

Examples of Coronavirus Relief Fund Uses

Eligible	Ineligible
<ul style="list-style-type: none"> • Actions to facilitate compliance with COVID-19-related public health measures • Administration of the CRF (within limits) • Administrative Leave (depends) • Benefits of <i>substantially dedicated</i> public employee • COVID-19 testing, including serological testing • Disinfecting public areas, etc. expenses in response to COVID-19 • Distance learning facilitation expenses (technology improvement – school closure to comply with COVID-19 precautions) • Economic support in connection with the COVID-19 public health emergency • Emergency medical response expenses, including transportation related to COVID-19 • Emergency financial assistance • Employment and training programs • Enforcement of public health orders related to COVID-19 • Establishing a temporary public medical facility to increase COVID-19 treatment capacity, included related construction costs • Eviction/homelessness prevention • Food delivery to residents (to enable compliance with public health precautions) • Government benefit enrollment assistance • Grants to small businesses for costs of business interruption from closures • Homeless population care to mitigate COVID-19 effects and enable compliance • Hospitals (public/private-with restrictions), COVID-19 related expenses • Hazard pay for public employees whose services are substantially dedicated to mitigating or responding to COVID-19 • Livestock depopulation • Loans (repayments options) • Marketing - Tourism (reopening) • Matching Requirements (not all programs) • Meat Processing Capacity Expansion 	<ul style="list-style-type: none"> • Bonuses other than hazard pay or overtime • Broadband expansion – rural (unless necessary for the public health emergency – COVID-19) • Capital improvement projects (generally) • Damages covered by insurance • Expenses covered by federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds • Expenses for the State share of Medicaid • Future COVID-19 outbreak (exceptions) • Hazard pay (or any pay) for public employees whose services are NOT substantially dedicated to mitigating or responding to COVID-19 • Legal settlements • Medicaid – State share • Payroll/benefits expenses for public employees whose work duties are NOT substantially dedicated to mitigating or responding to COVID-19 • Payroll/benefits expenses for private employees • Pre-paid expenses (generally) • Reimbursement of donated items or services • Reimbursement of expenses under any federal program • Revenue replacement • Severance pay • Taxes (all, including property) • Utility fees (generally) • Workforce bonuses

- Medical expenses, public health expenses, and payroll costs for public employees whose services are substantially dedicated to mitigating or responding to COVID-19
- Payroll etc. for Public Employees – substantially dedicated to mitigating or responding to the COVID-19 public health emergency
- Payroll support program – State/local expenditures
- PPE – expenses to acquire and distribute for medical personnel, social workers, law enforcement, public health workers, etc.
- Prisons – sanitation and social distancing costs
- Public health infrastructure improvement
- Public safety measure costs in response to COVID-19
- Quarantining individuals (public health expenses)
- Recovery planning
- Small businesses grants
- Solid waste capacity increase
- Technical assistance for mitigation of COVID-19 related threats to public health and safety
- Telemedicine capability to COVID-19 related treatment (establishing and operating)
- Telework improvement expenses for public employees to comply with COVID-19 precautions
- Unemployment insurance costs related to COVID-19 if not reimbursed by federal government
- Unemployment insurance fund (not State as employer)
- Workers compensation
- Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the CRF’s eligibility criteria

Broadband Expansion – Rural

- The expansion of broadband capacity in rural areas is not a permissible expenditure UNLESS it was necessary in response to the COVID-19 public health emergency.

Capital Improvement Projects

- The State may NOT use CRF payments for capital improvement projects that are not necessary expenditures incurred due to the COVID-19 public health emergency.
- The State may use CRF payments to establish temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

Contact Tracing

- The State may use CRF payments for expenses associated with contact tracing.

Costs Incurred (timing)

- The State may use CRF for a grant to cover interest and principal amounts of a loan made by a private institution, as a part of a small business assistance program, for the period beginning March 1, 2020 and ending December 30, 2020, provided that the entire loan is advanced to the borrower in the period and the borrower uses the proceeds to cover expenses incurred within the period. The grant must be necessary due to the public health emergency.

Current COVID-19 Outbreak

- The State (or any subdivision) may only use the CRF to address the current COVID-19 public health emergency.

Distance Learning Facilitation

- The State may use CRF to cover costs for providing distance learning, including student laptops, and personal protective equipment for students attending schools.

Emergency Financial Assistance

- The State may use CRF payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency.
 - For example, the State could create a program to assist individuals with:
 - payment of overdue rent or mortgage payments to avoid eviction or foreclosure, or
 - unforeseen financial costs for funerals and other emergency individual needs.

Employment and Training Programs

- The State may use CRF payments to cover employment and training programs for employees that have been furloughed due to the public health emergency if the State determined that the costs of such employment and training programs would be necessary due to the public health emergency.

Eviction/Homelessness Prevention

- The State may use CRF payments to support a consumer grant program to prevent eviction and assist in the prevention of homelessness, if it is a necessary expense incurred due to the COVID-19 public health emergency.
- The State may NOT use CRF payments to help homeowners pay property taxes, unless required to prevent foreclosure.

