Secondary Education and Department of Health.

On March 24, the Rhode Island Department of Elementary and Secondary Education requested a waiver of the restrictions in the Summer Food Service Program that require open sites be located in areas where at least 50.0 percent of National School Lunch Program participants are eligible for free or reduced price meals. Instead, it requested to provide meals to all children impacted by COVID-19 related school closures. The waiver was approved on March 29, and is effective from March 24 through June 30, or until the national emergency declaration expires, whichever is first.

**Physical Presence Waiver under WIC during Certain Public Health Emergencies.** Section 2203 provides flexibility to help serve families during the pandemic, as certain clinics will be closed and program participants are advised to stay home. The U.S. Secretary of Health and Human Services may grant a request to waive the requirement for physical presence as part of the Child Nutrition Act. The Act requires that local agencies that use the waiver must submit a report to the Department of Health within one year, summarizing the use of the waiver and whether the use of the waiver improved services. The Department of Health must then report to the U.S. Department of Health and Human Services within 18 months of receiving the waiver. The Department submitted a waiver on March 20, 2020 and it was approved the same day. The waiver is in effect through September 30, 2020.

Administrative Requirements Waiver under WIC. Section 2204 allows the Secretary of Agriculture to modify or waive any qualified administrative requirement requested by a state, relating to the Child Nutrition Act due to COVID-19. On March 23, 2020, the Department of Health submitted a request to the U.S. Department of Agriculture to waive the requirement to remotely issue benefits to any participant or parent, caretaker or proxy. The waiver was approved and is in effect through May 31, 2020. The Department of Health must submit a report to the U.S. Department of Agriculture, summarizing the use of the waiver and whether the use of the waiver improved services. The report is due within one year of being approved.

### Title III: Supplemental Nutrition Assistance Program Waivers

**SNAP Eligibility Waiver for Employment Activities.** To enroll in the Supplemental Nutrition Assistance Program, individuals must participate in qualifying employment activities outlined in the Food and Nutrition Act of 2008. However, to be eligible for benefits, state agencies must ensure that individuals have not refused to participate in an employment or training program without just cause. The act removes this limitation beginning in April 2020 and ending the month after the public health emergency declaration is lifted, unless the individual does not complete program requirements. Beginning the following month, state agencies must disregard the period of time that individuals received Supplemental Nutrition Assistance Program benefits while the

declaration was in effect. The program is fully federally funded. Some Rhode Island residents may experience an increase in benefits or may be newly eligible for benefits under this provision.

**Emergency Food Assistance for SNAP Recipients.** If the Secretary of Health and Human Services declares a public health emergency and a state issues an emergency or disaster declaration based on an outbreak of COVID-19, the Secretary of Agriculture will provide emergency benefits to households participating in the Supplemental Nutrition Assistance Program (SNAP). The benefits will be provided upon the request of a state agency in order to address temporary food needs, which is limited to the maximum allowable benefit for the household size. On March 25, Rhode Island was approved to issue emergency allotments to ongoing SNAP households for March and April, increasing their current monthly allotment up to the maximum monthly allotment for a household of that size. This may increase the amount of food assistance provided to residents who currently receive less than the maximum monthly amount. This benefit is fully federally funded.

The Secretary of Agriculture must publicly post any state agency requests on the Department's website, whether the request was approved or denied and any guidance issued regarding application or reporting requirements. Additionally, within 18 months of the public health declaration being lifted, the Secretary must submit a report to the House and Senate Agriculture Committees regarding: state requests, measures taken to address food and security needs of affected populations during the emergency, and any recommendations regarding changes to his own authority that would assist states and localities in the event of future health emergencies.

# **Division C - Emergency Family and Medical Leave Expansion Act**

**Paid Leave – FMLA Up to 12 Weeks.** Division C covers an expansion of the Family and Medical Leave Act, which requires up to 12 weeks of job-protected leave, for employees who are unable to work or telework in order to care for a child under 18 years old whose school or place of care is closed due to the COVID-19 pandemic. Employers with fewer than 50 employees and certain healthcare providers and emergency responders can be exempted by the Secretary of Labor. The first 10 days of leave under this Act are unpaid; employees may elect to substitute their own other accrued paid leave for this time. Following the first 10 days, employers are required to pay a benefit not less than two-thirds of the employee's regular rate of pay. Paid leave must not exceed \$200 per day and \$10,000 in total. Employers whose employees use this leave are eligible for refundable tax credits authorized in Division G.

