

**LEGISLATIVE SUMMARY SHEET**

Tracking No. 0094-21

**DATE:** June 8, 2021

**TITLE OF RESOLUTION:** AN ACTION RELATING TO HEALTH EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; ENACTING THE NAVAJO NATION CARES FUND PHASE II HARDSHIP ASSISTANCE EXPENDITURE PLAN; ALLOCATING NAVAJO NATION CARES FUND INVESTMENT EARNINGS THERETO

**PURPOSE:** This resolution, if approved, will establish a *second* CARES Fund Hardship Assistance Expenditure Plan, funded by reallocations and investment earnings, to provide funding to those eligible Navajo members who did not receive funding under the first Hardship Assistance Expenditure Plan.

**This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.**



5-DAY BILL HOLD PERIOD VEREAD NOSC  
Website Posting Time/Date JUNE 9, 2021 5:11 pm  
Posting End Date: JUNE 14, 2021  
Eligible for Action: JUNE 15, 2021


Health Education & Human Services Committee  
Thence  
Budget & Finance Committee  
Thence  
Naabik'iyáti' Committee  
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Navajo Nation Council

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PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
24th NAVAJO NATION COUNCIL – Third Year, 2021

INTRODUCED BY

  
  
(Prime Sponsor)

TRACKING NO. 0094-21 



AN ACTION

RELATING TO HEALTH EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; ENACTING THE NAVAJO NATION CARES FUND PHASE II HARDSHIP ASSISTANCE EXPENDITURE PLAN; ALLOCATING NAVAJO NATION CARES FUND INVESTMENT EARNINGS THERETO

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).
- B. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to hear proposed resolution(s) that require final action by the Navajo Nation Council. 2 N.N.C. § 164(A)(9).
- C. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the enumerated powers to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment and management of all funds and to promulgate rules and regulations related to contracting and financial matters. 2 N.N.C. §§ 300(B)(1) and (2).

1 D. The Health Education and Human Services Committee is a standing committee of the  
2 Navajo Nation Council empowered to provide legislative oversight on matters  
3 involving health, social services, and education. 2 N.N.C. § 400(C)(1).  
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## 5 SECTION TWO. FINDINGS

- 6 A. The World Health Organization (“WHO”) declared a Public Health Emergency of  
7 International Concern related to the outbreak of coronavirus (COVID-19), a highly  
8 contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S.  
9 Department of Health and Human Services declared a Public Health Emergency related  
10 to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global  
11 pandemic due to COVID-19 on March 11, 2020.
- 12 B. The Navajo Nation Commission on Emergency Management, with the concurrence of  
13 Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency  
14 on the Navajo Nation on March 11, 2020 due to COVID-19. Resolution No. CEM 20-  
15 03-11. The Navajo Nation Department of Health subsequently issued numerous Public  
16 Health Emergency Orders. Public Health Orders 2020-001 through 2021-011 are  
17 incorporated herein by reference.
- 18 C. As of June 3, 2021, the Navajo Nation Health Command Operations Center has  
19 confirmed 30,847 COVID-19 cases and 1,322 COVID-19 related deaths on the Navajo  
20 Nation.
- 21 D. The U.S. Congress on March 27, 2020, enacted the Coronavirus Aid, Relief, and  
22 Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281 (2020) (the “CARES Act”),  
23 which, at Title V, §5001, entitled “Coronavirus Relief Fund,” incorporated herein by  
24 reference, set aside \$8 billion in emergency aid for Tribal governments for the COVID-  
25 19 pandemic.
- 26 E. The CARES Act and Coronavirus Relief Fund were subsequently amended by the  
27 Consolidated Appropriations Act of 2021, Pub. L. No. 116-260, incorporated herein by  
28 reference, to extend the deadline for Coronavirus Relief Fund expenditures from  
29 December 30, 2020 to December 31, 2021.

- 1 F. The CARES Act, as amended by Division N, Title X, Section 1001 of the Consolidated  
2 Appropriations Act of 2021, provides that the Coronavirus Relief Fund shall be used  
3 to cover only those costs that:
- 4 a. are necessary expenditures incurred due to the public health emergency with  
5 respect to COVID-19;
  - 6 b. are not accounted for in the Tribal budget most recently approved as of  
7 March 27, 2020; and
  - 8 c. are incurred from March 1, 2020 through December 31, 2021.
- 9 G. The U.S. Treasury on January 15, 2021 issued “Coronavirus Relief Fund Guidance for  
10 State, Territorial, Local, and Tribal Governments” (“Treasury Guidance”) and  
11 “Coronavirus Relief Fund Frequently Asked Questions” (“Treasury FAQ”), attached  
12 as **Exhibit 1**.
- 13 H. As of June 30, 2020, the Navajo Nation has received seven hundred fourteen million  
14 one hundred eighty-nine thousand six hundred thirty-one dollars and forty-seven cents  
15 (\$714,189,631.47) as the Nation’s share of the U.S. Treasury’s initial distributions of  
16 the Coronavirus Relief Fund.
- 17 I. In August of 2020, the Navajo Nation Council recognized that immediately providing  
18 financial assistance to Navajo individuals and families who are facing financial  
19 hardship due to the COVID-19 pandemic and attendant public health orders was  
20 necessary to comprehensively combat the devastating effects of COVID-19, and it  
21 therefore adopted Resolution No. CJY-67-20, incorporated herein by reference,  
22 enacting the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan.
- 23 J. The purpose of the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan  
24 enacted through Resolution No. CJY-67-20, was to immediately provide emergency  
25 financial assistance to Navajo tribal members for purchasing Personal Protective  
26 Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-  
27 related expenses, education-related expenses and other financial burdens created by the  
28 COVID-19 pandemic and the public health emergency orders.
- 29 K. Resolution No. CJY-67-20 also established that the “progress of all [Navajo Nation  
30 CARES Act] Expenditure Plan funded projects shall be reviewed by the Budget and

1 Finance and Naabik'iyáti' Committees during the month of October 2020 [and] the  
2 funding for any project that has not made enough progress to demonstrate that it will  
3 be fully completed by December 31, 2020, will be re-allocated to the Hardship  
4 Assistance Expenditure Plan through Naabik'iyáti' Committee resolution." CJY-67-  
5 20, Section Three (Q); *see also* CS-73-20, Section Three (F).

6 L. Naabik'iyáti' Committee Resolution No. NABID-63-20, attached as **Exhibit 2**, which  
7 amended NABIO-49-20, approved that

8 "Any remaining CS-73-20, CJY-67-20 and/or CJN-46-20 CARES Fund  
9 Expenditure Plans not fully expended, not including encumbered and  
10 obligated funds, by November 20, 2020, regardless of recipient or intended  
11 recipient, shall be automatically reallocated to the Hardship Assistance  
12 Expenditure Plan. With the exception of funds allocated for Powerline  
13 projects; Solar projects; Water and Wastewater projects, including cisterns;  
14 Broadband and Telecommunication projects; COVID-19 decontamination  
15 and direct care projects, including contracts for services that directly  
16 mitigate the COVID-19 pandemic through isolation/quarantining,  
17 alternative care services, testing and contract tracing; and CARES Act  
18 administrative compliance costs, funds still encumbered as of December 22,  
19 2020, shall be unencumbered and unobligated and automatically reallocated  
20 to the Hardship Assistance Expenditure Plan if the goods or services have  
21 not been delivered by that date. The Office of Management and Budget and  
22 Office of Controller shall implement these reallocations without the need  
23 for further authorization." NABID-63-20, Section Three (D).

24 and

25 "Encumbered funds for Powerline projects; Solar projects; Water and  
26 Wastewater projects, including cisterns; Broadband and  
27 Telecommunication projects; and COVID-19 decontamination and direct  
28 care projects, shall be unencumbered and unobligated and automatically  
29 reallocated to the Hardship Assistance Expenditure Plan if the goods or  
30 services have not been delivered by 12:00 noon on December 28, 2020. The

1 Office of Management and Budget and Office of Controller shall implement  
2 these reallocations without the need for further authorization.” NABID-63-  
3 20, Section Three (E).

4 M. In September of 2020, Resolution No. CJY-67-20 was subsequently amended by  
5 Navajo Nation Council Resolution No. CS-74-20 to increase Navajo Nation CARES  
6 Fund funding to the Hardship Assistance Expenditure Plan by forty-nine million four  
7 hundred fifty-four thousand four hundred sixteen dollars (\$49,454,416) and to increase  
8 the amount allocated to eligible Navajo members to no more than fifteen hundred  
9 dollars (\$1500) per person over the age of 18 years as of March 1, 2020 and five  
10 hundred dollars (\$500) per person under the age of 18 years as of March 1, 2020.

11 N. By Resolution No. BFO-32-20, attached as **Exhibit 3**, the Budget and Finance  
12 Committee established eligibility criteria and a November 30, 2020, deadline to apply  
13 for Hardship Assistance. The 308,000 enrolled Navajo members who met BFO-32-20’s  
14 application deadline and eligibility criteria have received Hardship Assistance for a  
15 total distribution amount of \$318,237,024 which includes those timely applications  
16 wherein exceptions are still being resolved.

17 O. The Office of the Controller and Office of Vital Statistics have estimated that there are  
18 approximately 92,000 enrolled Navajo members who did not apply for Hardship  
19 Assistance by the November 30, 2020 deadline.

20 P. As of June 1, 2021, the Hardship Assistance Expenditure Plan has been funded with a  
21 total of \$341,702,780 through CJY-67-20, CS-74-20, and the reallocations to the  
22 Hardship Assistance Expenditure Plan thereunder; and after funding applications  
23 received by the November 30, 2020 deadline in the total amount of \$318,237,024, the  
24 Plan has a current remaining balance of \$23,465,756. The remaining balance may  
25 increase after outstanding reallocations are received and earned investment income is  
26 added.

27 Q. The Navajo Nation Council has determined that it is in the best interest of the Navajo  
28 Nation and the Navajo people to enact the Navajo Nation CARES Fund PHASE II  
29 Hardship Assistance Expenditure Plan, attached as **Exhibit 3**, to provide financial  
30 assistance to those eligible Navajo members who were impacted by the COVID-19

1 pandemic and public health orders but did not receive a distribution through the  
2 Hardship Assistance Expenditure Plan approved by Council Resolution Nos. CJY-67-  
3 20 and CS-74-20.  
4

5 **SECTION THREE. APPROVAL AND ADOPTION OF THE CARES FUND PHASE**  
6 **II HARDSHIP ASSISTANCE EXPENDITURE PLAN**

- 7 A. The Navajo Nation hereby approves and enacts the Navajo Nation CARES Fund  
8 PHASE II Hardship Assistance Expenditure Plan, attached as **Exhibit 4**, to be funded  
9 by the remaining balance of the Hardship Assistance Expenditure Plan, including the  
10 reallocation of unspent Navajo Nation CARES Fund per NABID-63-20, as approved  
11 by Council Resolution Nos. CJY-67-20 and CS-74-20.
- 12 B. The Navajo Nation also hereby approves the allocation of all current and future Navajo  
13 Nation CARES Fund investment earnings to the PHASE II Hardship Assistance  
14 Expenditure Plan.
- 15 C. The Office of the Controller shall be responsible for implementing and administering  
16 the PHASE II Hardship Assistance Expenditure Plan as set forth in **Exhibit 4**.
- 17 D. Funds from the Coronavirus Relief Funds, as amended by the Consolidated  
18 Appropriations Act of 2021, Pub. L. No. 116-260, are externally restricted funds and  
19 the Navajo Nation Appropriations Act, 12 N.N.C. §§ 800 *et seq.*, as applicable to  
20 externally restricted funds, and unless excepted herein, shall apply to the PHASE II  
21 Hardship Assistance Expenditure Plan as set forth here. The detailed PHASE II  
22 Hardship Assistance Expenditure Plan budget shall not be subject to further legislative  
23 approval and shall, instead, be developed and implemented through expedited budget  
24 procedures.  
25

26 **SECTION FOUR. APPROVAL AND ADOPTION OF THE PHASE II HARDSHIP**  
27 **ASSISTANCE EXPENDITURE PLAN ADMINISTRATION**

- 28 A. The PHASE II Hardship Assistance Expenditure Plan shall be administered by the  
29 Office of the Controller under the oversight of the Budget and Finance Committee.  
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- 1 B. The Office of Management and Budget and Office of the Controller shall ensure that  
2 the reallocations mandated by NABID-63-20 are immediately fully implemented.
- 3 C. The Office of the Controller shall ensure that all funds allocated under the PHASE II  
4 Hardship Assistance Expenditure Plan are only expended for the purposes set forth in  
5 **Exhibit 4**; and that such funds are fully expended by December 31, 2021.
- 6 D. The Office of the Controller shall establish, publish, and implement a sixty (60) day  
7 application period for eligible Navajos who have *not* previously received Hardship  
8 Assistance funds; the eligibility criteria and application forms for PHASE II Hardship  
9 Assistance Expenditure Plan funds shall be substantially the same as approved by BFO-  
10 32-20 unless recommended otherwise by the Health Education and Human Services  
11 Committee or Budget and Finance Committee through resolution. Changes to the  
12 application for ease of understanding or legal sufficiency can be made without  
13 committee resolution when such changes are concurred to or recommended by the  
14 Navajo Nation Department of Justice, as long as such changes do not change the  
15 substance of the eligibility criteria.
- 16 E. After the PHASE II Hardship Assistance application period has expired, the Office of  
17 the Controller shall pro-rate the distribution to all eligible applicants based on the total  
18 balance of the Hardship Assistance Expenditure Plan balance and ensure that no  
19 applicant receives a distribution exceeding fifteen hundred dollars (\$1500) per person  
20 over the age of 18 years as of March 1, 2020 and five hundred dollars (\$500) per person  
21 under the age of 18 years as of March 1, 2020.
- 22 F. The funds allocated to the Office of the Controller under the PHASE II Hardship  
23 Assistance Expenditure Plan set forth herein shall be used exclusively and only for the  
24 permissible uses set forth in the following:
- 25 1. This Resolution and the PHASE II Hardship Assistance Expenditure Plan approved  
26 herein.
  - 27 2. The Coronavirus Relief Fund, as amended by the Consolidated Appropriations Act  
28 of 2021, Pub. L. No. 116-260, which allows only those costs that:
    - 29 a. are necessary expenditures incurred due to the public health emergency with  
30 respect to COVID-19;



- 1           b. are not accounted for in the Navajo Nation Fiscal Year 2020 Comprehensive  
2           Budget; and
- 3           c. are incurred from March 1, 2020 through December 31, 2021.
- 4       3. Consistent with the eligible uses described in the Treasury Guidance, attached as  
5       **Exhibit 1**, which includes the following guidance:
- 6           a. expenditures must be incurred “due to” the public health emergency which  
7           means that expenditures must be used for actions taken to respond to the public  
8           health emergency; these expenditures may include expenditures incurred to  
9           allow the Tribal government to respond directly to the emergency, such as by  
10          addressing medical or public health needs, as well as expenditures incurred to  
11          respond to second-order effects of the emergency, such as by providing  
12          economic support to those suffering from employment or business interruptions  
13          due to COVID-19-related business closures;
- 14          b. expenditures must be “necessary”; the Department of the Treasury interprets  
15          this term broadly to mean that the expenditure is reasonably necessary for its  
16          intended use in the reasonable judgment of the government officials responsible  
17          for spending Coronavirus Relief Fund payments;
- 18          c. expenditures may only be made to cover costs that were not accounted for in  
19          the budget most recently approved as of March 27, 2020. A cost meets this  
20          requirement if either (a) the cost cannot lawfully be funded using a line item,  
21          allotment, or allocation with the budget; *or* (b) the cost is for a substantially  
22          different use from any expected use of funds in such a line item, allotment, or  
23          allocation; and
- 24          d. expenditures must be for costs incurred during the period that begins on March  
25          1, 2020 and ends on December 31, 2021. A cost is “incurred” when the  
26          responsible unit of government has expended funds to cover the cost.
- 27       4. Consistent with the eligible uses described in the U.S. Treasury Frequently Asked  
28       Questions (FAQ), attached as **Exhibit 1**.
- 29  
30

1 5. Consistent with the eligible uses as may be described in any and all future guidance,  
2 rules, or regulations of the Department of the Treasury or the Department of the  
3 Interior related to the Coronavirus Relief Fund.

4 6. Consistent with Navajo Nation laws, rules and regulations.

5 I. The PHASE II Hardship Assistance Expenditure Plan and expenditures made  
6 thereunder shall be governed by, and construed in accordance with, the laws and  
7 regulations of the Navajo Nation.

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9 **SECTION FIVE. AMENDMENT**

10 This Resolution may be amended by a two-thirds majority vote of the Navajo Nation  
11 Council subject to action of the President of the Navajo Nation under 2 N.N.C. § 221 (B)  
12 and the President's budget line-item veto authority set forth in 2 N.N.C. §164 (A)(17)  
13 pursuant to Resolution No. CS-68-20 and CJY-62-20.

14  
15 **SECTION SIX. EFFECTIVE DATE**

16 This Resolution is effective upon its approval pursuant to 2 N.N.C. § 221(B) and the  
17 President's budget line-item veto authority set forth in 2 N.N.C. § 164 (A)(17) pursuant to  
18 Resolution No. CS-68-20 and CJY-62-20.

19  
20 **SECTION SEVEN. SAVING CLAUSE**

21 Should any provision of this legislation be determined invalid by the Navajo Nation  
22 Supreme Court, or a District Court of the Navajo Nation without appeal to the Navajo  
23 Nation Supreme Court, those portions of the legislation which are not determined invalid  
24 shall remain the law of the Navajo Nation.



**ADDRESSES:** Direct all written comments to Kinna Brewington, Internal Revenue Service, room 6526, 1111 Constitution Avenue NW, Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the form should be directed to Kerry Dennis, at (202) 317-5751 or Internal Revenue Service, Room 6526, 1111 Constitution Avenue NW, Washington DC 20224, or through the internet, at [Kerry.Dennis@irs.gov](mailto:Kerry.Dennis@irs.gov).

**SUPPLEMENTARY INFORMATION:** *Title:* Sales of Business Property.

*OMB Number:* 1545-0184.

*Form Number:* Form 4797.

*Abstract:* Form 4797 is used by taxpayers to report sales, exchanges, or involuntary conversions of assets used in a trade or business. It is also used to compute ordinary income from recapture and the recapture of prior year losses under section 1231 of the Internal Revenue Code.

*Current Actions:* There is no change in the paperwork burden previously approved by OMB. The forms are being submitted for renewal purposes only.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Business or other for-profit organizations, individuals or households, and farms.

*Estimated Number of Respondents:* 325,000.

*Estimated Time per Response:* 50 hours, 38 minutes.

*Estimated Total Annual Burden Hours:* 16,454,750.

The following paragraph applies to all the collections of information covered by this notice.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained if their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*Request for Comments:* Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the

quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: January 12, 2021.

**Chakinna B. Clemons,**  
*Supervisory Tax Analyst.*

[FR Doc. 2021-00841 Filed 1-14-21; 8:45 am]

BILLING CODE 4830-01-P

## DEPARTMENT OF THE TREASURY

### Coronavirus Relief Fund for States, Tribal Governments, and Certain Eligible Local Governments

**AGENCY:** Department of the Treasury.

**ACTION:** Coronavirus Relief Fund program guidance.

**SUMMARY:** The Department of the Treasury (Treasury) is re-publishing in final form the guidance it previously made available on its website regarding the Coronavirus Relief Fund for States, tribal governments, and certain eligible local governments.

**FOR FURTHER INFORMATION CONTACT:** Stephen T. Milligan, Deputy Assistant General Counsel (Banking & Finance), 202-622-4051.

**SUPPLEMENTARY INFORMATION:** Section 601 of the Social Security Act, as added by section 5001(a) of Division A of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") established the Coronavirus Relief Fund (the "Fund") and appropriated \$150 billion for payments by Treasury to States, tribal governments, and certain local governments.

The Secretary of the Treasury has adopted this guidance for recipients of payments from the Fund pursuant to his authority under the Social Security Act to adopt rules and regulations as may be necessary to the efficient administration of the functions with which he is charged under the Social Security Act. 42 U.S.C. 1302(a). This guidance primarily concerns the use of payments from the Fund set forth in section 601(d) of the Social Security Act. Treasury's Office of Inspector General (OIG) will use this guidance in its audits of recipients' use of funds. Section 601(f)(2) of the Social Security Act provides that if the Treasury OIG determines that a recipient of payments from the Fund has failed to comply with the use of funds provisions of section

601(d), the amount of the use of funds used in violation of the provisions of section 601(d) of the Social Security Act shall be treated as a debt of such entity owed to the federal government.

