

# Overview of Federal COVID-19 Relief Legislation

**City Council Briefing  
April 15, 2020**

**Brett Wilkinson, Director  
Office of Strategic Partnerships and  
Government Affairs**



# Presentation Overview

- Purpose
- Background
- Summaries of First Two Relief Bills
- CARES Act (Third Bill) Overview
  - CARES Act Funding to Local Governments
  - CARES Act Additional Programs of Interest
- Administration
- Next Steps

# Purpose

- To provide an overview of the three COVID-19 federal relief bills
- To review funding sources available to local governments
- To review other resources available to residents of Dallas
- To review administration of federal funding
- To discuss next steps

# Background

- As the effects of the COVID-19 pandemic became clear, Congress began passing relief bills to lessen the economic and social impact:
  - First bill signed on March 6, 2020, the **Emergency Supplemental Appropriations Act**
  - Second bill signed on March 18, 2020, the **Families First Coronavirus Response Act**
  - Third bill signed on March 27, 2020, the **Coronavirus Aid, Relief, and Economic Security Act (CARES)**

# Background (cont.)

- Because the bills are focused on immediate COVID-19 response efforts, we are calling them RELIEF bills, not stimulus bills
  - Congress and the Administration are already discussing the need for more relief and future stimulus bills
- Most funding identified in the bills will be distributed via established grant programs
  - Some programs have multiple distributions using different formulas, some new
  - Limited funds to competitive grant programs

# First Relief Bill – The Emergency Supplemental Appropriations Act

- Focused primarily on Public Health needs - research, testing, and treatment
- Includes:
  - \$950 million to support state, and local public health agencies with funds via the Centers for Disease Control's Public Health & Emergency Preparedness Program
  - \$100 million for Community Health Centers
  - \$1 billion in additional Small Business Administration loan guarantees to assist small businesses, small farmers, and non-profits that incur financial losses related to the coronavirus.

6

# Second Relief Bill – The Families First Act

- Focused primarily on social assistance
- Includes:
  - **An additional \$500 million for the WIC Nutrition Program, with funds targeted to pregnant women and mothers who lose their job (City WIC programs eligible)**
  - \$400 million to assist local food banks
  - \$250 million for senior nutrition
  - Additional flexibility for SNAP funds, and waivers for school-based nutrition to adapt to emergency conditions
  - \$1 billion in emergency unemployment grants to states
- Establishes a federal requirement for paid sick leave during public health emergencies for certain businesses
- Expands access to Medicaid, including COVID-19 testing

7

# Third Relief Bill - CARES Act

- \$2.2 Trillion – largest economic relief bill in US History
- Highlights include:
  - State & Local Government Assistance - \$175 billion
  - Disaster Relief - \$45 billion
  - Small Business Loans - \$377 billion
  - Federal Reserve Emergency Lending Authority - \$500 billion
  - Expanded Unemployment Insurance - \$260 billion
  - IRS Payments to Individuals - \$290 billion
  - Business tax cuts - \$280 billion
  - Health care - \$180 billion

8



# CARES ACT FUNDING TO LOCAL GOVERNMENTS



# Treasury Department - Coronavirus Relief Fund

- \$150B Nationwide - provides specific carve outs for cities with a population over 500K
- Funding through this program may cover only those costs that
  - (1) are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
  - (2) were not accounted for in the budget most recently approved by the State or local government; and
  - (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020
- Awaiting guidance from the Treasury Department
- **Formula allocation**
- **Dallas allocation TBD**

10

# Federal Emergency Management Agency - Disaster Relief Fund

- Disaster Relief Fund - \$45B Nationwide
  - Provides funds under the Stafford Act to reimburse costs during a Presidentially declared disaster
  - Federal share cannot exceed 75% of allowable costs – the City must provide the remaining 25%
  - **Eligible expenses are reimbursed**
- Assistance to Firefighters Grants - \$100 million Nationwide
  - Provides equipment, training, and supplies for fire departments
  - **Competitive application process**
- Emergency Management Performance Grants - \$100 million Nationwide
  - Allows for reimbursement of expenses associated with running Emergency Management programs, including salaries, training and supplies
  - **Formula allocation**