### **Division D - Emergency Unemployment Insurance Stabilization and Access Act of 2020**

**Unemployment Administration and Benefits. (Table Item #20).** Division D provides \$1.0 billion for emergency initial and additional grants to states for activities related to processing and paying unemployment insurance benefits. State allocations are determined proportionally to each state's relative taxable unemployment insurance wages. To be eligible for the additional grant, a state's unemployment claims must be at least 10.0 percent higher than the same quarter in the previous calendar year. Data as of April 8, 2020 suggests unemployment in Rhode Island has reached at least 15 percent which will more than qualify it for both initial and supplemental grants. For Rhode Island, approximately \$3.3 million will be available as the state meets the eligibility requirements for both, with \$1.6 million in both initial and additional grants. For states

that receive both the initial and additional emergency unemployment insurance administration grants, the act provides full federal funding rather than the normal 50.0 percent cost share of extended benefits, including the first week for states with no waiting week, for weeks of unemployment beginning after the date of enactment. The act also provides interest-free loans to states to help pay unemployment insurance benefits through December 31, 2020, if needed.

# **Division E - Emergency Paid Sick Leave Act**

**Paid Leave - Two Weeks Sick Leave.** Division E mandates employers to provide paid sick leave. Eligible employees include those unable to work or telework due to federal, state, or local quarantine related to COVID-19, healthcare provider recommended self-quarantine, symptoms of COVID-19, awaiting a diagnosis, or caring for a person ordered to quarantine or child whose school or other care center has closed due to COVID-19 precautions. Employers with fewer than 50 employees and certain healthcare providers and emergency responders can be exempted by the Secretary of Labor. Full-time employees are eligible for 80 hours of paid leave; part-time employers are eligible for the average hours worked in a two week period. Employers may not require employees to use other paid leave first. Paid leave for employees directly affected by the illness must not exceed \$511 per day or \$5,110 in total. For employees caring for others, the benefit must not exceed \$200 per day or \$2,000 in total. As with the Emergency Family and Medical Leave Act, employers whose employees use this leave are eligible for refundable tax credits under Division G.

# **Division F - Health Provisions**

**COVID-19 Testing and Visits No Cost Sharing - Private Insurance.** Section 6001 of Division F requires all insurers offering individual and/or group health insurance to provide coverage for diagnostic testing already authorized under the Federal Food, Drug and Cosmetics Act for SARS-CoV-2 or the virus that causes COVID-19 without cost-sharing, prior authorization or other medical management requirements. The requirement is for the duration of the public health emergency as determined by the U.S. Secretary of Health and Human Services. This includes items and services provided during a practitioner visit that results in diagnostic testing whether inperson or via telehealth methods, urgent care, or an emergency room. Insurance providers may make claims to the National Disaster Medical System for reimbursement.

**COVID-19 Testing and Visits No Cost Sharing - Medicare.** Sections 6002 and 6003 mandate that there should be no cost sharing payments for Medicare covered services related to COVID-19. This section includes for outpatient services such as emergency room and hospital visits, medical visits, nursing facilities, and home care services.

**COVID-19 Testing No Cost Sharing - Medicaid.** Section 6004 mandates that there will be no co-payments for testing services related to COVID-19 provided through Medicaid. Rhode Island does not have any such cost sharing.

**COVID-19 Testing Coverage - Uninsured.** Section 6004 also allows an option for a state to cover testing services for uninsured individuals with the federal government paying 100 percent

of these costs so there will be no direct impact to the state. Rhode Island has been approved for this option.

**Personal Respiratory Protective Devices.** Section 6005 adds personal respiratory protective devices to the list of covered countermeasures in response to a public health emergency from January 27, 2020 to October 1, 2024. It provides that a manufacturer or distributor is not liable for any injuries or damages from the protective device during this period.