The guidance published below is unchanged from the last version of the guidance dated September 2, 2020,<sup>1</sup> and the frequently asked questions document dated October 19, 2020,<sup>2</sup> each of which was published on Treasury's website, except for the following changes. The introduction of the guidance and frequently asked questions have been modified to reflect this publication in the *Federal Register*; the guidance and frequently asked questions have been revised throughout to reflect that the end date of the period during which eligible expenses may be incurred has been extended to December 31, 2021;<sup>3</sup> footnote 2 of the guidance has been revised to reflect additional restrictions imposed by section 5001(b) of Division A of the CARES Act; FAQ A.59 has been updated to correct the cross-reference to Treasury OIG's FAQs; and the application of FAQ B.6 has been clarified. Treasury is also adding to the guidance instructions regarding the return to Treasury of unused Coronavirus Relief Fund payments.

### Administrative Procedure Act

The Administrative Procedure Act (APA) provides that the notice, public comment, and delayed effective date requirements of 5 U.S.C. 553 do not apply "to the extent that there is involved . . . a matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts." 5 U.S.C. 553(a). The rule involves a matter relating to public property, loans, grants, benefits, or contracts and is therefore exempt under the terms of the APA.

<sup>1</sup> As noted previously on Treasury's website, on June 30, 2020, the guidance provided under "Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020" was updated. On September 2, 2020, the "Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees" and "Supplemental Guidance on Use of Funds to Cover Administrative Costs" sections were added.

<sup>2</sup> As noted previously on Treasury's website, on August 10, 2020, the frequently asked questions were revised to add Questions A.49-52. On September 2, 2020, Questions A.53-56 were added and Questions A.34 and A.38 were revised. On October 19, 2020, Questions A.57-59 and B.13 were added and Questions A.42, 49, and 53 were revised.

<sup>3</sup> Section 1001 of Division N of the Consolidated Appropriations Act, 2021 amended section 601(d)(3) of the Social Security Act by extending the end of the covered period for Coronavirus Relief Fund expenditures from December 30, 2020 to December 31, 2021.

### Regulatory Flexibility Analysis

The Regulatory Flexibility Act does not apply to a rulemaking when a general notice of proposed rulemaking is not required.

### Paperwork Reduction Act

The final rule contains no requirements subject to the Paperwork Reduction Act.

### Authority and Issuance

42 U.S.C. 1302(a).

### Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The CARES Act established the Coronavirus Relief Fund (the "Fund") and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.<sup>1</sup>

The guidance that follows sets forth the Department of the Treasury's interpretation of these limitations on the permissible use of Fund payments.

#### *Necessary Expenditures Incurred Due to the Public Health Emergency*

The requirement that expenditures be incurred "due to" the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency.

<sup>1</sup> See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act and as amended by section 1001 of Division N of the Consolidated Appropriations Act, 2021.

These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures. Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be "necessary." The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

#### *Costs Not Accounted for in the Budget Most Recently Approved as of March 27, 2020*

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The "most recently approved" budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

#### *Costs Incurred During the Period That Begins on March 1, 2020, and Ends on December 31, 2021*

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021 (the "covered period"). Putting this requirement together with the other provisions discussed above, section

601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient's usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, e.g., the time of entry into a procurement contract specifying a time

for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 31, 2021, the failure of a vendor to complete delivery or services by December 31, 2021, will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient's control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

#### *Nonexclusive Examples of Eligible Expenditures*

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
  - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
  - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
  - Costs of providing COVID-19 testing, including serological testing.
  - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
  - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
  - Expenses for communication and enforcement by State, territorial, local, and Tribal governments 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.
3. 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 public health emergency.
  4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
    - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
    - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
    - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
    - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
    - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
    - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
  5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
    - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
    - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
    - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

#### *Nonexclusive Examples of Ineligible Expenditures<sup>2</sup>*

The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.<sup>3</sup>
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

<sup>2</sup> In addition, pursuant to section 5001(b) of Division A of the CARES Act, payments from the Fund are subject to the requirements contained in the Further Appropriations Act of 2020 (Pub. L. 116-94) for funds for programs authorized under section 330 through 340 of the Public Health Service Act (42 U.S.C. 254 through 256). Section 5001(b) thereby applies to payments from the Fund the general restrictions on the Department of Health and Human Services' appropriations. Of particular relevance for the Fund, payments may not be expended for an abortion, for health benefits coverage—meaning a package of services covered by a managed health care provider or organization pursuant to a contract or other arrangement—that includes coverage of abortion, for the creation of a human embryo or embryos for research purposes, or for research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and 42 U.S.C. 289g(b)). The prohibition on payment for abortions and health benefits coverage that includes coverage of abortion does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. These provisions do not prohibit the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds). These provisions do not restrict the ability of a managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds). Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions. Except with respect to certain law enforcement and adjudication activities, no funds may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography. No payments from the Fund may be provided to the Association of Community Organizations for Reform Now (ACORN) or any of its affiliates, subsidiaries, allied organizations, or successors. For the full text of these requirements, see Title V of Public Law 116-94 (133 Stat. 2605 *et seq.*), available at <https://www.congress.gov/116/plaws/publ94/PLAW-116publ94.pdf>.

<sup>3</sup> See 42 CFR 433.51 and 45 CFR 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.

5. Reimbursement to donors for donated items or services.

6. Workforce bonuses other than hazard pay or overtime.

7. Severance pay.

8. Legal settlements.

#### Supplemental Guidance on Use of Funds To Cover Payroll and Benefits of Public Employees

As discussed in the Guidance above, the CARES Act provides that payments from the Fund must be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As reflected in the Guidance and FAQs, Treasury has not interpreted this provision to limit eligible costs to those that are incremental increases above amounts previously budgeted. Rather, Treasury has interpreted this provision to exclude items that were already covered for their original use (or a substantially similar use). This guidance reflects the intent behind the Fund, which was not to provide general fiscal assistance to state governments but rather to assist them with COVID-19-related necessary expenditures. With respect to personnel expenses, though the Fund was not intended to be used to cover government payroll expenses generally, the Fund was intended to provide assistance to address increased expenses, such as the expense of hiring new personnel as needed to assist with the government's response to the public health emergency and to allow recipients facing budget pressures not to have to lay off or furlough employees who would be needed to assist with that purpose.

#### Substantially Different Use

As stated in the Guidance above, Treasury considers the requirement that payments from the Fund be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020, to be met if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a *substantially different use* from any expected use of funds in such a line item, allotment, or allocation.

Treasury has provided examples as to what would constitute a substantially different use. Treasury provided (in FAQ A.3) that costs incurred for a substantially different use would

include, for example, the costs of redeploying educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

#### Substantially Dedicated

Within this category of substantially different uses, as stated in the Guidance above, Treasury has included payroll and benefits 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 public health emergency. The *full amount* of payroll and benefits expenses of substantially dedicated employees may be covered using payments from the Fund. Treasury has not developed a precise definition of what "substantially dedicated" means given that there is not a precise way to define this term across different employment types. The relevant unit of government should maintain documentation of the "substantially dedicated" conclusion with respect to its employees.

If an employee is not substantially dedicated to mitigating or responding to the COVID-19 public health emergency, his or her payroll and benefits expenses may not be covered *in full* with payments from the Fund. A *portion* of such expenses may be able to be covered, however, as discussed below.

#### Public Health and Public Safety

In recognition of the particular importance of public health and public safety workers to State, local, and tribal government responses to the public health emergency, Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that public health and public safety employees meet the substantially dedicated test, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. This means that, if this presumption applies, work performed by such employees is considered to be a substantially different use than accounted for in the most recently approved budget as of March 27, 2020. All costs of such employees may be covered using payments from the Fund for services provided during the period that begins on March 1, 2020, and ends on December 31, 2021.

In response to questions regarding which employees are within the scope of this accommodation, Treasury is supplementing this guidance to clarify

that public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.

#### Not Substantially Dedicated

As provided in FAQ A.47, a State, local, or tribal government may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department. This means, for example, that a government could cover payroll expenses allocated on an hourly basis to employees' time dedicated to mitigating or responding to the COVID-19 public health emergency. This result provides equitable treatment to governments that, for example, instead of having a few employees who are substantially dedicated to the public health emergency, have many employees who have a minority of their time dedicated to the public health emergency.

#### Covered Benefits

Payroll and benefits of a substantially dedicated employee may be covered using payments from the Fund to the extent incurred between March 1 and December 31, 2021.

Payroll includes certain hazard pay and overtime, but not workforce bonuses. As discussed in FAQ A.29, hazard pay may be covered using payments from the Fund if it is provided for performing hazardous duty or work involving physical hardship that in each case is related to COVID-19. This means that, whereas payroll and benefits of an employee who is substantially dedicated to mitigating or responding to the COVID-19 public health emergency may generally be covered in full using payments from the Fund, hazard pay specifically may only be covered to the extent it is related to COVID-19. For example, a recipient may use payments from the Fund to cover hazard pay for a police officer coming in close contact with members of the public to enforce public health or

public safety orders, but across-the-board hazard pay for all members of a police department regardless of their duties would not be able to be covered with payments from the Fund. This position reflects the statutory intent discussed above: the Fund was intended to be used to help governments address the public health emergency both by providing funds for incremental expenses (such as hazard pay related to COVID-19) and to allow governments not to have to furlough or lay off employees needed to address the public health emergency but was not intended to provide across-the-board budget support (as would be the case if hazard pay regardless of its relation to COVID-19 or workforce bonuses were permitted to be covered using payments from the Fund).

Relatedly, both hazard pay and overtime pay for employees that are not substantially dedicated may only be covered using the Fund if the hazard pay and overtime pay is for COVID-19-related duties. As discussed above, governments may allocate payroll and benefits of such employees with respect to time worked on COVID-19-related matters.

Covered benefits include, but are not limited to, the costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers compensation insurance, and Federal Insurance Contributions Act (FICA) taxes (which includes Social Security and Medicare taxes).

**Supplemental Guidance on Use of Funds To Cover Administrative Costs**

*General*

Payments from the Fund are not administered as part of a traditional grant program and the provisions of the Uniform Guidance, 2 CFR part 200, that

are applicable to indirect costs do not apply. Recipients may not apply their indirect costs rates to payments received from the Fund.

Recipients may, if they meet the conditions specified in the guidance for tracking time consistently across a department, use payments from the Fund to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID-19 public health emergency. (In other words, such costs would be eligible direct costs of the recipient). This includes, but is not limited to, costs related to disbursing payments from the Fund and managing new grant programs established using payments from the Fund.

As with any other costs to be covered using payments from the Fund, any such administrative costs must be incurred by December 31, 2021, with an exception for certain compliance costs as discussed below. Furthermore, as discussed in the Guidance above, as with any other cost, an administrative cost that has been or will be reimbursed under any federal program may not be covered with the Fund. For example, if an administrative cost is already being covered as a direct or indirect cost pursuant to another federal grant, the Fund may not be used to cover that cost.

*Compliance Costs Related to the Fund*

As previously stated in FAQ B.11, recipients are permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act, subject to the limitations set forth in 2 CFR 200.425. Pursuant to that provision of the Uniform Guidance, recipients and subrecipients subject to the Single Audit Act may use payments from the Fund to cover a reasonably proportionate share of the costs of audits attributable to the Fund.

To the extent a cost is incurred by December 31, 2021, for an eligible use consistent with section 601 of the Social

Security Act and Treasury's guidance, a necessary administrative compliance expense that relates to such underlying cost may be incurred after December 31, 2021. Such an expense would include, for example, expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General. A recipient with such necessary administrative expenses, such as an ongoing audit continuing past December 31, 2021, that relates to Fund expenditures incurred during the covered period, must report to the Treasury Office of Inspector General by the quarter ending September 2022 an estimate of the amount of such necessary administrative expenses.

**Instructions for State, Territorial, Local, and Tribal Governments To Return Unused Coronavirus Relief Fund Payments to the Department of the Treasury**

Any remaining amount of payments from the Fund not used for eligible expenses incurred during the covered period must be returned to Treasury in one of three ways, set forth below.

Please note that these instructions are for Fund recipients to return the balance of unused Fund payments to Treasury. If the Treasury Office of Inspector General determines that a Fund recipient has failed to comply with the use restrictions set forth in section 601(d) of the Social Security Act, the Fund recipient should follow the instructions provided by the Treasury Office of Inspector General for satisfaction of the related debt rather than following these instructions.

1. *Fedwire receipts*—Treasury can accept Fedwire payments for the return of funds to Treasury.

Please provide the following instructions to your Financial Institution for the remittance of Fedwire payments to the *Department of the Treasury*.

**FEDWIRE INSTRUCTIONS**

Fedwire field tag	Fedwire field name	Required information
{1510} .....	Type/Subtype .....	1000
{2000} .....	Amount .....	(enter payment amount)
{3400} .....	Receiver ABA routing number * .....	021030004
{3400} .....	Receiver ABA short name .....	TREAS NYC
{3600} .....	Business Function Code .....	CTR
{4200} .....	Beneficiary Identifier (account number) .....	820010001000
{4200} .....	Beneficiary Name .....	DEPARTMENT OF THE TREASURY
{5000} .....	Originator .....	(enter the name of the originator of the payment)
{6000} .....	Originator to Beneficiary Information—Line 1 .....	(enter information to identify the purpose of the payment)
{6000} .....	Originator to Beneficiary Information—Line 2 .....	(enter information to identify the purpose of the payment)
{6000} .....	Originator to Beneficiary Information—Line 3 .....	(enter information to identify the purpose of the payment)

FEDWIRE INSTRUCTIONS—Continued

Fedwire field tag	Fedwire field name	Required information
{6000} .....	Originator to Beneficiary Information—Line 4 .....	(enter information to identify the purpose of the payment)

\* The financial institution address for Treasury's routing number is 33 Liberty Street, New York, NY 10045.

2. ACH receipts —Treasury can accept ACH payment for the return of funds to Treasury.

Please provide the following instructions to your Financial Institution for the remittance of

Automated Clearing House (ACH) credits to the *Department of the Treasury*.

ACH CREDIT INSTRUCTIONS

NACHA record type code	NACHA field	NACHA data element name	Required information
5 .....	3	Company Name .....	(enter the name of the payor)
5 .....	6	Standard Entry Class Code .....	CCD
5 .....	9	Effective Entry Date .....	(enter intended settlement date)
6 .....	2	Transaction Code * .....	22
6 .....	3 & 4	Receiving DFI Identification (ABA routing #) .....	051036706
6 .....	5	DFI Account Number .....	820010001000
6 .....	6	Amount .....	(enter payment amount)
6 .....	8	Receiving Company Name .....	Department of the Treasury

\* ACH debits are not permitted to this ABA routing number. All debits received will be automatically returned.

3. Check receipts (not preferred)—Checks may be sent to one of the following addresses (depending on the method of delivery).

U.S. MAIL/PARCEL DELIVERY ADDRESS

U.S. Mail address—processing	Parcel delivery address—processing
Fiscal Accounting Program, Admin & Training Group. Avery Street A3–G, Bureau of the Fiscal Service, P.O. Box 1328, Parkersburg, WV 26106–1328.	Fiscal Accounting Program, Admin & Training Group. Avery Street A3–G, Fiscal Service Warehouse & Operations Center Dock 1, 257 Bosley Industrial Park Drive, Parkersburg WV 26106.

Frequently Asked Questions

The following answers to frequently asked questions supplement Treasury's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments.

A. Eligible Expenditures

1. Are governments required to submit proposed expenditures to Treasury for approval?

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

2. The Guidance says that funding can be used to meet 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 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the "substantially dedicated" condition?

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

3. The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a "substantially different use" for purposes of the Fund eligibility?

Costs incurred for a "substantially different use" include, but are not

necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

Note that a public function does not become a "substantially different use" merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

4. May a State receiving a payment transfer funds to a local government?

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security



Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

5. May a unit of local government receiving a Fund payment transfer funds to another unit of government?

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

6. Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?

No. For example, a county recipient is not required to transfer funds to smaller cities within the county's borders.

7. Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

8. Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

9. Are States permitted to use Fund payments to support state unemployment insurance funds generally?

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

10. Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

11. The Guidance states that the Fund may support a "broad range of uses" including payroll expenses for several classes of employees whose services are "substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What are some examples of types of covered employees?

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is

meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

12. In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers' compensation coverage. Is the cost of this expanded workers compensation coverage eligible?

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 31, 2021, is an eligible expense.

13. If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

14. May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

15. May Fund payments be used for COVID-19 public health emergency recovery planning?

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

16. Are expenses associated with contact tracing eligible?

Yes, expenses associated with contact tracing are eligible.

17. To what extent may a government use Fund payments to support the operations of private hospitals?

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

18. May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

19. May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

20. Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

21. May recipients create a "payroll support program" for public employees?

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

22. *May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?*

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.

23. *May recipients use Fund 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?*

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, 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. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

24. The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a "small business," and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

25. The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

26. May Fund payments be used to assist impacted property owners with the payment of their property taxes?

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

27. *May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?*

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

28. *Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?*

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase

COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

29. The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of "hazard pay"?

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

30. The Guidance provides that ineligible expenditures include "[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency." Is this intended to relate only to public employees?

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers' employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

31. *May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?*

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

32. *Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?*

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

33. Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute. To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the local government's per capita share of the statewide allocation. This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments. Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

34. May a State impose restrictions on transfers of funds to local governments?

Yes, to the extent that the restrictions facilitate the State's compliance with the requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance and other applicable requirements such as the Single Audit Act, discussed below. Other restrictions, such as restrictions on reopening that do not directly concern the use of funds, are not permissible.

35. If a recipient must issue tax anticipation notes (TANs) to make up for tax due date deferrals or revenue shortfalls, are the expenses associated with the issuance eligible uses of Fund payments?

If a government determines that the issuance of TANs is necessary due to the COVID-19 public health emergency, the government may expend payments from the Fund on the interest expense payable on TANs by the borrower and unbudgeted administrative and transactional costs, such as necessary

payments to advisors and underwriters, associated with the issuance of the TANs.

36. May recipients use Fund payments to expand rural broadband capacity to assist with distance learning and telework?

Such expenditures would only be permissible if they are necessary for the public health emergency. The cost of projects that would not be expected to increase capacity to a significant extent until the need for distance learning and telework have passed due to this public health emergency would not be necessary due to the public health emergency and thus would not be eligible uses of Fund payments.

37. Are costs associated with increased solid waste capacity an eligible use of payments from the Fund?

Yes, costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used personal protective equipment, would be an eligible expenditure.

38. May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?

No. Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19. Payments from the fund may only be used to cover such hazard pay.

39. May Fund payments be used for expenditures related to the administration of Fund payments by a State, territorial, local, or Tribal government?

Yes, if the administrative expenses represent an increase over previously budgeted amounts and are limited to what is necessary. For example, a State may expend Fund payments on necessary administrative expenses incurred with respect to a new grant program established to disburse amounts received from the Fund.

40. May recipients use Fund payments to provide loans?

Yes, if the loans otherwise qualify as eligible expenditures under section 601(d) of the Social Security Act as implemented by the Guidance. Any amounts repaid by the borrower before December 31, 2021, must be either returned to Treasury upon receipt by the unit of government providing the loan or used for another expense that qualifies as an eligible expenditure under section 601(d) of the Social

Security Act. Any amounts not repaid by the borrower until after December 31, 2021, must be returned to Treasury upon receipt by the unit of government lending the funds.

41. May Fund payments be used for expenditures necessary to prepare for a future COVID-19 outbreak?

Fund payments may be used only for expenditures necessary to address the current COVID-19 public health emergency. For example, a State may spend Fund payments to create a reserve of personal protective equipment or develop increased intensive care unit capacity to support regions in its jurisdiction not yet affected, but likely to be impacted by the current COVID-19 pandemic.

42. May funds be used to satisfy non-federal matching requirements under the Stafford Act?

Yes, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance, including FEMA's Emergency Management Performance Grant (EMPG) and EMPG Supplemental programs, to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund's eligibility criteria and the Stafford Act. Regardless of the use of Fund payments for such purposes, FEMA funding is still dependent on FEMA's determination of eligibility under the Stafford Act.

43. Must a State, local, or tribal government require applications to be submitted by businesses or individuals before providing assistance using payments from the Fund?

Governments have discretion to determine how to tailor assistance programs they establish in response to the COVID-19 public health emergency. However, such a program should be structured in such a manner as will ensure that such assistance is determined to be necessary in response to the COVID-19 public health emergency and otherwise satisfies the requirements of the CARES Act and other applicable law. For example, a per capita payment to residents of a particular jurisdiction without an assessment of individual need would not be an appropriate use of payments from the Fund.

44. May Fund payments be provided to non-profits for distribution to individuals in need of financial assistance, such as rent relief?

Yes, non-profits may be used to distribute assistance. Regardless of how the assistance is structured, the

financial assistance provided would have to be related to COVID-19.