Government Benefit Enrollment Assistance

- The State may use CRF payments to enroll individuals in a government benefit program if the individuals were laid off due to COVID-19 and thereby lost health insurance.

Hospitals (Public and Private)

- The State may use CRF payments to support hospitals if the costs are necessary expenditures incurred due to the COVID-19 public health emergency. The State should provide financial assistance to private hospitals in the form of a grant or short-term loan.

Lease/Equipment Rental

- The State may use CRF payments to cover the costs of continued equipment rental or a lease if the State incurred the cost to respond to the COVID-19 public health emergency.

Livestock Depopulation

- The State may use CRF payments to facilitate livestock depopulation.

Loans

- The State may provide loans with the CRF if the use of the loan is an eligible expenditure.
 - CAUTION: Amounts repaid by the borrower must be returned to the Treasury UNLESS used for another eligible expenditure before December 30, 2020.

Marketing – Tourism

- The State may use the CRF to publicize the resumption of activities and steps taken to ensure a safe experience to travelers.
- The State may not use the CRF for long-term plans to reposition its convention and tourism industry and infrastructure.

Matching Requirements

- The CRF may be used to meet state/local matching requirements for Stafford Act assistance if it is a COVID-19-related costs that otherwise satisfy the CRF's eligibility criteria and the Stafford Act.
- The State may use CRF to satisfy 100 percent of its costs share for lost wages assistance. (FEMA funding still requires FEMA eligibility under the Stafford Act).

Meat Processing Capacity Expansion

- The State may use the CRF for the cost to expand the meat processing capacity, including overtime pay for USDA inspectors, if it is a necessary expense incurred due to the public health emergency.
 - An example includes the costs for increased capacity to allow farmers and processors to donate meat to food banks.

Other Funding Sources

- The State may NOT use CRF payments on expenses that have been or will be reimbursed under any federal program.
- The State is NOT required to use other federal funds or seek reimbursement under other federal programs before using CRF payments.

Payroll and Benefits

- The State may use CRF payments to support a “broad range of uses,” including payroll for classes of employees whose services are “*substantially dedicated to mitigating or responding to the COVID-19 public health emergency.*”
 - Substantially dedicated is not defined, but for administrative ease of tracking and reporting, the State may presume that public health and public safety employees meet the “substantially dedicated” test. The chief executive may determine otherwise. Presumptive inclusions are:
 - Public safety includes police officers, sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those directly supporting them (i.e., dispatchers and supervisors).
 - Public health includes medical care and other health service providers and supervisory personnel; medical staff for schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians); and other employees of public health departments directly engaged in matters related to public health and related supervisory personnel.
 - The state may also track time for other employees whose duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
 - CRF may be used for the time substantially dedicated by these employees, if administered consistently within the department.
- The State may use CRF for hazard pay for police officers coming in close contact with the public to enforce COVID-related safety orders BUT it may not use CRF for across-the-board hazard pay for officers (i.e., the hazard must be COVID-related).
- The State may use CRF for payroll and benefit costs associate with public employees who could have been furloughed or laid off but instead were repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency and for new personnel hired to assist with the response to public health emergency.

Prepaid Expenses

- The State should NOT use CRF payments to prepay unless it is consistent with its ordinary course policies and procedures.

Public Health Expenses

- Expenses for communication and enforcement of public health orders related to COVID-19.
- Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct

service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.

- Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.
- Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
- Expenses for public safety measures undertaken in response to COVID-19.
- Expenses for quarantining individuals.

Public Health Infrastructure Improvement

- The State may use the CRF to upgrade public health infrastructure, such as providing running water to rural families/individuals to help reduce the spread of COVID-19.

Recovery Planning

- The State may use CRF payments for expenses associated with conducting a recovery planning project or operating a recovery coordination office.

Reimburse Employee Expenses

- The State may use CRF payments to reimburse eligible employee expenses but not for stipends UNLESS administratively necessary.
- The State may NOT use CRF payments for eligible employee expenses if they will receive reimbursement from any other source.

Revenue Replacement NOT Permitted

- The State may NOT use CRF to fill shortfalls in government revenue.

Small Business Grants

- The State may use CRF payments for administrative costs and grants to small businesses.

Solid Waste Capacity Increase

- The State may use CRF for increased costs in solid waste as a result of the public health emergency.

Taxes (property)

- The State may NOT use CRF for loans, grants, etc. to individuals or businesses for them to meet tax obligations.

Unemployment Fund

- The State may use CRF to make payments to its state unemployment insurance fund.

Workers Compensation

- The State may use CRF to cover increased workers compensations costs to the State.

Workforce Bonuses

- The State may NOT use CRF for workforce bonuses.

CRF Administration

- The State must keep adequate records to demonstrate the CRF payments to the State comply with the CARES Act.
- The U.S. Treasury will recoup money from the State spent for an improper purpose.
- The State must return unspent money to the U.S. Treasury.
- The State may NOT transfer the funds to fill shortfalls in government revenues.