**COVID-19 Testing and Visits No Cost Sharing - Federal Employees.** Section 6006 allows the Secretary of Defense and the Secretary of Veterans Affairs discretion in requiring any co-payments for any testing or services related to COVID-19 for Tricare recipients and veterans. This includes the administration of in vitro diagnostic products used to detect the virus that causes COVID-19, as well as any items and services provided to individuals during health care provider, urgent care, and emergency room visits that result in administration of in vitro diagnostic products. The same coverage may apply to any civil service employee enrolled in a health benefits plan.

**COVID-19 Testing and Visits No Cost Sharing - Indian Health Service.** Section 6007 covers testing for COVID-19 related services to Indians receiving health services through the Indian Health Service, including an Urban Indian Organization. This is regardless of whether such items or services have been authorized under the purchased/referred care system funded by the Indian Health Service or is covered as a health service of the Indian Health Service.

**FMAP Rate Increase (Table Item #39).** Section 6008 increases the federal contribution rate for Medicaid by 6.2 percent. For Rhode Island, the rate increases from 52.95 percent to 59.15 percent. This higher match rate is available in the quarter when the public health emergency began, or January 1, 2020, until the end of the quarter when the public health emergency ends. House Fiscal Staff estimates savings of approximately \$32.0 million for each quarter of FY 2020. States must retain their program eligibility and other procedures to take advantage of this opportunity.

**Medicaid Funding for Territories.** Section 6009 increases Medicaid funds for U.S. territories for fiscal year 2020 and 2021.

**Medicare/Medicaid Telehealth Services.** Section 6010 allows for telehealth services to be a covered benefit for office, hospital, and other visits. A range of providers, such as doctors, nurse practitioners, clinical psychologists, and licensed clinical social workers, will be able to offer this option during the public health emergency. Prior to this change, Medicare only paid when the person receiving the telehealth service was in a designated rural area and at a medical facility. This change lets a patient remain at home and keep a medical appointment. States can request to use this option, which includes phone appointments, not just video conferencing, through its Medicaid program as part of a temporary 1135 waiver change and Rhode Island has asked for, and been approved, for this change.

# Division G - Tax Credits for Paid Sick and Paid Family and Medical Leave

**Paid Leave Tax Credits and Operationalization.** Division G provides a refundable social security tax credit equal to 100 percent of the cost of leave taken through the Emergency Family

and Medical Leave Expansion Act as well as paid sick leave for eligible employers. For eligible employers, the credit is allowed against the employer portion of Social Security taxes; for self-employed individuals, it is allowed against income taxes. The credits also apply to the employer contribution to health insurance premiums. Social Security funds are held harmless from these credits by transferring funds from the General Fund. Division A, Title III provides \$15.0 million for the Internal Revenue Service to implement the tax credits.

# 116 H.R. 6074 - Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020

#### Division A - Coronavirus Preparedness Response Supplemental Appropriations Act, 2020

#### Title I: Department of Health and Human Services

**Food and Drug Administration - Salaries and Expenses.** Title I provides the U.S. Department of Food and Drug Administration with a supplemental appropriation of \$61.0 million for salaries and benefits to respond to coronavirus domestically or internationally.

#### **Title II: Small Business Administration**

**Small Business Administration - Disaster Loan Program.** Title II provides \$20.0 million for administrative expenses of the Small Business Administration and designates coronavirus as an eligible disaster under the Disaster Loan Program Account. The program provides low-interest disaster loans for up to 30 years to businesses of all sizes, private non-profit organizations, homeowners, and renters. Disaster loans can be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster's impact. Loans are provided by application to the Small Business Administration.

### Title III: Department of Health and Human Services

**CDC Grants (Table Item #17).** The Coronavirus Preparedness and Response Supplemental Appropriations Act provides \$2.2 billion to the Centers for Disease Control and Prevention for "CDC-Wide Activities and Programs." The funds would be used through federal fiscal year 2022, to prevent, prepare for and respond to coronavirus, domestically or internationally. The legislation allocates \$950.0 million for grants or cooperative agreements with states, municipalities and other entities for surveillance, laboratory capacity or other prepared and response activities.