45. May recipients use Fund payments to remarket the recipient's convention facilities and tourism industry?

Yes, if the costs of such remarketing satisfy the requirements of the CARES Act. Expenses incurred to publicize the resumption of activities and steps taken to ensure a safe experience may be needed due to the public health emergency. Expenses related to developing a long-term plan to reposition a recipient's convention and tourism industry and infrastructure would not be incurred due to the public health emergency and therefore may not be covered using payments from the Fund.

46. May a State provide assistance to farmers and meat processors to expand capacity, such to cover overtime for USDA meat inspectors?

If a State determines that expanding meat processing capacity, including by paying overtime to USDA meat inspectors, is a necessary expense incurred due to the public health emergency, such as if increased capacity is necessary to allow farmers and processors to donate meat to food banks, then such expenses are eligible expenses, provided that the expenses satisfy the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance.

47. The guidance provides that funding may be used to meet 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 public health emergency. May Fund payments be used to cover such an employee's entire payroll cost or just the portion of time spent on mitigating or responding to the COVID-19 public health emergency?

As a matter of administrative convenience, the entire payroll cost of an employee whose time is substantially dedicated to mitigating or responding to the COVID-19 public health emergency is eligible, provided that such payroll costs are incurred by December 31, 2021. An employer may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department.

48. May Fund payments be used to cover increased administrative leave costs of public employees who could not telework in the event of a stay at home order or a case of COVID-19 in the workplace?

The statute requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As stated in the Guidance, a cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. If the cost of an employee was allocated to administrative leave to a greater extent than was expected, the cost of such administrative leave may be covered using payments from the Fund.

49. Are States permitted to use Coronavirus Relief Fund payments to satisfy non-federal matching requirements under the Stafford Act, including "lost wages assistance" authorized by the Presidential Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019 (August 8, 2020)?

Yes. As previous guidance has stated, payments from the Fund may be used to meet the non-federal matching requirements for Stafford Act assistance to the extent such matching requirements entail COVID-19-related costs that otherwise satisfy the Fund's eligibility criteria and the Stafford Act. States are fully permitted to use payments from the Fund to satisfy 100% of their cost share for lost wages assistance recently made available under the Stafford Act. If a State makes a payment to an individual under the "lost wages assistance" program and later determines that such individual was ineligible for the program, the ineligibility determination has the following consequences:

- The State incurs an obligation to FEMA in the amount of the payment to the ineligible individual. A State's obligation to FEMA for making an improper payment to an individual under the "lost wages assistance" program is not incurred due to the public health emergency and, therefore, payments made pursuant to this obligation would not be an eligible use of the Fund.

- The "lost wages assistance" payment to the ineligible individual would be deemed to be an ineligible

expense for purposes of the Fund, and any amount charged to the Fund (e.g., to satisfy the initial non-federal matching requirement) would be subject to recoupment.

50. At what point would costs be considered to be incurred in the case of a grant made by a State, local, or tribal government to cover interest and principal amounts of a loan, such as might be provided as part of a small business assistance program in which the loan is made by a private institution?

A grant made to cover interest and principal costs of a loan, including interest and principal due after the period that begins on March 1, 2020, and ends on December 31, 2021 (the "covered period"), will be considered to be incurred during the covered period if (i) the full amount of the loan is advanced to the borrower within the covered period and (ii) the proceeds of the loan are used by the borrower to cover expenses incurred during the covered period. In addition, if these conditions are met, the amount of the grant will be considered to have been used during the covered period for purposes of the requirement that expenses be incurred within the covered period. Such a grant would be analogous to a loan provided by the Fund recipient itself that incorporates similar loan forgiveness provisions. As with any other assistance provided by a Fund recipient, such a grant would need to be determined by the recipient to be necessary due to the public health emergency.

51. If governments use Fund payments as described in the Guidance to establish a grant program to support businesses, would those funds be considered gross income taxable to a business receiving the grant under the Internal Revenue Code (Code)?

Please see the answer provided by the Internal Revenue Service (IRS) available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

52. If governments use Fund payments as described in the Guidance to establish a loan program to support businesses, would those funds be considered gross income taxable to a business receiving the loan under the Code?

Please see the answer provided by the IRS available at <https://www.irs.gov/newsroom/cares-act-coronavirus-relief-fund-frequently-asked-questions>.

53. May Fund recipients incur expenses associated with the safe reopening of schools?

Yes, payments from the Fund may be used to cover costs associated with providing distance learning (e.g., the cost of laptops to provide to students) or for in-person learning (e.g., the cost of acquiring personal protective equipment for students attending schools in-person or other costs associated with meeting Centers for Disease Control guidelines).

Treasury recognizes that schools are generally incurring an array of COVID-19-related expenses to either provide distance learning or to re-open. To this end, as an administrative convenience, Treasury will presume that expenses of up to \$500 per elementary and secondary school student are eligible expenditures, such that schools do not need to document the specific use of funds up to that amount.

If a Fund recipient avails itself of the presumption in accordance with the previous paragraph with respect to a school, the recipient may not also cover the costs of additional re-opening aid to that school other than those associated with the following, in each case for the purpose of addressing COVID-19:

- Expanding broadband capacity;
- hiring new teachers;
- developing an online curriculum;
- acquiring computers and similar digital devices;
- acquiring and installing additional ventilation or other air filtering equipment;
- incurring additional transportation costs; or
- incurring additional costs of providing meals.

Across all levels of government, the presumption is limited to \$500 per student, e.g., if a school is funded by a state and a local government, the presumption claimed by each recipient must add up to no more than \$500. Furthermore, if a Fund recipient uses the presumption with respect to a school, any other Fund recipients providing aid to that school may not use the Fund to cover the costs of additional aid to schools other than with respect to the specific costs listed above.

The following examples help illustrate how the presumption may or may not be used:

*Example 1:* State A may transfer Fund payments to each school district in the State totaling \$500 per student. State A does not need to document the specific use of the Fund payments by the school districts within the State.

*Example 2:* Suppose State A from example 1 transferred Fund payments to the school districts in the State in the

amount of \$500 per elementary and secondary school student. In addition, because State A is availing itself of the \$500 per elementary and secondary school student presumption, State A also may use Fund payments to expand broadband capacity and to hire new teachers, but it may not use Fund payments to acquire additional furniture.

54. May Fund recipients upgrade critical public health infrastructure, such as providing access to running water for individuals and families in rural and tribal areas to allow them to maintain proper hygiene and defend themselves against the virus?

Yes, fund recipients may use payments from the Fund to upgrade public health infrastructure, such as providing individuals and families access to running water to help reduce the further spread of the virus. As required by the CARES Act, expenses associated with such upgrades must be incurred by December 31, 2021. Please see Treasury's Guidance as updated on June 30 regarding when a cost is considered to be incurred for purposes of the requirement that expenses be incurred within the covered period.

55. How does a government address the requirement that the allowable expenditures are not accounted for in the budget most recently approved as of March 27, 2020, once the government enters its new budget year on July 1, 2020 (for governments with June 30 fiscal year ends) or October 1, 2020 (for governments with September 30 year ends)?

As provided in the Guidance, the "most recently approved" budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Furthermore, the budget most recently approved as of March 27, 2020, provides the spending baseline against which expenditures should be compared for purposes of determining whether they may be covered using payments from the Fund. This spending baseline will carry forward to a subsequent budget year if a Fund recipient enters a different budget year between March 27, 2020 and December 31, 2021. The

spending baseline may be carried forward without adjustment for inflation.

56. Does the National Environmental Policy Act, 42 U.S.C. 4321 et seq, (NEPA) apply to projects supported by payments from the Fund?

NEPA does not apply to Treasury's administration of the Fund. Projects supported with payments from the Fund may still be subject to NEPA review if they are also funded by other federal financial assistance programs

57. Public universities have incurred expenses associated with providing refunds to students for education-related expenses, including tuition, room and board, meal plans, and other fees (such as activities fees). Are these types of public university student refunds eligible uses of Fund payments?

If the responsible government official determines that expenses incurred to refund eligible higher education expenses are necessary and would be incurred due to the public health emergency, then such expenses would be eligible as long as the expenses satisfy the other criteria set forth in section 601(d) of the Social Security Act. Eligible higher education expenses may include, in the reasonable judgment of the responsible government official, refunds to students for tuition, room and board, meal plan, and other fees (such as activities fees). Fund payments may not be used for expenses that have been or will be reimbursed by another federal program (including, for example, the Higher Education Emergency Relief Fund administered by the Department of Education).

58. May payments from the Fund be used for real property acquisition and improvements and to purchase equipment to address the COVID-19 public health emergency?

The expenses of acquiring or improving real property and of acquiring equipment (e.g., vehicles) may be covered with payments from the Fund in certain cases. For example, Treasury's initial guidance referenced coverage of the costs of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs, as an eligible use of funds. Any such use must be consistent with the requirements of section 601(d) of the Social Security Act as added by the CARES Act.

As with all uses of payments from the Fund, the use of payments to acquire or improve property is limited to that which is necessary due to the COVID-

19 public health emergency. In the context of acquisitions of real estate and acquisitions of equipment, this means that the acquisition itself must be necessary. In particular, a government must (i) determine that it is not able to meet the need arising from the public health emergency in a cost-effective manner by leasing property or equipment or by improving property already owned and (ii) maintain documentation to support this determination. Likewise, an improvement, such as the installation of modifications to permit social distancing, would need to be determined to be necessary to address the COVID-19 public health emergency.

Previous guidance regarding the requirement that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021 focused on the acquisition of goods and services and leases of real property and equipment, but the same principles apply to acquisitions and improvements of real property and acquisitions of equipment. Such acquisitions and improvements must be completed and the acquired or improved property or acquisition of equipment be put to use in service of the COVID-19-related use for which it was acquired or improved by December 30. Finally, as with all costs covered with payments from the Fund, such costs must not have been previously accounted for in the budget most recently approved as of March 27, 2020.

59. If a small business received a Small Business Administration (SBA) Payment Protection Program (PPP) or Economic Injury Disaster Loan (EIDL) grant or loan due to COVID-19, may the small business also receive a grant from a unit of government using payments from the Fund?

Receiving a PPP or EIDL grant or loan for COVID-19 would not necessarily make a small business ineligible to receive a grant from Fund payments made to a recipient. As discussed in previous Treasury guidance on use of the Fund, a recipient's small business assistance program should be tailored to assist those businesses in need of such assistance. In assessing the business' need for assistance, the recipient would need to take into account the business' receipt of the PPP or EIDL loan or grant. If the business has received a loan from the SBA that may be forgiven, the recipient should assume for purposes of determining the business' need that the loan will be forgiven. In determining the business' eligibility for the grant, the

recipient should not rely on self-certifications provided to the SBA.

If the grant is being provided to the small business to assist with particular expenditures, the business must not have already used the PPP or EIDL loan or grant for those expenditures. The assistance provided from the Fund would need to satisfy all of the other requirements set forth in section 601(d) of the Social Security Act as discussed in Treasury's guidance and FAQs, and the business would need to comply with all applicable requirements of the PPP or EIDL program.

Treasury's Office of Inspector General has provided the following guidance in its FAQ no. 75 on reporting and recordkeeping that would apply to the recipient:

The prime recipient is responsible for determining the level and detail of documentation needed from the sub-recipient of small business assistance to satisfy [the requirements of section 601(d) of the Social Security Act], however, there would need to be some proof that the small business was impacted by the public health emergency and was thus eligible for the CRF funds.

In the above OIG FAQ, "sub-recipient" refers to the beneficiary of the assistance, i.e., the small business.

#### *B. Questions Related to Administration of Fund Payments*

1. Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 31, 2021, as required by the statute, those funds must be returned to the Department of the Treasury.

2. What records must be kept by governments receiving payment?

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

3. May recipients deposit Fund payments into interest bearing accounts?

Yes, provided that if recipients separately invest amounts received from

the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government's general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

4. May governments retain assets purchased with payments from the Fund?

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

5. What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?

If such assets are disposed of prior to December 31, 2021, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.

6. Are Fund payments to State, territorial, local, and tribal governments subject to the provisions of the Uniform Guidance applicable to grant agreements?

No. Fund payments made by Treasury to State, territorial, local, and Tribal governments do not entail grant agreements and thus the provisions of the Uniform Guidance (2 CFR part 200) applicable to grant agreements do not apply. The payments constitute "other financial assistance" under 2 CFR 200.40.

7. Are Fund payments considered federal financial assistance for purposes of the Single Audit Act?

Yes, Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. 7501–7507) and the related provisions of the Uniform Guidance, 2 CFR 200.303 regarding internal controls, §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

8. Are Fund payments subject to other requirements of the Uniform Guidance?

Fund payments are subject to the following requirements in the Uniform Guidance (2 CFR part 200): 2 CFR 200.303 regarding internal controls, 2 CFR 200.330 through 200.332 regarding

subrecipient monitoring and management, and subpart F regarding audit requirements.

9. Is there a Catalog of Federal Domestic Assistance (CFDA) number assigned to the Fund?

Yes. The CFDA number assigned to the Fund is 21.019.

10. If a State transfers Fund payments to its political subdivisions, would the transferred funds count toward the subrecipients' total funding received from the federal government for purposes of the Single Audit Act?

Yes. The Fund payments to subrecipients would count toward the threshold of the Single Audit Act and 2 CFR part 200, subpart F re: audit requirements. Subrecipients are subject to a single audit or program-specific audit pursuant to 2 CFR 200.501(a) when the subrecipients spend \$750,000 or more in federal awards during their fiscal year.

11. Are recipients permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act?

Yes, such expenses would be eligible expenditures, subject to the limitations set forth in 2 CFR 200.425.

12. If a government has transferred funds to another entity, from which entity would the Treasury Department seek to recoup the funds if they have not been used in a manner consistent with section 601(d) of the Social Security Act?

The Treasury Department would seek to recoup the funds from the government that received the payment directly from the Treasury Department. State, territorial, local, and Tribal governments receiving funds from Treasury should ensure that funds transferred to other entities, whether pursuant to a grant program or otherwise, are used in accordance with section 601(d) of the Social Security Act as implemented in the Guidance.

13. What are the differences between a subrecipient and a beneficiary under the Fund for purposes of the Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements?

The Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements apply to any non-federal entity, as defined in 2 CFR 200.69, that receives payments from the Fund in the amount of \$750,000 or more. Non-federal entities include subrecipients of payments from the Fund, including recipients of transfers from a State,

territory, local government, or tribal government that received a payment directly from Treasury. However, subrecipients would not include individuals and organizations (e.g., businesses, non-profits, or educational institutions) that are beneficiaries of an assistance program established using payments from the Fund. The Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements do not apply to beneficiaries.

Please see Treasury Office of Inspector General FAQs at <https://www.treasury.gov/about/organizational-structure/ig/Audit%20Reports%20and%20Testimonies/OIG-CA-20-028.pdf> regarding reporting in the GrantSolutions portal.

Dated: January 11, 2021.

**Alexandra H. Gaiser,**  
Executive Secretary.

[FR Doc. 2021–00827 Filed 1–14–21; 8:45 am]  
BILLING CODE 4810–25–P

## DEPARTMENT OF VETERANS AFFAIRS

### Joint Biomedical Laboratory Research and Development and Clinical Science Research and Development Services Scientific Merit Review Board, Amended Notice of Meeting

The Department of Veterans Affairs (VA) gives notice under Federal Advisory Committee Act, 5 U.S.C. App.2, that a meeting of the Joint Biomedical Laboratory Research and Development and Clinical Science Research and Development Services Scientific Merit Review Board (JBL/CS SMRB) will be held Thursday, January 21, 2021, via WebEx. The meeting will begin at 3:00 p.m. and end at 5:00 p.m. Eastern daylight time. The meeting will have an open session from 3:00 p.m. until 3:30 p.m. and a closed session from 3:30 p.m. until 5:00 p.m.

The purpose of the open session is to meet with the JBL/CS Service Directors to discuss the overall policies and process for scientific review, as well as disseminate information among the Board members regarding the VA research priorities.

The purpose of the closed session is to provide recommendations on the scientific quality, budget, safety and mission relevance of investigator-initiated research applications submitted for VA merit review evaluation. Applications submitted for review include various medical specialties within the general areas of biomedical, behavioral and clinical science research. The JBL/CS SMRB meeting will be closed to the public for



RESOLUTION OF THE  
 NAABIK'ÍYÁTI' STANDING COMMITTEE  
 24<sup>th</sup> NAVAJO NATION COUNCIL -- Second Year, 2020

AN ACTION RELATING TO BUDGET AND FINANCE AND NAABIK'ÍYÁTI' COMMITTEES; AMENDING NAABIK'ÍYÁTI' COMMITTEE RESOLUTION NO. NABIO-49-20 TO EXTEND DEADLINE TO DEOBLIGATE ENCUMBERED NAVAJO NATION CARES FUNDS

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the enumerated powers to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment and management of all funds. 2 N.N.C. § 300 (B) (1).
- B. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to coordinate all federal programs with other standing committees and branches of the Navajo Nation government to provide the most efficient delivery of services to the Navajo Nation. 2 N.N.C. § 700 (A) (4).
- C. Navajo Nation Council Resolutions No. CJY-67-20 and CS-73-20 provide that the progress of all approved Navajo Nation Cares Fund Expenditure Plan projects shall be reviewed by the Budget and Finance and Naabik'iyáti' Committees during the month of October 2020 and that the funding for any project that has not made enough progress to demonstrate that it will be fully completed by December 30, 2020, will be re-allocated to the Hardship Assistance Expenditure Plan through the Naabik'iyáti' Committee. See CJY-67-20, Section Three (Q) and CS-73-20, Section Three (F).

SECTION TWO. FINDINGS

- A. The World Health Organization (WHO) declared a Public Health Emergency of International Concern related to the outbreak of coronavirus (COVID-19), a highly contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S. Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global pandemic due to COVID-19 on March 11, 2020.



- B. The Navajo Nation Commission on Emergency Management, with the concurrence of Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on the Navajo Nation on March 11, 2020 due to COVID-19. Resolution No. CEM 20-03-11. The Navajo Nation Department of Health subsequently issued numerous Public Health Emergency Orders. Public Health Orders 2020-001 through 2020-030 are incorporated by reference into this resolution.
- C. As of December 2, 2020, the Navajo Nation Health Command Operations Center has confirmed 17,035 COVID-19 cases and 658 COVID-19-related deaths on the Navajo Nation. Confirmed COVID-19 cases and COVID-19-related deaths on the Navajo Nation have not subsided and continue to rise.
- D. The U.S. Congress on March 27, 2020, enacted the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281 (2020) (the "CARES Act"), which, at Title V, §5001, entitled "Coronavirus Relief Funds", set aside \$8 billion in emergency aid for Tribal governments for the COVID-19 pandemic.
- E. The CARES Act provides the Coronavirus Relief Fund shall be used to cover only those costs that:
  - a. are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
  - b. are not accounted for in the Tribal budget most recently approved as of March 27, 2020; and
  - c. are incurred from March 1, 2020 through December 30, 2020.
- F. Pursuant to the U.S. Treasury "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments" updated on September 2, 2020, related to the permissible uses of the Coronavirus Relief Fund, for a CARES Act expense to have been "incurred" requires that services actually be performed and goods actually be received by December 30, 2020, except for on-going CARES Act administrative compliance expenses, such as auditing, compliance monitoring, liquidation, reporting, and recordkeeping services, which must be incurred by the end of the third quarter of Calendar Year 2021.
- G. As of June 30, 2020, the Navajo Nation has received seven hundred fourteen million one hundred eighty-nine thousand six hundred thirty-one dollars and forty-seven cents

(\$714,189,631.47) as the Nation's share of the U.S. Treasury's initial distributions of the Coronavirus Relief Fund.

- H. The Navajo Nation has enacted Resolutions No. CJN-46-20, CJN-47-20, CJY-67-20, CS-73-20 and CS-74-20 allocating the Nation's share of the U.S. Treasury's initial distributions of the Coronavirus Relief Fund.
- I. The Navajo Nation CARES Fund Hardship Assistance Expenditure Plan, incorporated herein by reference, was enacted by CJY-67-20 and amended by CS-74-20 for the purpose of providing emergency financial assistance to enrolled Navajo members to address the financial burdens caused by the COVID-19 pandemic and the emergency public health orders.
- J. Navajo Nation Council Resolutions No. CJY-67-20 and CS-73-20 provide that the progress of all approved Navajo Nation CARES Fund Expenditure Plan projects shall be reviewed by the Budget and Finance and Naabik'iyáti' Committees during the month of October 2020 and that the funding for any project that has not made enough progress to demonstrate that it will be fully completed by December 30, 2020, will be re-allocated to the Hardship Assistance Expenditure Plan through the Naabik'iyáti' Committee. See CJY-67-20, Section Three (Q) and CS-73-20, Section Three (F).
- K. On October 30, 2020, the Naabik'iyáti' Committee enacted Resolution No. NABIO-49-20, attached as **Exhibit A**, which specifically reallocated \$40,961,416 from the Navajo Nation CARES Fund Water Project Expenditure Plan enacted by CJY-67-20 to the Hardship Assistance Expenditure Plan enacted by CS-73-60.
- L. NABIO-49-20 also included the following provision:

Any remaining CS-73-20, CJY-67-20 and/or CJN-46-20 CARES Fund Expenditure Plan funds not fully expended, not including encumbered and obligated funds, by November 20, 2020, regardless of recipient or intended recipient, shall be automatically reallocated to the Hardship Assistance Expenditure Plan. Funds still encumbered as of December 15, 2020, shall be unencumbered and unobligated and automatically reallocated to the Hardship Assistance Expenditure Plan if the goods or services have not been delivered. The Office of Management and Budget and Office of Controller shall implement these reallocations without the need for further authorization.