11

# Department of Housing and Urban Development

- Community Development Block Grant
  - Will be distributed in three phases:
    - \$2B according to standard formula
    - \$1B to States
    - \$2B according to new formula based on COVID-19 threat
  - Some restrictions are waived, including shortening of mandatory public comment time
  - **Formula allocation**
  - **Dallas will receive \$8,899,802 under the first distribution**

# Department of Housing and Urban Development

- Emergency Shelter Grants (homeless)
  - Will be distributed in phases based on different formulas
  - Several provisions including community participation will be waived or lessened
  - **Formula allocation**
  - **Dallas will receive \$4,453,269 under the first distribution**

# Department of Housing and Urban Development

- Housing Opportunities for People with AIDS (HOPWA)
  - Provides housing and support services, including relocation expenses to prevent the spread of COVID-19
  - **Formula Allocation**
  - **Dallas will receive \$1,088,138**

# Department of Justice

- Coronavirus Emergency Supplemental Funding (listed as Byrne JAG)
  - Must be utilized to prevent, prepare for, and respond to coronavirus for law enforcement and medical personnel
  - **Formula Allocation**
  - **Dallas will receive \$2,282,871**

# Department of Transportation

- Airport Improvement Program
  - \$10B nationwide to support airport operations, including funding to cover required local matches for FY20, and funding distributed by normal formulas
  - \$100 million for general aviation airports
  - **Formula allocation**
  - **Dallas allocation TBD**



# Economic Development Administration

- \$1.5B nationwide to revitalize communities impacted by the pandemic, demonstrated by economic factors including higher unemployment than the national average
- Funds infrastructure projects with a focus on job creation and leveraging investment
- **Competitive application process**

# Arts, Culture & Library Funding

- Institute of Museum and Library Services
  - \$50M nationwide to expand digital network access, including the purchase of internet accessible devices
  - Eliminates required matching funds
  - **Competitive application process**
- National Endowment for the Humanities
  - \$75M nationwide split between formula grants and direct grants to support cultural institutions impacted by COVID-19
  - Eliminates required matching funds
  - **Formula and Competitive application process**
- National Endowment for the Arts
  - \$75M nationwide split between formula grants and direct grants to support operating expenses
  - Eliminates required matching funds
  - **Formula and Competitive application process**

18

# CARES ACT ADDITIONAL PROGRAMS OF INTEREST



# Transit Formula Grants - DART

- \$14B nationwide for urbanized formula grants for operating expenses and to replace lost revenue
- Distributed through the Regional Transportation Council
- **Formula allocation**
- **D/FW Region will receive \$318.6 million**

# HUD Section 8

- Section 8 tenant-based and project-based assistance - \$2.25 billion
  - Funds are to prevent, prepare for, and respond to coronavirus, including additional funds for public housing agencies to maintain normal operations and take necessary actions during the period operations are impacted by coronavirus.

# Department of Health and Human Services

- Community Services Block Grant - \$1 billion
- Public Health and Social Services Emergency Fund - \$100 billion
- Child Care and Development Block Grants (CCDBG) - \$3.5 billion
- Head Start - \$750 million
- Low Income Home Energy Assistance Program (LIHEAP) - \$900 million
- Older American Act Programs - \$955 million
- Center for Disease Control Public Health Activities - \$1.5 billion

# Department of Agriculture

- Supplemental Nutrition Assistance Program (SNAP) - \$15.5 billion
- Child Nutrition Programs - \$8.8 billion
- Emergency Food Assistance Program (TEFAP) - \$450 million

# IRS Payments to Individual Taxpayers

- Payments to Individuals/Households who filed 2018 or 2019 tax returns - \$250 billion
  - \$1,200 for individuals
  - \$2,400 for couples
  - \$500 per child listed on their last tax return
  - Begins phasing out at \$75,000 (\$150,000 couples) income (reduced \$5 for each \$100 above \$75,000)
  - Completely phased out at \$98,000 (\$198,000 couples) income
  - Filers without tax liability or with income entirely from government transfers will receive a payment



# Unemployment Insurance

- Creates a temporary Pandemic Unemployment Insurance Program through December 31, 2020 to provide payments to those not traditionally eligible for unemployment benefits (self-employed, independent contractors, persons with limited work history, etc.) and for persons who are unable to work because of coronavirus
- Workers can receive up to 39 weeks of benefits
- The bill provides an emergency increase in unemployment benefits of \$600 per week (in addition to regular benefits) through July 31 for up to four months.
- The bill extends eligibility for regular unemployment by an additional 13 weeks.