Rhode Island's Department of Health's Center for Emergency Preparedness and Response receives federal funds for preparedness and public health emergency response activities. These funds provide financial support to develop and expand capabilities in three key areas of bioterrorism, preparedness and response. These include monitoring disease patterns to detect changes that signal bioterrorism acts, improving laboratory ability to identify organisms and determine if threats are real, and communicating with trained medical, law enforcement, and emergency personnel. The legislation also requires that \$475.0 million of the funding be made available within 30 days of the enactment to state and other entities that received Public Health Emergency Preparedness funding in federal fiscal year 2019. *Federal Funds Information for States* indicate that Rhode Island will receive \$5.4 million and subsequently, the Department indicated that it would receive an additional \$0.7 million, for a total of \$6.1 million.

**National Institute of Allergy and Infectious Diseases.** The act provides \$836.0 million to the National Institute of Allergy and Infectious Diseases to be used through federal fiscal year 2024 to prevent, prepare for, and respond to coronavirus domestically or internationally. The National Institute of Allergy and Infectious Diseases is one of 27 institutes that make up the National

Institute of Health, which is an agency of the U.S. Department of Health and Human Services. The Institute "conducts and supports basic and applied research to better understand, treat, and ultimately prevent infectious, immunologic, and allergic diseases."

**Public Health and Social Services Emergency Fund.** The act provides \$3.1 billion for the Public Health and Social Services Emergency Fund to be used through federal fiscal year 2024. The funds will be used for the development and purchasing of vaccines to respond to the coronavirus. The funds can also be used for grants to construct or renovate federally or non-federally owned facilities to improve preparedness and response capability at the state and local levels.

**Transfers of Funds.** This section limits the use of the funds to the prevention, preparation, and response to the coronavirus.

# **Title IV: Department of State**

**Diplomatic Programs.** The Act provides \$264.0 million for diplomatic programs available through September 30, 2022. Funding may be used for necessary expenses to prevent, prepare for, and respond to coronavirus, including for maintaining consular operations, reimbursement of evacuation expenses, and emergency preparedness. Funding may also be used to reimburse the Department of State and the United States Agency for International Development for obligations incurred for the same purpose prior to the date of enactment.

**Office of Inspector General.** The Act provides \$1.0 million for the Office of Inspector General available until September 30, 2022 for oversight of activities funded by Title IV of this act and administered by the United States Agency for International Development.

**Global Health Programs.** The Act provides \$435.0 million available until September 30, 2022 for necessary expenses to prevent, prepare for, and respond to coronavirus. Funding may be used as contributions to international organizations following consultation with the committees on appropriations of the House of Representatives and the Senate. Funding may also be used to reimburse the Department of State and the United States Agency for International Development for obligations incurred for the same purpose prior to the date of enactment.

**International Disaster Assistance.** The Act includes \$300.0 million to remain available until expended for "necessary" expenses to prevent, prepare for, and respond to coronavirus. Funding may also be used to reimburse the Department of State and the United States Agency for International Development for obligations incurred for the same purpose prior to the date of enactment.

**Economic Support Fund.** The Act includes \$250.0 million to remain available until September 30, 2022 for necessary expenses to prevent, prepare for, and respond to coronavirus including to address related economic, security, and stabilization requirements. Funding may be used as contributions to international organizations following consultation with the committees on appropriations of the House of Representatives and the Senate. It may also be used to reimburse

the Department of State and the United States Agency for International Development for obligations incurred for the same purpose prior to the date of enactment.

#### **Title V: General Provisions**

**Applying to Appropriations.** This section establishes that each amount is an appropriation available for federal fiscal year 2020. These funds are to be used to prevent, prepare and to respond to coronavirus.

#### **Division B - Telehealth Services during Certain Emergency Periods**

**Telehealth Services in Emergency Area and Period.** Section 102 allows qualified providers to be reimbursed by Medicare for telehealth services.

**Budgetary Effects.** Section 103 mandates that the effects of this division shall not be entered on either PAYGO scorecard.