- M. Since the enactment of NABIO-49-20, the Navajo Nation Council has received information that Powerline, Solar, Water and Wastewater, Broadband, and COVID-19 direct care and decontamination projects serving numerous communities can be completed by the federal CARES Act deadline of December 30, 2020, if NABIO-49-20's December 15, 2020 deadline is extended, but will not be completed if the December 15, 2020 remains in effect.
- N. NABIO-49-20 may be amended by a two-thirds majority vote of the full membership of the Naabik'iyáti' Committee as recommended by the Budget and Finance Committee. NABIO-49-20, Section Five.
- O. Although the Navajo Nation recognizes that the funding for any CARES Fund project that is not fully completed by December 30, 2020 must be returned to the U.S. Treasury, the Navajo Nation, through the Naabik'iyáti' Committee, determines that it is in the best interests of the Navajo Nation, Navajo communities and the Navajo people to extend NABIO-49-20's December 15, 2020 deadline to mitigate the ravages of the COVID-19 pandemic.

**SECTION THREE. APPROVING AMENDMENTS TO NAABIK'ÍYÁTI' COMMITTEE RESOLUTION NO. NABIO-49-20**

The Navajo Nation, through the Naabik'iyáti' Committee, hereby amends Section Three of Naabik'iyáti' Committee Resolution No. NABIO-49-20 as follows:

**SECTION THREE. APPROVING THE REALLOCATION OF NAVAJO NATION CARES FUNDS TO THE HARDSHIP ASSISTANCE EXPENDITURE PLAN**

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- D. Any remaining CS-73-20, CJY-67-20 and/or CJN-46-20 CARES Fund Expenditure Plan funds not fully expended, not including encumbered and obligated funds, by November 20, 2020, regardless of recipient or intended recipient, shall be automatically reallocated to the Hardship Assistance Expenditure Plan. With the exception of funds allocated for Powerline projects; Solar projects; Water and Wastewater projects, including cisterns; Broadband and Telecommunication projects; COVID-19 decontamination and direct care projects, including contracts for services that directly mitigate the COVID-19 pandemic through isolation/quarantining, alternative care services, testing and contact tracing; and CARES Act administrative compliance costs, Funds funds still encumbered

as of December 15 22, 2020, shall be unencumbered and unobligated and automatically reallocated to the Hardship Assistance Expenditure Plan if the goods or services have not been delivered by that date. The Office of Management and Budget and Office of Controller shall implement these reallocations without the need for further authorization.

E. Encumbered funds for Powerline projects; Solar projects; Water and Wastewater projects, including cisterns; Broadband and Telecommunication projects; and COVID-19 decontamination and direct care projects, shall be unencumbered and unobligated and automatically reallocated to the Hardship Assistance Expenditure Plan if the goods or services have not been delivered by 12:00 noon on December 28, 2020. The Office of Management and Budget and Office of Controller shall implement these reallocations without the need for further authorization.

F. Funds for on-going CARES Act administrative compliance costs, such as auditing, compliance monitoring, liquidation, reporting, and recordkeeping services, shall be unencumbered consistent with U.S. Treasury guidelines.

G. Programs and entities, whether sub-recipients, contractors or vendors, with de-obligation deadlines extended to December 28, 2020 shall submit written reports to the Office of the Controller, Office of Management and Budget, Budget and Finance Committee, Office of the Speaker and Office of the President & Vice-President on December 15<sup>th</sup>, 22<sup>nd</sup>, 26<sup>th</sup> and 28<sup>th</sup>. Such reports shall detail the progress of all on-going CARES Fund projects, including project costs and specifically identifying those projects that have been delayed to the point of not being capable of full completion by December 28<sup>th</sup>. The Office of the Controller and Office of Management and Budget shall reallocate the funding for any project identified in the reports as not being capable of full completion by December 28, 2020, to the Hardship Assistance Expenditure Plan.

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**SECTION FOUR. REPORTING REQUIREMENTS FOR NABIO-49-20 AMENDMENTS**

A. The Office of the Controller shall provide all affected Division Directors with the criteria necessary to establish that goods and/or services have been delivered on or before the deadlines set forth in NABIO-49-20, at least five (5) days prior to the applicable deadline, as amended above. Division

Directors shall be responsible for relaying that information to their affected sub-recipients, contractors and vendors.

- B. Division Directors with projects affected by the deadlines set forth in NABIO-49-20, as amended above shall include the following information in the reports required to be submitted on December 15<sup>th</sup>, 22<sup>nd</sup>, 26<sup>th</sup> and 28<sup>th</sup>:
- i. progress of all on-going CARES Fund projects, including project costs;
  - ii. a list of those projects that cannot be fully completed by the applicable December 22<sup>nd</sup> or 28<sup>th</sup> deadline;
  - iii. the total amount of funding remaining encumbered on the report date;
  - iv. costs related to goods and services that have been received to date for which the Nation has not yet remitted payment; and
  - v. the total amount of encumbered funding for which they do not expect to receive goods and/or services for by the applicable deadline and should thus be reallocated to the Hardship Assistance Expenditure Plan.
- C. The reporting requirements set forth above are intended to supplement, and not replace, any other CARES Act requirements established by the Office of the Controller and Office of Management and Budget.
- D. In the event that any entity or program fails to timely comply with these reporting requirements, the Office of the Controller may determine in writing that the project(s) are not capable of full completion by the applicable deadline of December 22<sup>nd</sup> or December 28<sup>th</sup> and shall then reallocate such funding to the Hardship Assistance Expenditure Plan and provide written notice to the affected program or entity of the reallocation.

**SECTION FIVE. AMENDMENT**

This Resolution may be amended by a two-thirds majority vote of the full membership of the Naabik'iyáti' Committee as recommended by the Budget and Finance Committee.

**SECTION SIX. EFFECTIVE DATE**

This resolution is effective upon its approval and certification pursuant to 2 N.N.C. § 189 (A).

**SECTION SEVEN. SAVING CLAUSE**

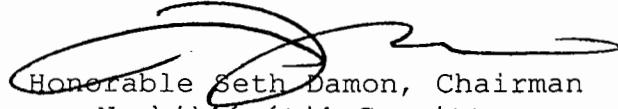
Should any provision of this resolution be determined invalid by the Navajo Nation Supreme Court, or a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, those portions of the legislation which are not determined invalid shall remain the law of the Navajo Nation.

**SECTION EIGHT. DIRECTIVES**

- A. The Department of Justice, assisted by the Office of the Controller, shall work with respective entities and programs to compile a complete listing of the contracts and funding subject to de-obligation on December 22, 2020 and December 28, 2020 and shall provide those listings to the Naabik'iyáti' Committee and Office of the President & Vice-President within five (5) business days of enactment of this resolution.
- B. The Office of the Controller, with the support of the Department of Justice, shall work with sub-recipients, e.g., Navajo Tribal Utility Authority, to devise fund distribution mechanisms, if possible, that will allow such sub-recipients to complete projects through December 30<sup>th</sup>. In order to minimize the risk that any Navajo Nation CARES Funds will be reverted to the U.S. Treasury, the Controller shall only extend these mechanisms to sub-recipients' projects which are highly likely to be completed and put in service by December 30<sup>th</sup> and which comply with the Uniform Guidance, 2 CFR Part 200 *et seq.*, and the Treasury guidance.
- C. Navajo Nation programs and entities, specifically including NTUA and NECA, shall prioritize and expedite payments to Navajo owned businesses, contractors, sub-contractors, and vendors.

**CERTIFICATION**

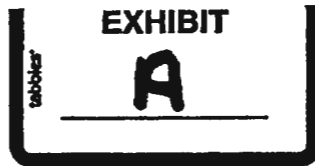
I, hereby certify that the foregoing resolution was duly considered by the Naabik'iyáti' Committee of the 24<sup>th</sup> Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 20 in Favor, and 03 Opposed, on this 11<sup>th</sup> day of December 2020.

  
Honorable Seth Damon, Chairman  
Naabik'iyáti' Committee

12/14/2020  
Date

Motion: Honorable Daniel E. Tso  
Second: Honorable Elmer P. Begay

Chairman Seth Damon not voting



RESOLUTION OF THE  
NAABIK'ÍYÁTI' STANDING COMMITTEE  
24<sup>th</sup> NAVAJO NATION COUNCIL -- Second Year, 2020

AN ACTION RELATING TO BUDGET AND FINANCE AND NAABIK'ÍYÁTI' COMMITTEES; APPROVING THE REALLOCATION OF NAVAJO NATION CARES FUND TO THE CARES FUND HARDSHIP ASSISTANCE EXPENDITURE PLAN

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. Navajo Nation Council Resolutions No. CJY-67-20 and CS-73-20 include that the progress of all approved Navajo Nation Cares Fund Expenditure Plan projects shall be reviewed by the Budget and Finance and Naabik'iyáti' Committees during the month of October 2020 and that the funding for any project that has not made enough progress to demonstrate that it will be fully completed by December 30, 2020, will be re-allocated to the Hardship Assistance Expenditure Plan through Naabik'iyáti' Committee. See CJY-67-20, Section Three (Q) and CS-73-20, Section Three (F).
- B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the enumerated powers to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment and management of all funds. 2 N.N.C. § 300 (B) (1).
- C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to coordinate all federal programs with other standing committees and branches of the Navajo Nation government to provide the most efficient delivery of services to the Navajo Nation. 2 N.N.C. § 700 (A) (4).

SECTION TWO. FINDINGS

- A. The World Health Organization (WHO) declared a Public Health Emergency of International Concern related to the outbreak of coronavirus (COVID-19), a highly contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S. Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global pandemic due to COVID-19 on March 11, 2020.



- B. The Navajo Nation Commission on Emergency Management, with the concurrence of Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on the Navajo Nation on March 11, 2020 due to COVID-19. Resolution No. CEM 20-03-11. The Navajo Nation Department of Health subsequently issued numerous Public Health Emergency Orders. Public Health Orders 2020-001 through 2020-025 are incorporated by reference into this resolution.
- C. As of October 20, 2020, the Navajo Nation Health Command Operations Center has confirmed 10,999 COVID-19 cases and 574 COVID-19-related deaths on the Navajo Nation. Confirmed COVID-19 cases and COVID-19-related deaths on the Navajo Nation have not subsided and continue to rise.
- D. The U.S. Congress on March 27, 2020, enacted the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281 (2020) (the "CARES Act"), which, at Title V, §5001, entitled "Coronavirus Relief Funds", set aside \$8 billion in emergency aid for Tribal governments for the COVID-19 pandemic.
- E. The CARES Act provides the Coronavirus Relief Fund shall be used to cover only those costs that:
- a. are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
  - b. are not accounted for in the Tribal budget most recently approved as of March 27, 2020; and
  - c. are incurred from March 1, 2020 through December 30, 2020.
- F. Pursuant to the U.S. Treasury "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments" updated on September 2, 2020, attached as Exhibit 1, related to the permissible uses of the Coronavirus Relief Fund, for a CARES Act expense to have been "incurred" requires that services actually be performed and goods actually be received by December 30, 2020.
- G. As of June 30, 2020, the Navajo Nation has received seven hundred fourteen million one hundred eighty-nine thousand six hundred thirty-one dollars and forty-seven cents (\$714,189,631.47) as the Nation's share of the U.S. Treasury's initial distributions of the Coronavirus Relief Fund.

- H. The Navajo Nation has enacted Resolutions No. CJN-46-20, CJN-47-20, CJY-67-20, CS-73-20 and CS-74-20 allocating the Nation's share of the U.S. Treasury's initial distributions of the Coronavirus Relief Fund.
- I. The Navajo Nation CARES Fund Hardship Assistance Expenditure Plan, attached as Exhibit 2, was enacted by CJY-67-20 and amended by CS-74-20 for the purpose of providing emergency financial assistance to enrolled Navajo members to address the financial burdens caused by the COVID-19 pandemic and the emergency public health orders.
- J. Navajo Nation Council Resolutions No. CJY-67-20 and CS-73-20 include that the progress of all approved Navajo Nation CARES Fund Expenditure Plan projects shall be reviewed by the Budget and Finance and Naabik'iyáti' Committees during the month of October 2020 and that the funding for any project that has not made enough progress to demonstrate that it will be fully completed by December 30, 2020, will be re-allocated to the Hardship Assistance Expenditure Plan through Naabik'iyáti' Committee. See CJY-67-20, Section Three (Q) and CS-73-20, Section Three (F).

**SECTION THREE. APPROVING THE REALLOCATION OF NAVAJO NATION CARES FUNDS TO THE HARDSHIP ASSISTANCE EXPENDITURE PLAN**

- A. The Navajo Nation hereby determines that the Navajo Nation CARES Fund projects listed below have not made enough progress to demonstrate that the respective project will be fully completed by December 30, 2020, and approves that the project funding shall be reallocated to the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan:

Water Projects Expenditure Plan approved by Resolution No. CJY-67-20, specific projects set forth in Exhibit 3 in the amount of \$ 40,961,416.

- B. The Office of Management and Budget and Office of the Controller shall take all steps necessary to ensure that the reallocation(s) set forth above shall be expeditiously added to the Hardship Assistance Expenditure Plan.
- C. The Office of Legislative Services shall update the Hardship Assistance Expenditure Plan to incorporate the reallocation(s) set forth above.

D. Any remaining CS-73-20, CJY-67-20 and/or CJN-46-20 CARES Fund Expenditure Plan funds not fully expended, not including encumbered and obligated funds, by November 20, 2020, regardless of recipient or intended recipient, shall be automatically reallocated to the Hardship Assistance Expenditure Plan. Funds still encumbered as of December 15, 2020, shall be unencumbered and unobligated and automatically reallocated to the Hardship Assistance Expenditure Plan if the goods or services have not been delivered. The Office of Management and Budget and Office of Controller shall implement these reallocations without the need for further authorization.

**SECTION FOUR. AMENDMENT**

This Resolution may be amended by a two-thirds majority vote of the full membership of the Naabik'iyáti' Committee as recommended by the Budget and Finance Committee.

**SECTION FIVE. EFFECTIVE DATE**

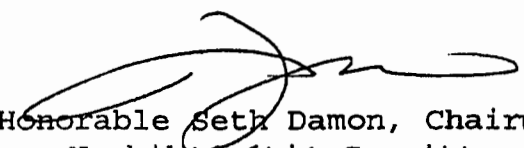
This Resolution is effective upon its approval and certification pursuant to 2 N.N.C. § 189.

**SECTION SIX. SAVING CLAUSE**

Should any provision of this legislation be determined invalid by the Navajo Nation Supreme Court, or a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, those portions of the legislation which are not determined invalid shall remain the law of the Navajo Nation.

CERTIFICATION

I, hereby certify that the foregoing resolution was duly considered by the Naabik'iyáti' Committee of the 24<sup>th</sup> Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 20 in Favor, and 00 Opposed, on this 30<sup>th</sup> day of October 2020.

  
Honorable Seth Damon, Chairman  
Naabik'iyáti' Committee

10/30/2020  
Date

Motion: Honorable Eugenia Charles-Newton  
Second: Honorable Otto Tso

Chairman Seth Damon not voting



**Coronavirus Relief Fund  
Guidance for State, Territorial, Local, and Tribal Governments  
Updated September 2, 2020<sup>1</sup>**

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.<sup>2</sup>

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

***Necessary expenditures incurred due to the public health emergency***

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

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<sup>1</sup> On June 30, 2020, the guidance provided under “Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020” was updated. On September 2, 2020, the “Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees” and “Supplemental Guidance on Use of Funds to Cover Administrative Costs” sections were added.

<sup>2</sup> See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

***Costs not accounted for in the budget most recently approved as of March 27, 2020***

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

***Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020***

Finally, the CARES Act provides that payments from the Fund may only be used to cover costs that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020 (the “covered period”). Putting this requirement together with the other provisions discussed above, section 601(d) may be summarized as providing that a State, local, or tribal government may use payments from the Fund only to cover previously unbudgeted costs of necessary expenditures incurred due to the COVID-19 public health emergency during the covered period.

Initial guidance released on April 22, 2020, provided that the cost of an expenditure is incurred when the recipient has expended funds to cover the cost. Upon further consideration and informed by an understanding of State, local, and tribal government practices, Treasury is clarifying that for a cost to be considered to have been incurred, performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred). For instance, in the case of a lease of equipment or other property, irrespective of when payment occurs, the cost of a lease payment shall be considered to have been incurred for the period of the lease that is within the covered period but not otherwise. Furthermore, in all cases it must be necessary that performance or delivery take place during the covered period. Thus the cost of a good or service received during the covered period will not be considered eligible under section 601(d) if there is no need for receipt until after the covered period has expired.

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund. Additionally, the cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient’s usual procurement policies and practices, and it is impractical to track and record when the items were used. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.

Given that it is not always possible to estimate with precision when a good or service will be needed, the touchstone in assessing the determination of need for a good or service during the covered period will be reasonableness at the time delivery or performance was sought, *e.g.*, the time of entry into a procurement contract specifying a time for delivery. Similarly, in recognition of the likelihood of supply chain disruptions and increased demand for certain goods and services during the COVID-19 public health emergency, if a recipient enters into a contract requiring the delivery of goods or performance of services by December 30, 2020, the failure of a vendor to complete delivery or services by December 30, 2020,

will not affect the ability of the recipient to use payments from the Fund to cover the cost of such goods or services if the delay is due to circumstances beyond the recipient's control.

This guidance applies in a like manner to costs of subrecipients. Thus, a grant or loan, for example, provided by a recipient using payments from the Fund must be used by the subrecipient only to purchase (or reimburse a purchase of) goods or services for which receipt both is needed within the covered period and occurs within the covered period. The direct recipient of payments from the Fund is ultimately responsible for compliance with this limitation on use of payments from the Fund.

***Nonexclusive examples of eligible expenditures***

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
  - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
  - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
  - Costs of providing COVID-19 testing, including serological testing.
  - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
  - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
  - Expenses for communication and enforcement by State, territorial, local, and Tribal governments 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.
3. 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 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
  - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
  - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
  - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
  - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
  - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
  - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
  - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
  - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
  - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

***Nonexclusive examples of ineligible expenditures<sup>3</sup>***

The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.<sup>4</sup>
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

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<sup>3</sup> In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

<sup>4</sup> See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.



4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

### **Supplemental Guidance on Use of Funds to Cover Payroll and Benefits of Public Employees**

As discussed in the Guidance above, the CARES Act provides that payments from the Fund must be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. As reflected in the Guidance and FAQs, Treasury has not interpreted this provision to limit eligible costs to those that are incremental increases above amounts previously budgeted. Rather, Treasury has interpreted this provision to exclude items that were already covered for their original use (or a substantially similar use). This guidance reflects the intent behind the Fund, which was not to provide general fiscal assistance to state governments but rather to assist them with COVID-19-related necessary expenditures. With respect to personnel expenses, though the Fund was not intended to be used to cover government payroll expenses generally, the Fund was intended to provide assistance to address increased expenses, such as the expense of hiring new personnel as needed to assist with the government's response to the public health emergency and to allow recipients facing budget pressures not to have to lay off or furlough employees who would be needed to assist with that purpose.

#### ***Substantially different use***

As stated in the Guidance above, Treasury considers the requirement that payments from the Fund be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020, to be met if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost is for a *substantially different use* from any expected use of funds in such a line item, allotment, or allocation.

Treasury has provided examples as to what would constitute a substantially different use. Treasury provided (in FAQ A.3) that costs incurred for a substantially different use would include, for example, the costs of redeploying educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

#### ***Substantially dedicated***

Within this category of substantially different uses, as stated in the Guidance above, Treasury has included payroll and benefits 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 public health emergency. The *full amount* of payroll and benefits expenses of substantially dedicated employees may be covered using payments from the Fund. Treasury has not developed a precise definition of what "substantially dedicated" means given that there is not a precise way to define this term

across different employment types. The relevant unit of government should maintain documentation of the “substantially dedicated” conclusion with respect to its employees.