25

# Small Business Relief

- Paycheck Protection Program - \$377 billion
  - SBA loans to businesses with fewer than 500 employees
  - Loans are equal to 250% of average monthly payroll, capped at \$10 million
  - Self-employed and “gig” economy individuals eligible
  - Loans can be used for payroll, rent, utilities, and mortgage interest
  - Loans can be forgiven if the borrower maintains payroll

# Small Business Relief (cont.)

- Small Business Development Centers and Women's Business Centers - \$265 million
  - Counseling, training, and related assistance to small businesses affected by COVID-19.
  - \$10 million is for the Minority Business Development Agency to provide these services through Minority Business Centers and Minority Chambers of Commerce.
- Economic Injury Disaster Loans - \$10 billion
  - The bill allows businesses that apply for an EIDL expedited access to capital through an Emergency Grant—an advance of \$10,000 within three days to maintain payroll, provide paid sick leave, and to service other debt obligations.

27

# Federal Reserve

- \$434 billion in Emergency Lending Authority for up to \$4 trillion in emergency loans to businesses and governments.
- This account is what is referred to some as the “corporate bailout” section, but the legislation specifically mentions government entities as eligible for the loans.
- The congressional intent regarding this fund is that it should focus on businesses and other entities with 500 to 10,000 employees.
- The legislation also allows the Federal Reserve to use this authority to enter the municipal bond market as an institutional investor.

28

# Foreclosure Moratorium and Consumer Right to Request Forbearance

- Prohibits foreclosures on all federally-backed mortgage loans for a 60-day period beginning on March 18, 2020.
- Provides up to 180 days of forbearance for borrowers of a federally-backed mortgage loan who have experienced a financial hardship related to the COVID-19 emergency.
- Applicable mortgages included those purchased by Fannie Mae and Freddie Mac, insured by HUD, VA, or USDA, or directly made by USDA. The authority provided under this section terminates on the earlier of the termination date of the national emergency concerning the coronavirus or December 31, 2020.

29

# Forbearance of Residential Mortgage Loan Payments for Multifamily Properties with Federally Backed Loans

- Provides up to 90 days of forbearance for multifamily borrowers with a federally backed multifamily mortgage loan who have experienced a financial hardship.
- Borrowers receiving forbearance may not evict or charge late fees to tenants for the duration of the forbearance period.
- Applicable mortgages include loans to real property designed for 5 or more families that are purchased, insured, or assisted by Fannie Mae, Freddie Mac, or HUD.
- The authority provided under this section terminates on the earlier of the termination date of the national emergency concerning the coronavirus or December 31, 2020.

30

# Temporary Moratorium on Eviction Filings

- For 120 days beginning on the date of enactment, landlords are prohibited from initiating legal action to recover possession of a rental unit or to charge fees, penalties, or other charges to the tenant related to such nonpayment of rent where the landlord's mortgage on that property is insured, guaranteed, supplemented, protected, or assisted in any way by HUD, Fannie Mae, Freddie Mac, the rural housing voucher program, or the Violence Against Women Act of 1994

# Administration Plan

- The three bills included funding for the Offices of the Inspector General for increased oversight at all levels
  - It is anticipated this will mean more frequent site visits and audits for oversight of relief grant funds
- The City is establishing an Oversight Working Group
  - Led by OSPGA and Grants Compliance in the Office of Budget
  - Will meet weekly to review available funding opportunities, review processes and procedures for tracking expenses, and ensure compliance with all regulations

32



# Next Steps

- Continue to track expenses related to COVID-19 response
- Receive guidance from Federal agencies on specific programs
- Identify funding needs and opportunities based on guidance
- Develop grant applications and timelines for each funding stream
- Seek Council approval for acceptance of grant funds
- Monitoring and reporting
- Continue to advocate for City priorities in future Federal relief bills

33

# Overview of Federal COVID-19 Relief Legislation

**City Council Briefing  
April 15, 2020**

**Brett Wilkinson, Director  
Office of Strategic Partnerships and  
Government Affairs**