If an employee is not substantially dedicated to mitigating or responding to the COVID-19 public health emergency, his or her payroll and benefits expenses may not be covered *in full* with payments from the Fund. A *portion* of such expenses may be able to be covered, however, as discussed below.

### ***Public health and public safety***

In recognition of the particular importance of public health and public safety workers to State, local, and tribal government responses to the public health emergency, Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that public health and public safety employees meet the substantially dedicated test, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise. This means that, if this presumption applies, work performed by such employees is considered to be a substantially different use than accounted for in the most recently approved budget as of March 27, 2020. All costs of such employees may be covered using payments from the Fund for services provided during the period that begins on March 1, 2020, and ends on December 30, 2020.

In response to questions regarding which employees are within the scope of this accommodation, Treasury is supplementing this guidance to clarify that public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (*e.g.*, laboratory technicians) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel.

### ***Not substantially dedicated***

As provided in FAQ A.47, a State, local, or tribal government may also track time spent by employees related to COVID-19 and apply Fund payments on that basis but would need to do so consistently within the relevant agency or department. This means, for example, that a government could cover payroll expenses allocated on an hourly basis to employees’ time dedicated to mitigating or responding to the COVID-19 public health emergency. This result provides equitable treatment to governments that, for example, instead of having a few employees who are substantially dedicated to the public health emergency, have many employees who have a minority of their time dedicated to the public health emergency.

### ***Covered benefits***

Payroll and benefits of a substantially dedicated employee may be covered using payments from the Fund to the extent incurred between March 1 and December 30, 2020.

Payroll includes certain hazard pay and overtime, but not workforce bonuses. As discussed in FAQ A.29, hazard pay may be covered using payments from the Fund if it is provided for performing hazardous duty or work involving physical hardship that in each case is related to COVID-19. This means that, whereas payroll and benefits of an employee who is substantially dedicated to mitigating or responding to the COVID-19 public health emergency may generally be covered in full using payments from the Fund, hazard pay specifically may only be covered to the extent it is related to COVID-19. For example, a recipient may use payments from the Fund to cover hazard pay for a police officer coming in close

contact with members of the public to enforce public health or public safety orders, but across-the-board hazard pay for all members of a police department regardless of their duties would not be able to be covered with payments from the Fund. This position reflects the statutory intent discussed above: the Fund was intended to be used to help governments address the public health emergency both by providing funds for incremental expenses (such as hazard pay related to COVID-19) and to allow governments not to have to furlough or lay off employees needed to address the public health emergency but was not intended to provide across-the-board budget support (as would be the case if hazard pay regardless of its relation to COVID-19 or workforce bonuses were permitted to be covered using payments from the Fund).

Relatedly, both hazard pay and overtime pay for employees that are not substantially dedicated may only be covered using the Fund if the hazard pay and overtime pay is for COVID-19-related duties. As discussed above, governments may allocate payroll and benefits of such employees with respect to time worked on COVID-19-related matters.

Covered benefits include, but are not limited to, the costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers compensation insurance, and Federal Insurance Contributions Act (FICA) taxes (which includes Social Security and Medicare taxes).

## **Supplemental Guidance on Use of Funds to Cover Administrative Costs**

### ***General***

Payments from the Fund are not administered as part of a traditional grant program and the provisions of the Uniform Guidance, 2 C.F.R. Part 200, that are applicable to indirect costs do not apply. Recipients may not apply their indirect costs rates to payments received from the Fund.

Recipients may, if they meet the conditions specified in the guidance for tracking time consistently across a department, use payments from the Fund to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID-19 public health emergency. (In other words, such costs would be eligible direct costs of the recipient). This includes, but is not limited to, costs related to disbursing payments from the Fund and managing new grant programs established using payments from the Fund.

As with any other costs to be covered using payments from the Fund, any such administrative costs must be incurred by December 30, 2020, with an exception for certain compliance costs as discussed below. Furthermore, as discussed in the Guidance above, as with any other cost, an administrative cost that has been or will be reimbursed under any federal program may not be covered with the Fund. For example, if an administrative cost is already being covered as a direct or indirect cost pursuant to another federal grant, the Fund may not be used to cover that cost.

### ***Compliance costs related to the Fund***

As previously stated in FAQ B.11, recipients are permitted to use payments from the Fund to cover the expenses of an audit conducted under the Single Audit Act, subject to the limitations set forth in 2 C.F.R. § 200.425. Pursuant to that provision of the Uniform Guidance, recipients and subrecipients subject to the Single Audit Act may use payments from the Fund to cover a reasonably proportionate share of the costs of audits attributable to the Fund.

To the extent a cost is incurred by December 30, 2020, for an eligible use consistent with section 601 of the Social Security Act and Treasury's guidance, a necessary administrative compliance expense that relates to such underlying cost may be incurred after December 30, 2020. Such an expense would include, for example, expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General. A recipient with such necessary administrative expenses, such as an ongoing audit continuing past December 30, 2020, that relates to Fund expenditures incurred during the covered period, must report to the Treasury Office of Inspector General by the quarter ending September 2021 an estimate of the amount of such necessary administrative expenses.

**NAVAJO NATION CARES FUND  
HARDSHIP ASSISTANCE EXPENDITURE PLAN<sup>1</sup>**

**I. PURPOSE:**

The purpose of the Hardship Assistance Expenditure Plan is to allow for the use and expenditure of forty-nine million four hundred fifty-four thousand four hundred sixteen dollars (\$49,454,416) of Navajo Nation CARES Funds for emergency financial assistance to enrolled Navajo tribal members for purchasing Personal Protective Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-related expenses, education-related expenses incurred due to the COVID 19 pandemic, and other financial burdens caused by the COVID-19 pandemic and incurred since March 1, 2020. The expenditures set forth in this Expenditure Plan are necessary in order to relieve the financial burdens imposed on Navajo households, students, participants in the informal economy, and dependents by the pandemic and public health orders, but shall not exceed fifteen hundred dollars (\$1500) per person over the age of 18 years as of March 1, 2020 and five hundred dollars (\$500) per person under the age of 18 years as of March 1, 2020. Emergency financial assistance under this Expenditure Plan shall not be income based or restricted.

The federal CARES Act, Title V, 5001, entitled "Coronavirus Relief Funds" requires these funds be used to 1) cover costs that are necessary expenditures incurred due to the public health emergency with respect to the COVID-19; 2) were not accounted for in the budget most recently approved, as of March 27, 2020; and 3) incurred during the period that begins on March 1, 2020 and ends on December 30, 2020. Per the U.S. Department of Treasury's (Treasury) Guidance, dated May 4, 2020, eligible expenditures include expenses for general assistance for, including but not limited to, purchasing PPE, past due utilities, rent, isolation expenses and other financial burdens caused by COVID-19.

**II. AFFIRMATION OF FUND USE**

Any program, department, office or other entity receiving funding hereunder affirms that they will use these funds in accordance with the purposes set forth in Title V of the Coronavirus Aid, Relief, and Economic Security Act (the "federal CARES Act") as enacted by the United States Congress and found in Public Law 116-136 (2020).

**IV. ADMINISTRATOR OF FUNDS**

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<sup>1</sup> As amended by Navajo Nation Council Resolution No. CS-74-20.

## EXHIBIT 2

The Executive Branch, through the Office of the Controller, is responsible for administering the Expenditure Plan and shall develop eligibility criteria and an application and approval process ensuring that any funds disbursed comply with Title V of the CARES Act and Treasury guidance.

The Budget and Finance Committee, shall review, and if necessary, amend, then approve the eligibility criteria and approval process plan after recommendation of Health, Education, and Human Services Committee.

### III. MONITORING

The Office of the Controller shall be responsible for overseeing and monitoring the expenditure of these funds.

### V. MEANS OF FUNDING

The Expenditure Plan funds shall be released to the Office of the Controller once the Expenditure Plan is duly adopted and expedited budgets are implemented.

### VI. ACCOUNTING AND REPORTING REQUIREMENTS

Title V CARES Act Funds, as appropriated by Congress and received by the Nation, are considered federal financial assistance received by the Navajo Nation for specified uses; and are subject to the restrictions outlined in the Treasury Guidance and as set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act. The CARES Act has a CFDA No. 21.019; therefore, the funding received by the Nation is subject to GASB, Uniform Guidance/Super Circular guidelines, and the Single Audit Act and any other applicable rules, regulations, and guidance.

### VII. OVERSIGHT COMMITTEE

The Health, Education, and Human Services Committee (HEHSC) and the Budget and Finance Committee (BFC) shall provide oversight as HEHSC has oversight over social services matters and BFC has oversight over externally restricted funding.

### IX. AFFIRMATION OF ADMINISTRATION AND MANAGEMENT

The Office of the Controller and any entity receiving funding thereunder affirms it will administer, manage, and implement the funds allocated to it in this expenditure plan consistent with the federal CARES Act, the Treasury Guidance, as well as other applicable laws and regulations of the Navajo Nation.

## EXHIBIT 2

DEPARTMENT OF WATER RESOURCES  
Update for 10/27/2020

CARES ACT FUNDING (CIN-67-20)

Project	Appropriation Amount	Scope of Work	164 Review No.	Business Unit	Contract #	Contract Date	CARES Act Contract Amount	Timeline
Cistern Projects	\$ 14,722,159.00	Ongoing. Teams completing designs for approximately 10 homes per week.	Construction contract may enter 164 Review beginning week of October 19th.	K201514				Construction of each cistern system may take up to two weeks. It is estimated that each system will cost approximately \$80,000 each. Construction of 50 units is estimated to cost \$4 million. <u>At this time it is estimated the remaining amount (\$10,772,159) will likely revert.</u> First set of design drawings completed week of October 12th. Design of septic systems will be sent to NNEPA for review week of October 19th.
Water Hauling Program - 2 trucks each agency	\$ 3,010,000	Yes - Purchase of Building and Trucks	No 164 Review. A purchase. Quotations being acquired.	K201514				Select vendors week of October 12. Enter purchases into system week of October 26th.
Water Hauling Program - 1 truck for 45 LGA Certified Chapters	\$ 4,550,000	Yes - Purchase of Trucks	No 164 Review. A purchase. Quotations being acquired. OR 16052 for \$929,832 for 8 potable water trucks.	K201514				Select vendors week of October 12. Start to enter purchases into system week of October 19th. Division of Community Development offer to assist with coordination with Chapters. OR being processed for first 8 potable water trucks. OOC requesting additional justification.
Fund DigDeep Proposal to assist 250 homes	\$ 1,007,300	Complete	15103 - Agreement for full amount.	K201514				Try to pay DigDeep by October 30th. 164 Packet reviewed by OOC on 10/16 and comments need to be addressed for further processing. Currently on hold to address comments.
Water Treatment at Well Site for Water Haulers	\$ 600,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514				Select vendors week of October 12. Enter purchases into system week of October 19th. Several units are part of Toloni Lake subaqueduct agreement. Lone Mountain 164 document reviewed and commented on by DOJ on 10/20. WMB working with contractor (SMA) to address comments. Comments addressed and document being taken back to DOJ on 10/27.
Tohajiilee - Inside Chapter Distribution Improvement	\$ 500,000	Complete	Lone Mountain - 015247	K201514	new		\$ 500,000.00	Contract amendments sent to WMB on 9/26/20 and 10/7/20. SB and SMA 164 documents going to Business Regulatory on 10/13/20. Need 164 status update for 10/21 from WMB.
Thoreau - Baca Well Pumphouse and Water Supply Lines	\$ 1,000,000	Complete	Stewart Bothers-015259; SMA-015260; NECA - forthcoming on 10/23	K201514	SB-C013597; SMA-C010854; NECA-new	SMA amendment #6; Stewart Bros CO#3; NECA-new	\$ 1,000,000.00	Contract amendment (NECA CO#1) initially sent to WMB on 10/3/20 but changes are needed to amendment. Amendment will be resent to WMB week of 10/19. Neec to confirm if amendment was received by WMB and switched out. 164 doc was last at NNOOC as of 10/22.
Eastern Navajo Water Pipeline Phases 2, 3 & 4	\$ 1,860,000	Complete	NECA CO#1-15248	K201514	NECA-C013620			Cancelled - Not going to meet CARES Act deadline. Revert \$250,000.
Newcomb Emergency Water Hauling Station	\$ 250,000	Cancelled. Expecting SOW by 10/16/20.		K201514				Working with Dooley Construction Solutions for scope of work by 10/27.
Ramah Water System Upgrades	\$ 400,000	10/16/20.	None yet.	K201514	new	new		



Counselor - Lybrook System Upgrades	\$	250,000	Complete	SMA-015172	K201514	SMA-C08876	SMA amendment #16	\$	250,000.00	SMA amendment resent on 10/16/20 2020. 164 packet at _____ as of 10/21 but need to switched out.
Torreon Fire Hydrants	\$	151,000	Complete	SMA-015172; NECA CO#2 (forthcoming)	K201514	SMA-C08876; NECA- (forthcoming)	SMA amendment #16; NECA Change Order #2	\$	151,000.00	SMA amendment resent to WMB on 10/16/20. 164 packet at _____ as of 10/21 and need to confirm amendment was switched out. NECA CO#2 for Lybrook and Torreon hydrants will be submitted on 10/23/20.
Smith Lake Water Treatment	\$	575,000	Complete	forthcoming	K201514		SMA amendment #10; Stewart Bros CO#6			SMA amendment #10 for Smith Lake will be submitted by 10/13/20. Stewart Bros CO#6 for Smith Lake will be submitted on 10/26/20.
G80 water supply well	\$	3,900,000	Cancelled - Does not meet CARES Act requirements		K201514					Cancelled. Revert \$3,900,000.
Halchita Treatment System	\$	300,000	Ongoing with NTUA	None yet.	K201514					Cancelled. Revert \$300,000. NTUA fully funded. Contract amendment (NECA CO#1) sent to WMB on 10/3/20 but amended and will be sent week of 10/19/20. Need to confirm with WMB if amendment was received. Will obtain 164 Review # from WMB. Only using to purchase items that can be purchased and installed by December 30th. Large portion will be reverted, at least \$22,087,901.
Cutter Lateral Startup	\$	500,000	Complete	NECA CO#1_____;	K201514	CO13620	NECA Change Order #1.			
Strategic Stockpile of Supplies for Water Projects	\$	32,087,901	Ongoing.		K201514					
Livestock Windmill Repairs - Eastern Agency	\$	320,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Livestock Windmill Repairs - Ft. Defiance Agency	\$	200,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Livestock Windmill Repairs - Northern Agency	\$	80,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Livestock Windmill Repairs - Chinle Agency	\$	810,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Livestock Windmill Repairs - Western Agency	\$	160,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Livestock Windmill Repairs, Storage Tanks and Stock Troughs - Former Bennett	\$	1,050,000	Complete	No 164 Review. A purchase. Quotations being acquired.	K201514					Purchases ongoing.
Purchase of Large Equipment for Drilling, Repairs and Related Work	\$	14,000,000	Complete	No 164 Review. A purchase. Quotations being acquired and orders being processed. Separate listing available.	K201514					Purchases ongoing.
New Water Wells Fund	\$	200,000	Complete. Part of proposed subrecipient agreement with Tolani Lake Enterprise.	None yet.	K201514					Try to enter subrecipient agreement into 164 Review by October 19th.
Earthen Dam Rehabilitation - Eastern Agency	\$	320,000	Ongoing.	None yet.	K201514					Need environmental clearances. <u>May not meet timeline to expend all.</u> BIA to provide information on possible EA and FONSI for areas.
Earthen Dam Rehabilitation - Ft. Defiance Agency	\$	320,000	Ongoing.	None yet.	K201514					Need environmental clearances. <u>May not meet timeline to expend all.</u>

Earthen Dam Rehabilitation - Northern Agency	\$	320,000	Ongoing.	None yet.	K201514	Need environmental clearances. <u>May not meet timeline to expend all.</u>
Earthen Dam Rehabilitation - Chinle Agency	\$	320,000	Ongoing	None yet.	K201514	Need environmental clearances. <u>May not meet timeline to expend all.</u> Will inquire about Navajo Partition Lands Agricultural and Range Resources Management Plan provide environmental clearance.
Earthen Dam Rehabilitation - Western Agency	\$	320,000	Ongoing.	None yet.	K201514	Need environmental clearances. <u>May not meet timeline to expend all.</u>
Irrigation - Many Farms Diversion Dam	\$	150,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Irrigation - Captain Tom Dam repairs	\$	50,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Irrigation - Many Farms Agricultural Wells	\$	110,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Irrigation - Dennehotso Diversion Dam repairs	\$	65,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Irrigation - Chuska Lake Diversion Dam repairs	\$	300,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Two Grey Hills - Upper Blackhouse Valley Farms Irrigation Diversion Dam	\$	250,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Two Grey Hills - Tumble Down House Valley Farms Irrigation Rehab	\$	300,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Red Valley/Cove Irrigation Diversion Improvements	\$	155,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Kayenta Diversion Dam and Reservoir Rehabilitation Planning and Design	\$	200,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Cancelled. Cannot use funds for planning and design only. Revert funds.
Sheepsprings Farms Irrigation System Improvement Project	\$	200,000	Requires study and permits. May not meet CARES Act requirements.		K201514	Irrigation season ending. No time to incur expenses for beneficial use by December 30, 2020. Revert funds.
Lake Powell to Shonto Irrigation Water Delivery Project	\$	200,000	Cancelled - Does not meet CARES Act requirements		K201514	Cancelled. Cannot use funds for planning and design only. Revert funds.
LCR Birdsprings Irrigation Feasibility Study	\$	200,000	Cancelled - Does not meet CARES Act requirements		K201514	Cancelled. Cannot use funds for planning and design only. Revert funds.
Long-Range Water Planning Tool	\$	222,500	Cancelled - Does not meet CARES Act requirements		K201514	Cancelled. Cannot use funds for planning only. Revert funds.
NDWR Assistance	\$	1,000,000	Complete	None yet. Mostly purchases.	K201514	Ongoing, try to expend all by December 30th.

Whitehorse Lake - Sand Springs WSP	\$	997,712	Planning to partially spend on phase 1.	K201514
Tohajilee Albuquerque WSI	\$	2,000,000	Complete	None yet. K201514
NTUA Water and Wastewater	\$	18,635,000	Complete	15041 K201514
NTUA/NECA Cisterns	\$	20,946,523	Obtained Scope of Work from NTUA on 10/12.	15255 K201514
<b>Total</b>		<b>\$130,065,095</b>	<b>Complete</b>	

Contract forthcoming to install tank. More than half will be reverted, approximately \$498,856 for now. Waiting for scope and budget. SMA amendment resent on 10/16/20 2020. 164 packet at \_\_\_\_\_ as of 10/21 but need to switched out. Need to confirm with WMB on status of 164 packet.

Plan to submit 164 Review by October 12th. Agreement with ABCWUA for construction is in 164 Review and going to OPVP on 10/21. Contract amendment is forthcoming from Souder-Miller & Associates to pay for easement and water fee. Some risk that project may not be completed by December 30th.  
 Try to pay NTUA by November 2nd. President signed on 10/26. Document taken to OOC on 10/26 for contract number.  
 Try to pay NTUA by November 2nd. President signed on 10/26. Document taken to OOC on 10/26 for contract number.

Reversion Estimates

Definite reversion (red font)	\$	6,852,500
NDWR Cisterns likely reversion (at least 50 percent)	\$	10,722,159.00
Earthen Dam potential reversion (50 percent)	\$	800,000.00
Whitehorse Lake Sandsprings reversion (at least 50 percent)	\$	498,856.0
Strategic Stockpile (potential reversion)	\$	22,087,901.0
<b>Current total reversion estimate</b>	<b>\$</b>	<b>40,961,416</b>

**NAVAJO NATION**

739

10/30/2020  
08:38:17 PM

Naa'bik'iyati' Committee Special Meeting

<b>Amd# to Amd#</b>	<b>Legislation 0261-20: Approving</b>	<b>PASSED</b>
MOT Charles-Newton	the Reallocation of Navajo	
SEC Tso, O	Nation CARES Fund to the CARES	
	Fund Hardship Assistance...	

**Yeas : 20                  Nays : 0                  Excused : 0                  Not Voting : 3**

**Yea : 20**

Begay, K	Daniels	Nez, R	Tso, D
Begay, P	Freeland, M	Slater, C	Tso, E
Brown	Halona, P	Smith	Tso, O
Charles-Newton	Henio, J	Stewart, W	Walker, T
Crotty	James, V	Tso, C	Yazzie

**Nay : 0**

**Excused : 0**

**Not Voting : 3**

Yellowhair	Begay, E	Wauneka, E
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**Presiding Speaker: Damon**

**NAVAJO NATION**

793

12/11/2020  
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Naa'bik'iyati' Committee Special Meeting

Amd# to Amd#	Legislation 0306-20: Amending
MOT Tso, D	Naabikiyati Committee Resolution
SEC Begay, E	No. NABIO-49-20 to Extend
	Deadline to Deobligate....

**PASSED**

**Yeas : 20**

**Nays : 3**

**Excused : 0**

**Not Voting : 0**

**Yea : 20**

Begay, E	Freeland, M	Smith	Tso, O
Begay, K	Halona, P	Stewart, W	Walker, T
Begay, P	Henio, J	Tso, C	Wauneka, E
Brown	Nez, R	Tso, D	Yazzie
Daniels	Slater, C	Tso, E	Yellowhair

**Nay : 3**

James, V	Charles-Newton	Crotty
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**Excused : 0**

**Not Voting : 0**

**Presiding Speaker: Damon**

RESOLUTION OF THE  
BUDGET AND FINANCE COMMITTEE  
OF THE NAVAJO NATION COUNCIL



24<sup>TH</sup> NAVAJO NATION COUNCIL - Second Year, 2020

AN ACTION

RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES AND BUDGET  
AND FINANCE COMMITTEES; APPROVING CARES FUND HARDSHIP  
ASSISTANCE EXPENDITURE PLAN ELIGIBILITY CRITERIA AND  
APPLICATION PROCESS

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Health, Education and Human Services Committee is a Standing Committee of the Navajo Nation Council empowered to establish Navajo Nation policy and promulgate policies and regulations governing health, social services, education, human services and general government series of the Navajo Nation. 2 N.N.C. § 301(B)(8).
- B. The Budget and Finance Committee is a Standing Committee of the Navajo Nation Council with oversight authority over budget and finance matters and specifically empowered to promulgate rules and regulations relative to financial matters. 2 N.N.C. §§ 300(C)(1) and 301(B)(1).

SECTION TWO. FINDINGS

- A. The Navajo Nation Council first adopted the CARES Fund Hardship Assistance Expenditure Plan by Navajo Nation Council Resolution No. CJY-67-20 and subsequently amended the Hardship Assistance Expenditure Plan through Navajo Nation Council Resolution No. CS-74-20 (Tracking No. 0201-20), attached as Exhibit A.
- B. The broad purpose of the Hardship Assistance Expenditure Plan is to provide "emergency financial assistance to enrolled Navajo tribal members for purchasing Personal Protective Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-related

expenses, education-related expenses incurred due to the COVID 19 pandemic, and other financial burdens caused by the COVID 19 pandemic and incurred since March 1, 2020." **Exhibit A-2**, Section I. Purpose.

- C. The Hardship Assistance Expenditure Plan, **Exhibit A-2**, includes the following provision:

IV. ADMINISTRATOR OF FUNDS

The Executive Branch, through the Office of the Controller, is responsible for administering the Expenditure Plan and shall develop eligibility criteria and an application and approval process ensuring that any funds disbursed comply with Title V of the CARES Act and Treasury guidance.

The Budget and Finance Committee, shall review, and if necessary, amend, then approve the eligibility criteria and approval process plan after recommendation of the Health, Education, and Human Services Committee.

- D. To ensure that the disbursement of Hardship Assistance Expenditure Plan funds comply with Title V of the federal CARES Act and Treasury guidance, the Office of the Controller has developed the draft eligibility criteria and application and approval process attached as **Exhibit B**.
- E. It is in the best interest of the Navajo Nation and the Navajo People for the Health, Education and Human Services Committee to recommend the draft Hardship Assistance Expenditure Plan eligibility criteria and application and approval process, attached as **Exhibit B**, to the Budget and Finance Committee for finalization and approval.

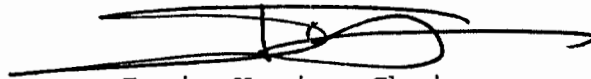
**SECTION THREE. RECOMMENDATION AND APPROVAL**

- A. The Health, Education and Human Services Committee hereby approves and recommends the Hardship Assistance Expenditure Plan eligibility criteria and application and approval process attached as **Exhibit B** to the Budget and Finance Committee.
- B. The Health, Education and Human Services Committee hereby approves and recommends that the distribution of Hardship Assistance payments to Navajo elders, age 65 or older, and disability special needs shall be prioritized.

- C. The Budget and Finance Committee hereby approves the Hardship Assistance Expenditure Plan eligibility criteria and application and approval process attached as **Exhibit B**.

**CERTIFICATION**

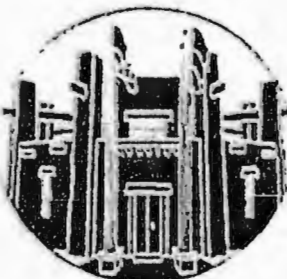
I, hereby, certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held by teleconference at which a quorum was present and that the same was passed by a vote of 5 in favor and 0 opposed, this 15<sup>th</sup> day of October 2020.



Jamie Henio, Chairperson  
Budget and Finance Committee

Motion: Honorable Amber K. Crotty  
Second: Honorable Jimmy Yellowhair





RESOLUTION No: CS-74-20/ Tracking No. 0201-20

Legislation Summary:

An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees, and the Navajo Nation Council; Adding One Hundred Seventy-Five Million Dollars (\$175,000,000) to the CARES Fund Hardship Assistance Expenditure Plan Enacted by CJY-67-20

DELIVERED TO PRESIDENT'S OFFICE: Wednesday, September 30, 2020

RECEIVED BY: Mary J. Nez

DATE: 9/30/20

TIME: 5:01 AM/PM

VETO WAIVED AS OF 5:00 PM - Saturday, October 10, 2020

MONTH	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5	DAY 6	DAY 7	DAY 8	DAY 9	DAY 10	YEAR
Oct	01	02	03	04	05	06	07	08	09	10	2020

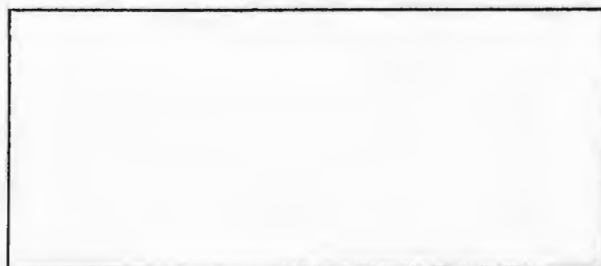
OFFICE OF LEGISLATIVE SERVICES:

RECEIVED DATE STAMP:

Received From: \_\_\_\_\_

Time: \_\_\_\_\_

OLS Staff: \_\_\_\_\_





**RESOLUTION No: CS-74-20/ Tracking No. 0201-20**

**Legislation Summary:**

An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees, and the Navajo Nation Council; Adding One Hundred Seventy-Five Million Dollars (\$175,000,000) to the CARES Fund Hardship Assistance Expenditure Plan Enacted by CJY-67-20

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MONTH	DAY	DAY	DAY	DAY	DAY	DAY	DAY	DAY	DAY	DAY	YEAR
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Oct	01	02	03	04	05	06	07	08	09	10	2020

**OFFICE OF LEGISLATIVE SERVICES:**

**RECEIVED DATE STAMP:**

**Received From:** \_\_\_\_\_

**Time:** \_\_\_\_\_

**OLS Staff:** \_\_\_\_\_

# RESOLUTION

RESOLUTION OF THE  
NAVAJO NATION COUNCIL  
24<sup>th</sup> NAVAJO NATION COUNCIL - SECOND YEAR, 2020

AN ACTION

RELATING TO HEALTH EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ADDING FORTY-NINE MILLION, FOUR HUNDRED FIFTY-FOUR THOUSAND, FOUR HUNDRED SIXTEEN DOLLARS (\$49,454,416) TO THE CARES FUND HARDSHIP ASSISTANCE EXPENDITURE PLAN ENACTED BY CJY-67-20

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).
- B. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to hear proposed resolution(s) that require final action by the Navajo Nation Council. 2 N.N.C. § 164(A)(9).
- C. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the enumerated powers to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment and management of all funds and to promulgate rules and regulations related to contracting and financial matters. 2 N.N.C. §§ 300(B)(1) and (2).
- D. The Health Education and Human Services Committee is a standing committee of the Navajo Nation Council empowered to provide legislative oversight on matters involving health, social services, and education. 2 N.N.C. § 400(C)(1)fi.

SECTION TWO. FINDINGS

- A. The World Health Organization (WHO) declared a Public Health Emergency of International Concern related to the outbreak of coronavirus (COVID-19), a highly contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S. Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global pandemic due to COVID-19 on March 11, 2020.

- B. The Navajo Nation Commission on Emergency Management, with the concurrence of Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on the Navajo Nation on March 11, 2020 due to COVID-19. Resolution No. CEM 20-03-11. The Navajo Nation Department of Health subsequently issued numerous Public Health Emergency Orders. Public Health Orders 2020-001 through 2020-023 are incorporated by reference into this resolution.
- C. As of August 18, 2020, the Navajo Nation Health Command Operations Center has confirmed 9,486 COVID-19 cases and 484 COVID-related deaths on the Navajo Nation. COVID-19 cases and COVID-related deaths on the Navajo Nation have not subsided and continue to rise.
- D. The U.S. Congress on March 27, 2020, enacted the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281 (2020) (the "CARES Act"), which, at Title V, §5001, entitled "Coronavirus Relief Funds," attached as **Exhibit 1-A**, sets aside \$8 billion in emergency aid for Tribal governments for the COVID-19 pandemic.
- E. The CARES Act provides the Coronavirus Relief Fund shall be used to cover only those costs that:
- a. are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
  - b. are not accounted for in the Tribal budget most recently approved as of March 27, 2020; and
  - c. are incurred from March 1, 2020 through December 30, 2020.
- F. The U.S. Treasury on April 22, 2020 issued "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments" ("Treasury Guidance") related to the permissible uses of the Coronavirus Relief Fund. **Exhibit 1-B**.
- G. On May 28, 2020, the U.S. Treasury issued "Coronavirus Relief Fund Frequently Asked Questions" ("Treasury FAQ"), attached as **Exhibit 1-C**.
- H. As of June 30, 2020, the Navajo Nation has received seven hundred fourteen million one hundred eighty-nine thousand six hundred thirty-one dollars and forty-seven cents (\$714,189,631.47) as the Nation's share of the U.S. Treasury's initial distributions of the Coronavirus Relief Fund.

- I. The Navajo Nation has determined that immediately providing financial assistance to Navajo individuals and families who have are facing financial hardship due to the COVID-19 pandemic and attendant public health orders is necessary to comprehensively combat the devastating effects of COVID-19 and mitigate the future spread of the virus at the family and community level.
- J. The purpose of the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan enacted through Navajo Nation Council Resolution No. CJY-67-20, was to immediately provide emergency financial assistance to Navajo tribal members for purchasing Personal Protective Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-related expenses, education-related expenses and other financial burdens created by the COVID-19 pandemic and the public health emergency orders.
- K. Resolution No. CJY-67-20 allocated only one thousand dollars (\$1,000) to the Hardship Assistance Expenditure Plan; Navajo Nation leadership has determined that amount of funding is woefully inadequate to address the COVID-19 caused financial devastation faced by Navajo families and individuals and believes it is necessary to increase that funding by forty-nine million, four hundred fifty-four thousand, four hundred sixteen dollars (\$49,454,416) as set forth in the revised and amended Hardship Assistance Expenditure Plan set forth in **Exhibit 2**.

**SECTION THREE. APPROVAL AND ADOPTION OF THE REVISED CARES FUND  
HARDSHIP ASSISTANCE EXPENDITURE PLAN**

- A. The Navajo Nation hereby revises and amends the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan enacted by Resolution No. CJY-67-20 as set forth in **Exhibit 2**, including the clarification that the Executive Branch entity receiving the funding and administration responsibilities through the Office of the President and Vice-President shall be the Office of the Controller and hereby approves an additional allocation of forty-nine million, four hundred fifty-four thousand, four hundred sixteen dollars (\$49,454,416) of Navajo Nation CARES Fund to the Hardship Assistance Plan as set forth in **Exhibit 2**.
- B. The Coronavirus Relief Funds are externally restricted funds and the Navajo Nation Appropriations Act, 12 N.N.C. §§ 800 et seq., as applicable to externally restricted funds, shall apply to the Expenditure Plans set forth herein; detailed Expenditure

Plan budgets shall not be subject to further legislative approval and shall, instead, be developed and implemented through expedited budget procedures. The Office of Management and Budget shall process the detailed budgets in the most expeditious manner available to ensure that the funds are distributed within fifteen (15) days after enactment of this resolution.

**SECTION FOUR. APPROVAL AND ADOPTION OF THE HARDSHIP ASSISTANCE EXPENDITURE PLAN ADMINISTRATION**

- A. All entities receiving Navajo Nation CARES Fund funding herein shall ensure that all funds allocated under the Hardship Assistance Expenditure Plan are only expended for the purposes set forth in **Exhibit 2**.
- B. All entities receiving Navajo Nation CARES Fund funding herein shall ensure that all funds allocated under their respective Expenditure Plans shall be incurred and expended by no later than December 30, 2020
- C. All entities receiving Navajo Nation CARES Fund funding herein shall ensure that no funds allocated under their respective Expenditure Plans are incurred or expended for costs accounted for in the approved Fiscal Year 2020 Navajo Nation Comprehensive Budget approved by Navajo Nation Council Resolution No. CS-30-19.
- D. The Office of the Controller shall release the funding allocated under the respective Expenditure Plans as soon as the expedited budget procedures are completed.
- E. The CARES Fund Expedited Procurement Rules and Procedures, enacted through CJY-67-20, shall apply to procurement activities for the Expenditure Plan set forth herein.
- F. The funds allocated under the Navajo Nation CARES Fund Expenditure Plan set forth herein shall be used exclusively and only for the permissible uses set forth in the following:
  - 1. This Resolution approving the Navajo Nation CARES Fund Chapter Distributions Expenditure Plan.
  - 2. The Coronavirus Relief Fund which allows only those costs that:
    - a. are necessary expenditures incurred due to the public health emergency with respect to COVID-19;

- b. are not accounted for in the Navajo Nation Fiscal Year 2020 Comprehensive Budget.
  - c. are incurred from March 1, 2020 through December 30, 2020;
3. Consistent with the eligible uses described in the Treasury Guidance which includes the following guidance:
- a. expenditures must be incurred "due to" the public health emergency which means that expenditures must be used for actions taken to respond to the public health emergency; these expenditures may include expenditures incurred to allow the Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures;
  - b. expenditures must be "necessary"; the Department of the Treasury interprets this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Coronavirus Relief Fund payments;
  - c. expenditures may only be made to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation with the budget; or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation; and
  - d. expenditures must be for costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. A cost is "incurred" when the responsible unit of government has expended funds to cover the cost.
4. Consistent with the eligible uses described in the U.S. Treasury Frequently Asked Questions (FAQ).



5. Consistent with the eligible uses as may be described in any and all future guidance, rules, or regulations of the Department of the Treasury or the Department of the Interior related to the Coronavirus Relief Fund pursuant to Title V of the CARES Act.
  6. Consistent with Navajo Nation laws, rules and regulations.
- G. All entities receiving Navajo Nation CARES Act Expenditure Plan funding herein expressly agree and affirm that by drawing down or receiving any of the funds allocated under their respective Expenditure Plan:
- a. the requested funds shall only be used for the purposes specified in Title V of the federal CARES Act and the Navajo Nation CARES Fund Act;
  - b. the administration, management, and implementation of this Expenditure Plan shall be consistent with the Navajo Nation CARES Fund Act, this legislation, and other applicable laws and regulations of the Navajo Nation; and
  - c. the costs to be covered under this Expenditure Plan are not included in the Navajo Nation Fiscal Year 2020 Comprehensive Budget, approved by Navajo Nation Council Resolution No. CS-30-19.
- H. All recipients of Navajo Nation funds from the Navajo Nation CARES Fund must follow and apply Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB) for governmental entities, and by the Financial Accounting Standards Board (FASB) for public and private companies and non-profits.
- I. If the Department of Justice, Office of the Controller, and Office of Management and Budget concur that a proposed expenditure in the Expenditure Plans included herein is an ineligible cost under the Navajo Nation CARES Fund, Coronavirus Relief Fund or U.S. Treasury guidance, the amount of such proposed expenditure shall be returned to the Navajo Nation CARES Fund after written notice, including analysis, to the Office of the President and Vice-President and Naabik'íyáti' Committee.
- J. The Budget and Finance Committee and Resources and Development Committee of the Navajo Nation Council shall serve as the oversight committees for the Navajo Nation CARES Fund Hardship Assistance Expenditure Plan.

K. The Hardship Assistance Expenditure Plan and expenditures made there under shall be governed by and construed in accordance with the laws and regulations of the Navajo Nation.

**SECTION FIVE. AMENDMENT**

This Resolution may be amended by a two-thirds majority vote of the Navajo Nation Council subject to action of the President of the Navajo Nation under 2 N.N.C. § 221 (B) and the budget line-item veto authority delegated to the President by vote of the Navajo People in 2009.

**SECTION SIX. EFFECTIVE DATE**

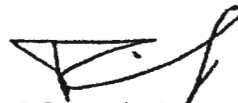
This Resolution is effective upon its approval pursuant to 2 N.N.C. § 221(B) and the budget line-item veto authority delegated to the President by vote of the Navajo People in 2009.

**SECTION SEVEN. SAVING CLAUSE**

Should any provision of this legislation be determined invalid by the Navajo Nation Supreme Court, or a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, those portions of the legislation which are not determined invalid shall remain the law of the Navajo Nation.

**CERTIFICATION**

I hereby certify that the foregoing resolution was duly considered by the 24<sup>th</sup> Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 21 in Favor, and 01 Opposed, on this 24<sup>th</sup> day of September 2020.



Honorable Rickie Nez, Speaker Pro Tem  
24<sup>th</sup> Navajo Nation Council

09-30-2020

DATE

Motion: Honorable Vince James  
Second: Honorable Wilson Stewart, Jr.

Speaker Pro Tem Rickie Nez not voting

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I, hereby, sign into law the foregoing legislation, pursuant to 2 N.N.C. § 1005 (C)(10), on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

---

Jonathan Nez, President  
Navajo Nation

2. I, hereby, veto the foregoing legislation, pursuant to 2 N.N.C. § 1005 (C)(11), on this \_\_\_\_\_ day of \_\_\_\_\_, 2020 for the reason(s) expressed in the attached letter to the Speaker.

---

Jonathan Nez, President  
Navajo Nation

3. I, hereby, exercise line-item veto pursuant to the budget line-item veto authority delegated to the President by vote of the Navajo People in 2009, on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

---

Jonathan Nez, President  
Navajo Nation

# EXHIBITS

maximum total compensation received by the officer or employee from the air carrier or contractor in calendar year 2019; and

(3) no officer or employee of the eligible business whose total compensation exceeded \$3,000,000 in calendar year 2019 may receive during any 12 consecutive months of such period total compensation in excess of the sum of—

(A) \$1,000,000; and

(B) 50 percent of the excess over \$3,000,000 of the total compensation received by the officer or employee from the eligible business in calendar year 2019.

(b) **TOTAL COMPENSATION DEFINED.**—In this section, the term "total compensation" includes salary, bonuses, awards of stock, and other financial benefits provided by an air carrier or contractor to an officer or employee of the air carrier or contractor.

**SEC. 4117. TAX PAYER PROTECTION.**

The Secretary may receive warrants, options, preferred stock, debt securities, notes, or other financial instruments issued by recipients of financial assistance under this subtitle which, in the sole determination of the Secretary, provide appropriate compensation to the Federal Government for the provision of the financial assistance.

**SEC. 4118. REPORTS.**

(a) **REPORT.**—Not later than November 1, 2020, the Secretary shall submit to the Committee on Transportation and Infrastructure and the Committee on Financial Services of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the financial assistance provided to air carriers and contractors under this subtitle, including a description of any financial assistance provided.

(b) **UPDATE.**—Not later than the last day of the 1-year period following the date of enactment of this Act, the Secretary shall update and submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Banking, Housing, and Urban Affairs of the Senate the report described in subsection (a).

**SEC. 4119. COORDINATION.**

In implementing this subtitle the Secretary shall coordinate with the Secretary of Transportation.

**SEC. 4120. DIRECT APPROPRIATION.**

Notwithstanding any other provision of law, there is appropriated, out of amounts in the Treasury not otherwise appropriated, \$32,000,000,000 to carry out this subtitle.

**TITLE V—CORONAVIRUS RELIEF FUNDS**

**SEC. 5001. CORONAVIRUS RELIEF FUND.**

(a) **IN GENERAL.**—The Social Security Act (42 U.S.C. 301 et seq.) is amended by inserting after title V the following:

**"TITLE VI—CORONAVIRUS RELIEF FUND**

**"SEC. 5001. CORONAVIRUS RELIEF FUND.**

(a) **APPROPRIATION.**—

"(1) **IN GENERAL.**—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for making payments to States, Tribal governments, and units of local government under this section, \$150,000,000,000 for fiscal year 2020.

"(2) **RESERVATION OF FUNDS.**—Of the amount appropriated under paragraph (1), the Secretary shall reserve—

"(A) \$3,000,000,000 of such amount for making payments to the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa; and

"(B) \$8,000,000,000 of such amount for making payments to Tribal governments.

"(b) **AUTHORITY TO MAKE PAYMENTS.**—

"(1) **IN GENERAL.**—Subject to paragraph (2), not later than 30 days after the date of enactment of this section, the Secretary shall pay each State and Tribal government, and each unit of local government that meets the condition described in paragraph (2), the amount determined for the State, Tribal government, or unit of local government, for fiscal year 2020 under subsection (c).

"(2) **DIRECT PAYMENTS TO UNITS OF LOCAL GOVERNMENT.**—If a unit of local government of a State submits the certification required by subsection (c) for purposes of receiving a direct payment from the Secretary under the authority of this paragraph, the Secretary shall reduce the amount determined for that State by the relative unit of local government population proportion amount described in subsection (d)(5) and pay such amount directly to such unit of local government.

"(c) **PAYMENT AMOUNTS.**—

"(1) **IN GENERAL.**—Subject to paragraph (2), the amount paid under this section for fiscal year 2020 to a State that is 1 of the 50 States shall be the amount equal to the relative population proportion amount determined for the State under paragraph (3) for such fiscal year.

"(2) **MINIMUM PAYMENT.**—

"(A) **IN GENERAL.**—No State that is 1 of the 50 States shall receive a payment under this section for fiscal year 2020 that is less than \$1,250,000,000.

"(B) **PRO RATA ADJUSTMENTS.**—The Secretary shall adjust on a pro rata basis the amount of the payments for each of the 50 States determined under this subsection without regard to this subparagraph to the extent necessary to comply with the requirements of subparagraph (A).

"(3) **RELATIVE POPULATION PROPORTION AMOUNT.**—For purposes of paragraph (1), the relative population proportion amount determined under this paragraph for a State for fiscal year 2020 is the product of—

"(A) the amount appropriated under paragraph (1) of subsection (a) for fiscal year 2020 that remains after the application of paragraph (2) of that subsection; and

"(B) the relative State population proportion (as defined in paragraph (4)).

"(4) **RELATIVE STATE POPULATION PROPORTION DEFINED.**—For purposes of paragraph (3)(B), the term "relative State population proportion" means, with respect to a State, the quotient of—

"(A) the population of the State; and

"(B) the total population of all States (excluding the District of Columbia and territories specified in subsection (a)(2)(A)).

"(5) **RELATIVE UNIT OF LOCAL GOVERNMENT POPULATION PROPORTION AMOUNT.**—For purposes of subsection (b)(2), the term "relative unit of local government population proportion amount" means, with respect to a unit of local government and a State, the amount equal to the product of—

"(A) 15 percent of the amount of the payment determined for the State under this subsection (without regard to this paragraph); and

"(B) the amount equal to the quotient of—

"(1) the population of the unit of local government; and

"(2) the total population of the State in which the unit of local government is located.

"(6) **DISTRICT OF COLUMBIA AND TERRITORIES.**—This amount paid under this section for fiscal year 2020 to a State that is the District of Columbia or a territory specified in subsection (a)(2)(A) shall be the amount equal to the product of—

"(A) the amount set aside under subsection (a)(2)(A) for such fiscal year; and

"(B) each such District's and territory's share of the combined total population of the District of Columbia and all such territories, as determined by the Secretary.

"(7) **TRIBAL GOVERNMENTS.**—From the amount set aside under subsection (a)(2)(B) for fiscal year 2020, the amount paid under this section for fiscal year 2020 to a Tribal government shall be the amount the Secretary shall determine, in consultation with the Secretary of the Interior and Indian Tribes, that is based on increased expenditures of such such Tribal government (or a tribally-owned entity of such Tribal government) relative to aggregate expenditures in fiscal year 2019 by the Tribal government (or tribally-owned entity) and determined in such manner as the Secretary determines appropriate to ensure that all amounts available under subsection (a)(2)(B) for fiscal year 2020 are distributed to Tribal governments.

"(8) **DATA.**—For purposes of this subsection, the population of States and units of local governments shall be determined based on the most recent year for which data are available from the Bureau of the Census.

"(d) **USE OF FUNDS.**—A State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government that—

"(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);

"(2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and

"(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

"(e) **CERTIFICATION.**—In order to receive a payment under this section, a unit of local government shall provide the Secretary with a certification signed by the Chief Executive for the unit of local government that the local government's proposed uses of the funds are consistent with subsection (d).

"(f) **INSPECTOR GENERAL OVERSIGHT; RECOUPMENT.**—

"(1) **OVERSIGHT AUTHORITY.**—The Inspector General of the Department of the Treasury shall conduct monitoring and oversight of the receipt, disbursement, and use of funds made available under this section.

"(2) **RECOUPMENT.**—If the Inspector General of the Department of the Treasury determines that a State, Tribal government, or unit of local government has failed to comply with subsection (d), the amount equal to the amount of funds used in violation of such subsection shall be booked as a debt of such entity owed to the Federal Government. Amounts recovered under this subsection shall be deposited into the general fund of the Treasury.

"(3) **APPROPRIATION.**—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Office of the Inspector General of the Department of the Treasury, \$35,000,000 to carry out oversight and recoupment activities under this subsection. Amounts appropriated under the preceding sentence shall remain available until expended.

"(4) **AUTHORITY OF INSPECTOR GENERAL.**—Nothing in this subsection shall be construed to diminish the authority of any Inspector General, including such authority as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

"(g) **DEFINITIONS.**—In this section:

"(1) **INDIAN TRIBE.**—The term "Indian Tribe" has the meaning given that term in section

EXHIBIT

1-A

(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304(e)).

"(2) LOCAL GOVERNMENT.—The term 'unit of local government' means a county, municipality, town, township, village, parish, borough, or other unit of general government below the State level with a population that exceeds 500,000.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(4) STATE.—The term 'State' means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

"(5) TRIBAL GOVERNMENT.—The term 'Tribal government' means the recognized governing body of an Indian Tribe."

(b) APPLICATION OF PROVISIONS.—Amounts appropriated for fiscal year 2020 under section 601(a)(1) of the Social Security Act (as added by subsection (a)) shall be subject to the requirements contained in Public Law 116-61 for funds for programs authorized under sections 339 through 340 of the Public Health Service Act (42 U.S.C. 254 through 258).

**TITLE VI—MISCELLANEOUS PROVISIONS**

**SEC. 601. COVID-19 BORROWING AUTHORITY FOR THE UNITED STATES POSTAL SERVICE.**

(a) DEFINITIONS.—In this section—

(1) the term "COVID-19 emergency" means the emergency involving Federal primary responsibility determined to exist by the President under section 601(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)) with respect to the Coronavirus Disease 2019 (COVID-19); and

(2) the term "Postal Service" means the United States Postal Service.

(b) ADDITIONAL BORROWING AUTHORITY.—Notwithstanding section 2005 of title 39, United States Code, or any other provision of law, if the Postal Service determines that, due to the COVID-19 emergency, the Postal Service will not be able to fund operating expenses without borrowing money—

(1) the Postal Service may borrow money from the Treasury in an amount not to exceed \$10,000,000,000—

(A) to be used for such operating expenses; and

(B) which may not be used to pay any outstanding debt of the Postal Service; and

(2) the Secretary of the Treasury may lend up to the amount described in paragraph (1) at the request of the Postal Service, upon terms and conditions mutually agreed upon by the Secretary and the Postal Service.

(c) PRIORITIZATION OF DELIVERY FOR MEDICAL PURPOSES DURING COVID-19 EMERGENCY.—Notwithstanding any other provision of law, during the COVID-19 emergency, the Postal Service—

(1) shall prioritize delivery of postal products for medical purposes; and

(2) may establish temporary delivery points, in such form and manner as the Postal Service determines necessary, to protect employees of the Postal Service and individuals receiving deliveries from the Postal Service.

**SEC. 602. EMERGENCY DESIGNATION.**

(a) IN GENERAL.—The amounts provided under this division are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (5 U.S.C. 9331g).

(b) DESIGNATION IN SENATE.—In the Senate, this division is designated as an emergency requirement pursuant to section 412(a) of H. Con. Res. 71 (115th Congress), the concurrent resolution on the budget for fiscal year 2018.

**DIVISION B—EMERGENCY APPROPRIATIONS FOR CORONAVIRUS HEALTH RESPONSE AND AGENCY OPERATIONS**

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2020, and for other purposes, namely:

**TITLE I**

**AGRICULTURAL PROGRAMS**

**OFFICE OF THE SECRETARY**

For an additional amount for the "Office of the Secretary", \$9,500,000,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus by providing support for agricultural producers impacted by coronavirus, including producers of specialty crops, producers that supply local food systems, including farmers markets, restaurants, and schools, and livestock producers, including dairy producers: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**OFFICE OF INSPECTOR GENERAL**

For an additional amount for the "Office of Inspector General", \$150,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That the funding made available under this heading in this Act shall be used for conducting audits and investigations of projects and activities carried out with funds made available in this Act to the Department of Agriculture to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**ANIMAL AND PLANT HEALTH INSPECTION SERVICE**

**SALARIES AND EXPENSES**

For an additional amount for "Salaries and Expenses", \$55,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for necessary expenses for salary costs associated with the Agriculture Quarantine and Inspection Program: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**AGRICULTURAL MARKETING SERVICE**

**MARKETING SERVICES**

For an additional amount for "Marketing Services", \$45,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including necessary expenses for salary costs associated with commodity grading, inspection, and audit activities: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**FOOD SAFETY AND INSPECTION SERVICE**

For an additional amount for "Food Safety and Inspection Service", \$33,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for support of temporary and intermittent workers, relocation of inspectors, and, notwithstanding 7 U.S.C. 468, 605 and 1053 and 7 U.S.C. 2219a, costs of overtime inspectors under the Federal Meat Inspec-

tion Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**FARM PRODUCTION AND CONSERVATION PROGRAMS**

**FARM SERVICE AGENCY**

For an additional amount for "Salaries and Expenses", \$3,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including necessary expenses to hire temporary staff and overtime expenses: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**RURAL DEVELOPMENT PROGRAMS**

**RURAL BUSINESS—COOPERATIVE SERVICE**

**RURAL BUSINESS PROGRAM ACCOUNT**

For an additional amount for "Rural Business Program Account", \$20,500,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, for the cost of loans for rural business development programs authorized by section 310B and described in subsection (g) of section 310B of the Consolidated Farm and Rural Development Act: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**RURAL UTILITIES SERVICE**

**DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM**

For an additional amount for "Distance Learning, Telemedicine, and Broadband Program", \$25,000,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus, domestically or internationally, for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 550aaa et seq.: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**DOMESTIC FOOD PROGRAMS**

**FOOD AND NUTRITION SERVICE**

**CHILD NUTRITION PROGRAMS**

For an additional amount for "Child Nutrition Programs", \$8,000,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**

For an additional amount for "Supplemental Nutrition Assistance Program", \$15,510,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That of the amount provided under this heading in this Act, \$15,510,000,000 shall be placed in a contingency reserve to be allocated as the Secretary deems necessary to support participation should cost or participation exceed budget estimates to prevent, prepare for, and respond to coronavirus: *Provided further*, That of the amount provided under this

maximum total compensation received by the officer or employee from the air carrier or contractor in calendar year 2019; and

(3) as officer or employee of the eligible business whose total compensation exceeded \$3,000,000 in calendar year 2019 may receive during any 12 consecutive months of such period total compensation in excess of the sum of—

(A) \$3,000,000; and  
(B) 50 percent of the excess over \$3,000,000 of the total compensation received by the officer or employee from the eligible business in calendar year 2019.

(b) **TOTAL COMPENSATION DEFINED.**—In this section, the term "total compensation" includes salary, bonuses, awards of stock, and other financial benefits provided by an air carrier or contractor to an officer or employee of the air carrier or contractor.

#### SEC. 4117. TAX PAYER PROTECTION.

The Secretary may receive warrants, options, preferred stock, debt securities, notes, or other financial instruments issued by recipients of financial assistance under this subtitle which, in the sole determination of the Secretary, provide appropriate compensation to the Federal Government for the provision of the financial assistance.

#### SEC. 4118. REPORTS.

(a) **REPORT.**—Not later than November 1, 2020, the Secretary shall submit to the Committee on Transportation and Infrastructure and the Committee on Financial Services of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the financial assistance provided to air carriers and contractors under this subtitle, including a description of any financial assistance provided.

(b) **UPDATE.**—Not later than the last day of the 1-year period following the date of enactment of this Act, the Secretary shall update and submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Banking, Housing, and Urban Affairs of the Senate the report described in subsection (a).

#### SEC. 4119. COORDINATION.

In implementing this subtitle the Secretary shall coordinate with the Secretary of Transportation.

#### SEC. 4120. DIRECT APPROPRIATION.

Notwithstanding any other provision of law, there is appropriated, out of amounts in the Treasury not otherwise appropriated, \$52,000,000,000 to carry out this subtitle.

### TITLE V—CORONAVIRUS RELIEF FUNDS

#### SEC. 5001. CORONAVIRUS RELIEF FUND.

(a) **IN GENERAL.**—The Social Security Act (42 U.S.C. 301 et seq.) is amended by inserting after title V the following:

#### "TITLE VI—CORONAVIRUS RELIEF FUND

#### "SEC. 601. CORONAVIRUS RELIEF FUND.

##### "(A) APPROPRIATION.—

"(1) **IN GENERAL.**—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for making payments to States, Tribal governments, and units of local government under this section, \$150,000,000,000 for fiscal year 2020.

"(2) **RESERVATION OF FUNDS.**—Of the amount appropriated under paragraph (1), the Secretary shall reserve—

"(A) \$3,000,000,000 of such amount for making payments to the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa; and

"(B) \$8,000,000,000 of such amount for making payments to Tribal governments.

##### "(b) AUTHORITY TO MAKE PAYMENTS.—

"(1) **IN GENERAL.**—Subject to paragraph (2), not later than 30 days after the date of enactment of this section, the Secretary shall pay each State and Tribal government, and each unit of local government that meets the condition described in paragraph (2), the amount determined for the State, Tribal government, or unit of local government, for fiscal year 2020 under subsection (c).

"(2) **DIRECT PAYMENTS TO UNITS OF LOCAL GOVERNMENT.**—If a unit of local government of a State submits the certification required by subsection (c) for purposes of receiving a direct payment from the Secretary under the authority of this paragraph, the Secretary shall reduce the amount determined for that State by the relative unit of local government population proportion amount described in subsection (c)(5) and pay such amount directly to such unit of local government.

##### "(c) PAYMENT AMOUNTS.—

"(1) **IN GENERAL.**—Subject to paragraph (2), the amount paid under this section for fiscal year 2020 to a State that is 1 of the 50 States shall be the amount equal to the relative population proportion amount determined for the State under paragraph (3) for such fiscal year.

##### "(2) MINIMUM PAYMENT.—

"(A) **IN GENERAL.**—No State that is 1 of the 50 States shall receive a payment under this section for fiscal year 2020 that is less than \$1,250,000,000.

"(B) **PRO RATA ADJUSTMENTS.**—The Secretary shall adjust on a pro rata basis the amount of the payments for each of the 50 States determined under this subsection without regard to this subparagraph to the extent necessary to comply with the requirements of subparagraph (A).

"(3) **RELATIVE POPULATION PROPORTION AMOUNT.**—For purposes of paragraph (1), the relative population proportion amount determined under this paragraph for a State for fiscal year 2020 is the product of—

"(A) the amount appropriated under paragraph (1) of subsection (a) for fiscal year 2020 that remains after the application of paragraph (2) of that subsection; and

"(B) the relative State population proportion (as defined in paragraph (4)).

"(4) **RELATIVE STATE POPULATION PROPORTION DEFINED.**—For purposes of paragraph (3)(B), the term "relative State population proportion" means, with respect to a State, the quotient of—

"(A) the population of the State; and

"(B) the total population of all States (excluding the District of Columbia and territories specified in subsection (a)(2)(A)).

"(5) **RELATIVE UNIT OF LOCAL GOVERNMENT POPULATION PROPORTION AMOUNT.**—For purposes of subsection (b)(2), the term "relative unit of local government population proportion amount" means, with respect to a unit of local government and a State, the amount equal to the product of—

"(A) 45 percent of the amount of the payment determined for the State under this subsection (without regard to this paragraph); and

"(B) the amount equal to the quotient of—

"(i) the population of the unit of local government; and

"(ii) the total population of the State in which the unit of local government is located.

"(6) **DISTRICT OF COLUMBIA AND TERRITORIES.**—The amount paid under this section for fiscal year 2020 to a State that is the District of Columbia or a territory specified in subsection (a)(2)(A) shall be the amount equal to the product of—

"(A) the amount set aside under subsection (a)(2)(A) for such fiscal year; and

"(B) each such District's and territory's share of the combined total population of the District of Columbia and all such territories, as determined by the Secretary.

"(7) **TRIBAL GOVERNMENTS.**—From the amount set aside under subsection (a)(2)(B) for fiscal year 2020, the amount paid under this section for fiscal year 2020 to a Tribal government shall be the amount the Secretary shall determine, in consultation with the Secretary of the Interior and Indian Tribes, that is based on increased expenditures of each such Tribal government (or a tribally-owned entity of such Tribal government) relative to aggregate expenditures in fiscal year 2019 by the Tribal government (or tribally-owned entity) and determined in such manner as the Secretary determines appropriate to ensure that all amounts available under subsection (a)(2)(B) for fiscal year 2020 are distributed to Tribal governments.

"(8) **DATA.**—For purposes of this subsection, the population of States and units of local governments shall be determined based on the most recent year for which data are available from the Bureau of the Census.

"(d) **USE OF FUNDS.**—A State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government that—

"(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);

"(2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and

"(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

"(e) **CERTIFICATION.**—In order to receive a payment under this section, a unit of local government shall provide the Secretary with a certification signed by the Chief Executive for the unit of local government that the local government's proposed uses of the funds are consistent with subsection (d).

#### "(f) INSPECTOR GENERAL OVERSIGHT; RECOUPMENT.—

"(1) **OVERSIGHT AUTHORITY.**—The Inspector General of the Department of the Treasury shall conduct monitoring and oversight of the receipt, disbursement, and use of funds made available under this section.

"(2) **RECOUPMENT.**—If the Inspector General of the Department of the Treasury determines that a State, Tribal government, or unit of local government has failed to comply with subsection (d), the amount equal to the amount of funds used in violation of such subsection shall be hooked as a debt of such entity owed to the Federal Government. Amounts recovered under this subsection shall be deposited into the general fund of the Treasury.

"(3) **APPROPRIATION.**—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Office of the Inspector General of the Department of the Treasury, \$35,000,000 to carry out oversight and recoupment activities under this subsection. Amounts appropriated under the preceding sentence shall remain available until expended.

"(4) **AUTHORITY OF INSPECTOR GENERAL.**—Nothing in this subsection shall be construed to diminish the authority of any Inspector General, including such authority as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

#### "(g) DEFINITIONS.—In this section:

"(1) **INDIAN TRIBE.**—The term "Indian Tribe" has the meaning given that term in section

(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 630(e)).

"(2) LOCAL GOVERNMENT.—The term 'unit of local government' means a county, municipality, town, township, village, parish, borough, or other unit of general government below the State level with a population that exceeds 500,000.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(4) STATE.—The term 'State' means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

"(5) TRIBAL GOVERNMENT.—The term 'Tribal government' means the recognized governing body of an Indian Tribe."

(b) APPLICATION OF PROVISIONS.—Amounts appropriated for fiscal year 2020 under section 601(A)(1) of the Social Security Act (as added by subsection (a)) shall be subject to the requirements contained in Public Law 118-91 for funds for programs authorized under sections 330 through 340 of the Public Health Service Act (42 U.S.C. 254 through 256).

**TITLE VI—MISCELLANEOUS PROVISIONS**

**SEC. 600. COVID-19 BORROWING AUTHORITY FOR THE UNITED STATES POSTAL SERVICE.**

(a) DEFINITIONS.—In this section—

(1) the term "COVID-19 emergency" means the emergency involving Federal primary responsibility determined to exist by the President under section 601(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)) with respect to the Coronavirus Disease 2019 (COVID-19); and

(2) the term "Postal Service" means the United States Postal Service.

(b) ADDITIONAL BORROWING AUTHORITY.—Notwithstanding section 2005 of title 39, United States Code, or any other provision of law, if the Postal Service determines that, due to the COVID-19 emergency, the Postal Service will not be able to fund operating expenses without borrowing money—

(1) the Postal Service may borrow money from the Treasury in an amount not to exceed \$10,000,000,000—

(A) to be used for such operating expenses; and

(B) which may not be used to pay any outstanding debt of the Postal Service; and

(2) the Secretary of the Treasury may lend up to the amount described in paragraph (1) at the request of the Postal Service, upon terms and conditions mutually agreed upon by the Secretary and the Postal Service.

(c) PRIORITIZATION OF DELIVERY FOR MEDICAL PURPOSES DURING COVID-19 EMERGENCY.—Notwithstanding any other provision of law, during the COVID-19 emergency, the Postal Service—

(1) shall prioritize delivery of postal products for medical purposes; and

(2) may establish temporary delivery points, in such form and manner as the Postal Service determines necessary, to protect employees of the Postal Service and individuals receiving deliveries from the Postal Service.

**SEC. 600S. EMERGENCY DESIGNATION.**

(a) IN GENERAL.—The amounts provided under this division are designated as an emergency requirement pursuant to section 412 of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 633(g)).

(b) DESIGNATION IN SENATE.—In the Senate, this division is designated as an emergency requirement pursuant to section 412(a) of H. Con. Res. 71 (116th Congress), the concurrent resolution on the budget for fiscal year 2018.

**DIVISION B—EMERGENCY APPROPRIATIONS FOR CORONAVIRUS HEALTH RESPONSE AND AGENCY OPERATIONS**

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2020, and for other purposes, namely:

**TITLE I**

**AGRICULTURAL PROGRAMS**

**OFFICE OF THE SECRETARY**

For an additional amount for the "Office of the Secretary", \$9,500,000,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus by providing support for agricultural producers impacted by coronavirus, including producers of specialty crops, producers that supply local food systems, including farmers markets, restaurants, and schools, and livestock producers, including dairy producers: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**OFFICE OF INSPECTOR GENERAL**

For an additional amount for the "Office of Inspector General", \$750,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That the funding made available under this heading in this Act shall be used for conducting audits and investigations of projects and activities carried out with funds made available in this Act to the Department of Agriculture to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**ANIMAL AND PLANT HEALTH INSPECTION SERVICE**

**SALARIES AND EXPENSES**

For an additional amount for "Salaries and Expenses", \$35,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for necessary expenses for salary costs associated with the Agriculture Quarantine and Inspection Program: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**AGRICULTURAL MARKETING SERVICE**

**MARKETING SERVICES**

For an additional amount for "Marketing Services", \$45,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including necessary expenses for injury costs associated with commodity grading, inspection, and audit activities: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**FOOD SAFETY AND INSPECTION SERVICE**

For an additional amount for "Food Safety and Inspection Service", \$35,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for support of temporary and intermittent workers, relocation of inspectors, and, notwithstanding 21 U.S.C. 468, 695 and 1033 and 7 U.S.C. 2210a, costs of overtime inspectors under the Federal Meat Inspec-

tion Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**FARM PRODUCTION AND CONSERVATION PROGRAMS**

**FARM SERVICE AGENCY**

For an additional amount for "Salaries and Expenses", \$3,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including necessary expenses to hire temporary staff and overtime expenses: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**RURAL DEVELOPMENT PROGRAMS**

**RURAL BUSINESS—COOPERATIVE SERVICE**

**RURAL BUSINESS PROGRAM ACCOUNT**

For an additional amount for "Rural Business Program Account", \$20,500,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, for the cost of loans for rural business development programs authorized by section 310B and described in subsection (g) of section 310B of the Consolidated Farm and Rural Development Act: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**RURAL UTILITIES SERVICE**

**DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM**

For an additional amount for "Distance Learning, Telemedicine, and Broadband Program", \$26,000,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus, domestically or internationally, for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 9602a(a) et seq.: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**DOMESTIC FOOD PROGRAMS**

**FOOD AND NUTRITION SERVICE**

**CHILD NUTRITION PROGRAMS**

For an additional amount for "Child Nutrition Programs", \$2,800,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**

For an additional amount for "Supplemental Nutrition Assistance Program", \$15,810,000,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally: *Provided*, That of the amount provided under this heading in this Act, \$15,810,000,000 shall be placed in a contingency reserve to be allocated as the Secretary deems necessary to support participation should cost or participation exceed budget estimates to prevent, prepare for, and respond to coronavirus: *Provided further*, That of the amount provided under this





**Coronavirus Relief Fund  
Guidance for State, Territorial, Local, and Tribal Governments  
April 22, 2020**

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The CARES Act established the Coronavirus Relief Fund (the "Fund") and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.<sup>1</sup>

The guidance that follows sets forth the Department of the Treasury's interpretation of these limitations on the permissible use of Fund payments.

***Necessary expenditures incurred due to the public health emergency***

The requirement that expenditures be incurred "due to" the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be "necessary." The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

***Costs not accounted for in the budget most recently approved as of March 27, 2020***

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget or (b) the cost

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<sup>1</sup> See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The "most recently approved" budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

***Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020***

A cost is "incurred" when the responsible unit of government has expended funds to cover the cost.

***Nonexclusive examples of eligible expenditures***

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
  - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
  - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
  - Costs of providing COVID-19 testing, including serological testing.
  - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
  - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
  - Expenses for communication and enforcement by State, territorial, local, and Tribal governments 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.
3. 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 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
  - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
  - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
  - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
  - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
  - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
  - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
  - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
  - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
  - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

***Nonexclusive examples of ineligible expenditures<sup>2</sup>***

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.<sup>3</sup>
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

<sup>2</sup> In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

<sup>3</sup> See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

Coronavirus Relief Fund  
Frequently Asked Questions  
Updated as of May 28, 2020

The following answers to frequently asked questions supplement Treasury's Coronavirus Relief Fund ("Fund") Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, ("Guidance").<sup>1</sup> Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

**Eligible Expenditures**

*Are governments required to submit proposed expenditures to Treasury for approval?*

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

*The Guidance says that funding can be used to meet 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 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the "substantially dedicated" condition?*

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

*The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a "substantially different use" for purposes of the Fund eligibility?*

Costs incurred for a "substantially different use" include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty's ordinary responsibilities.

Note that a public function does not become a "substantially different use" merely because it is provided from a different location or through a different manner. For example, although developing online instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

<sup>1</sup> The Guidance is available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

***May a State receiving a payment transfer funds to a local government?***

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

***May a unit of local government receiving a Fund payment transfer funds to another unit of government?***

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

***Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?***

No. For example, a county recipient is not required to transfer funds to smaller cities within the county's borders.

***Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?***

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

***Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?***

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

***Are States permitted to use Fund payments to support state unemployment insurance funds generally?***

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

***Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?***

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

***The Guidance states that the Fund may support a "broad range of uses" including payroll expenses for several classes of employees whose services are "substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What are some examples of types of covered employees?***

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

***In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers' compensation coverage. Is the cost of this expanded workers compensation coverage eligible?***

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

***If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?***

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

***May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?***

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

***May Fund payments be used for COVID-19 public health emergency recovery planning?***

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

***Are expenses associated with contact tracing eligible?***

Yes, expenses associated with contract tracing are eligible.

***To what extent may a government use Fund payments to support the operations of private hospitals?***

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

***May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?***

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

***May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?***

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

***Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?***

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

***May recipients create a "payroll support program" for public employees?***

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

***May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?***

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.



***May recipients use Fund 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?***

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, 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. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

***The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a "small business," and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?***

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

***The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?***

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

***May Fund payments be used to assist impacted property owners with the payment of their property taxes?***

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

***May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?***

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

***Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?***

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

***The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of "hazard pay"?***

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

***The Guidance provides that ineligible expenditures include "[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency." Is this intended to relate only to public employees?***

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers' employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

***May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?***

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

***Must a stay-at-home order or other public health mandate be in effect in order for a government to provide assistance to small businesses using payments from the Fund?***

No. The Guidance provides, as an example of an eligible use of payments from the Fund, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. Such assistance may be provided using amounts received from the Fund in the absence of a requirement to close businesses if the relevant government determines that such expenditures are necessary in response to the public health emergency.

***Should States receiving a payment transfer funds to local governments that did not receive payments directly from Treasury?***

Yes, provided that the transferred funds are used by the local government for eligible expenditures under the statute. To facilitate prompt distribution of Title V funds, the CARES Act authorized Treasury to make direct payments to local governments with populations in excess of 500,000, in amounts equal to 45% of the local government's per capita share of the statewide allocation. This statutory structure was based on a recognition that it is more administratively feasible to rely on States, rather than the federal government, to manage the transfer of funds to smaller local governments. Consistent with the needs of all local governments for funding to address the public health emergency, States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. This approach will ensure equitable treatment among local governments of all sizes.

For example, a State received the minimum \$1.25 billion allocation and had one county with a population over 500,000 that received \$250 million directly. The State should distribute 45 percent of the \$1 billion it received, or \$450 million, to local governments within the State with a population of 500,000 or less.

***May a State impose restrictions on transfers of funds to local governments?***

Yes, to the extent that the restrictions facilitate the State's compliance with the requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance and other applicable requirements such as the Single Audit Act, discussed below. Other restrictions are not permissible.

***If a recipient must issue tax anticipation notes (TANs) to make up for tax due date deferrals or revenue shortfalls, are the expenses associated with the issuance eligible uses of Fund payments?***

If a government determines that the issuance of TANs is necessary due to the COVID-19 public health emergency, the government may expend payments from the Fund on the accrued interest expense on TANs and unbudgeted administrative and transactional costs, such as necessary payments to advisors and underwriters, associated with the issuance of the TANs.

***May recipients use Fund payments to expand rural broadband capacity to assist with distance learning and telework?***

Such expenditures would only be permissible if they are necessary for the public health emergency. The cost of projects that would not be expected to increase capacity to a significant extent until the need for distance learning and telework have passed due to this public health emergency would not be necessary due to the public health emergency and thus would not be eligible uses of Fund payments.

***Are costs associated with increased solid waste capacity an eligible use of payments from the Fund?***

Yes, costs to address increase in solid waste as a result of the public health emergency, such as relates to the disposal of used personal protective equipment, would be an eligible expenditure.

***May payments from the Fund be used to cover across-the-board hazard pay for employees working during a state of emergency?***

No. The Guidance says that funding may be used to meet 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 public health emergency. Hazard pay is a form of payroll expense and is subject to this limitation, so Fund payments may only be used to cover hazard pay for such individuals.

**NAVAJO NATION CARES FUND  
HARDSHIP ASSISTANCE EXPENDITURE PLAN<sup>1</sup>**

**I. PURPOSE:**

The purpose of the Hardship Assistance Expenditure Plan is to allow for the use and expenditure of forty-nine million four hundred fifty-four thousand four hundred sixteen dollars (\$49,454,416) of Navajo Nation CARES Funds for emergency financial assistance to enrolled Navajo tribal members for purchasing Personal Protective Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-related expenses, education-related expenses incurred due to the COVID 19 pandemic, and other financial burdens caused by the COVID-19 pandemic and incurred since March 1, 2020. The expenditures set forth in this Expenditure Plan are necessary in order to relieve the financial burdens imposed on Navajo households, students, participants in the informal economy, and dependents by the pandemic and public health orders, but shall not exceed fifteen hundred dollars (\$1500) per person over the age of 18 years as of March 1, 2020 and five hundred dollars (\$500) per person under the age of 18 years as of March 1, 2020. Emergency financial assistance under this Expenditure Plan shall not be income based or restricted.

The federal CARES Act, Title V, 5001, entitled "Coronavirus Relief Funds" requires these funds be used to 1) cover costs that are necessary expenditures incurred due to the public health emergency with respect to the COVID-19; 2) were not accounted for in the budget most recently approved, as of March 27, 2020; and 3) incurred during the period that begins on March 1, 2020 and ends on December 30, 2020. Per the U.S. Department of Treasury's (Treasury) Guidance, dated May 4, 2020, eligible expenditures include expenses for general assistance for, including but not limited to, purchasing PPE, past due utilities, rent, isolation expenses and other financial burdens caused by COVID-19.

**II. AFFIRMATION OF FUND USE**

Any program, department, office or other entity receiving funding hereunder affirms that they will use these funds in accordance with the purposes set forth in Title V of the Coronavirus Aid, Relief, and Economic Security Act (the "federal CARES Act") as enacted by the United States Congress and found in Public Law 116-136 (2020).

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<sup>1</sup> As amended by Navajo Nation Council Resolution No. CS-74-20.

## EXHIBIT 2

### IV. ADMINISTRATOR OF FUNDS

The Executive Branch, through the Office of the Controller, is responsible for administering the Expenditure Plan and shall develop eligibility criteria and an application and approval process ensuring that any funds disbursed comply with Title V of the CARES Act and Treasury guidance.

The Budget and Finance Committee, shall review, and if necessary, amend, then approve the eligibility criteria and approval process plan after recommendation of Health, Education, and Human Services Committee.

### III. MONITORING

The Office of the Controller shall be responsible for overseeing and monitoring the expenditure of these funds.

### V. MEANS OF FUNDING

The Expenditure Plan funds shall be released to the Office of the Controller once the Expenditure Plan is duly adopted and expedited budgets are implemented.

### VI. ACCOUNTING AND REPORTING REQUIREMENTS

Title V CARES Act Funds, as appropriated by Congress and received by the Nation, are considered federal financial assistance received by the Navajo Nation for specified uses; and are subject to the restrictions outlined in the Treasury Guidance and as set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act. The CARES Act has a CFDA No. 21.019; therefore, the funding received by the Nation is subject to GASB, Uniform Guidance/Super Circular guidelines, and the Single Audit Act and any other applicable rules, regulations, and guidance.

### VII. OVERSIGHT COMMITTEE

The Health, Education, and Human Services Committee (HEHSC) and the Budget and Finance Committee (BFC) shall provide oversight as HEHSC has oversight over social services matters and BFC has oversight over externally restricted funding.

### IX. AFFIRMATION OF ADMINISTRATION AND MANAGEMENT

The Office of the Controller and any entity receiving funding thereunder affirms it will administer, manage, and implement the funds allocated to it in this expenditure plan consistent with the federal CARES Act, the Treasury Guidance, as well as other applicable laws and regulations of the Navajo Nation.

**ORIGINAL  
LEGISLATION**

**VOTE TALLY**

**NAVAJO NATION**

494

Navajo Nation Council Special Session

9/24/2020  
05:10:34 PM

Amd#1 to Amd# Page 2, line 16,  
MOT Begay, E delete 014  
SEC Crotty

**PASSED**

**Yeas : 17      Nays : 0      Excused : 1      Not Voting : 5**

**Yea : 17**

Begay, E	Freeland, M	Stewart, W	Tso, E
Begay, K	Halona, P	Tso	Wauneka, E
Begay, P	James, V	Tso, C	Yazzie
Charles-Newton Crotty	Slater, C	Tso, D	Yellowhair

**Nay : 0**

**Excused : 1**

Damon

**Not Voting : 5**

Brown	Henio, J	Smith	Walker, T
Daniels			

**Presiding Speaker: Nez, R**



NAVAJO NATION

495

Navajo Nation Council Special Session

9/24/2020  
08:03:18 PM

Amd#2 to Amd#

Page 1, line 13, page 3, line  
29, and page 4, line 8, delete  
\$175,000,000 & insert  
\$49,454,416

PASSED

MOT Crotty  
SEC Tso, E

<sup>16</sup>  
Yeas : 15

<sup>4</sup>  
Nays : 3

Excused : 1

Not Voting : 4

Yea : 15

Begay, E  
Begay, K  
Begay, P  
Charles-Newton

Crotty  
Freeland, M  
Henio, J  
Slater, C

Tso  
Tso, C  
Tso, D  
Tso, E

Wauneka, E  
Yazzie  
Yellowhair

Nay : 3

Daniels

Smith

Stewart, W

Excused : 1

Damon

Not Voting : 4

James, V — *N*

Walker, T *W*

Halona, P

Brown

Presiding Speaker: Nez, R

**NAVAJO NATION**

496

Navajo Nation Council Special Session

9/24/2020  
08:22:29 PM

Amd# to Amd#

Legislation No. 0201-20

PASSED

MOT James, V

Adding \$49,454,416 to the

SEC Stewart, W

Cares Fund Hardship Assistance

Expenditure Plan Enacted by....

**Yeas : 21**

**Nays : 1**

**Excused : 1**

**Not Voting : 0**

**Yea : 21**

Begay, E

Daniels

Smith

Tso, E

Begay, K

Freeland, M

Stewart, W

Walker, T

Begay, P

Henio, J

Tso

Wauneka, E

Brown

James, V

Tso, C

Yazzie

Charles-Newton

Slater, C

Tso, D

Yellowhair

Crotty

**Nay : 1**

Halona, P

**Excused : 1**

Damon

**Not Voting : 0**

**Presiding Speaker: Nez, R**

CS-74-20

HEALTH EDUCATION AND HUMAN SERVICES COMMITTEE

NO AMENDMENT

BUDGET AND FINANCE COMMITTEE

THREE AMENDMENTS

NAABIKIYATI COMMITTEE

NO AMENDMENT

NAVAJO NATION COUNCIL

TWO AMENDMENTS

**Navajo Nation Council Special Session, 24SEPT2020**

**Call meeting to order: 10:28 am**

**Roll Call: 15 members present (including Speaker Pro Tem R. Nez)**

**Invocation: Provided during AM meeting (D. Tso)**

**Recognize Guests: P. Begay, E. Yazzie, E. Charles-Newton, M. Freeland, O. Tso, H. Daniels, C. Slater**

**Adopt the Agenda:**

**M: K.A. Begay, Jr.**

**S: E. Charles-Newton**

**V: 21 in favor, 0 opposed (Speaker Pro Tem R. Nez not voting)**

**Amendment #1**

**Motion to add legislation 0229-20, 0201-20, and 0222-20 to the agenda.**

**M: D. Tso**

**S: C. Slater**

**V: 20 in favor, 0 opposed (Speaker Pro Tem R. Nez not voting)**

**Reports: None**

**Old Business**

**Recess (11:30 pm): 30 mins**

**Roll Call (12:11 pm): 20 members present (Including Speaker Pro Tem R. Nez)**

**Recess (12:30 pm): 1 hour**

**Roll Call (1:45 pm): 20 members present (including Speaker Pro Tem R. Nez)**

**Motion to cease debate**

**M: O. Tso**

**S: E. Wauneka**

**V: 17 in favor, 4 opposed (Speaker Pro Tem R. Nez)**

**Legislation 0197-20**

**M: P. Halona**

**S: R. Smith, Jr.**

**V: 21 in favor, 0 opposed (Speaker Pro Tem R. Nez not voting)**

**Amendment #3**

1. On page 1, line 14, after "PLAN", insert ; AMENDING CARES FUND ECONOMIC DEVELOPMENT RELIEF FUNDS AND PROJECTS EXPENDITURE PLAN ADOPTED BY CJY-67-20

2. On page 4, line 5, insert new paragraph as follows:

A. The Navajo Nation hereby adds an additional nineteen million six hundred thousand dollars (\$19,600,000) allocation to the Navajo Nation CARES Fund Economic Development Relief Funds and Projects Expenditure Plan adopted by CJY-67-20, attached as Exhibit 5; and amends the Plan to include that the \$19,600,000 be dedicated to providing relief and assistance to Navajo ranchers and farmers

3. On page 3, line 27, delete ~~CHAPTER DISTRIBUTION EXPENDITURE PLAN~~, and insert EXPENDITURE PLANS

4. On page 4, line 21, delete ~~CHAPTER DISTRIBUTION EXPENDITURE PLAN~~, and insert EXPENDITURE PLANS

5. On page 4, line 24, delete ~~Chapter Distribution Expenditure Plan~~, and insert CARES Fund Expenditure Plans adopted herein

6. On page 4, line 25, delete ~~Exhibit 2~~, and insert their respective Expenditure Plans.

7. On page 7, line 15, delete ~~Chapter Distribution Expenditure Plan~~, and insert CARES Fund Expenditure Plans adopted here

8. Insert attached **Exhibit 5**.

9. Insert the following language at end of the first sentence of the second full paragraph under the Purpose section of Exhibit 5:

and nineteen million six hundred thousand dollars (\$19,600,000) for relief to Navajo farmers and ranchers

10. Increase any cumulative amounts set forth in the Economic Development Relief Funds and Projects Expenditure Plan, if necessary, to account for this amendment.

11. Office of Legislative Services and Office of Legislative Counsel are to amend Economic Development Relief Funds and Projects Expenditure Plan to account for this amendment.

12. Renumber or re-letter succeeding paragraphs, sections, and/or exhibits accordingly, if necessary; and this amendment shall supersede inconsistent language contained in any other committee amendment, which shall be conformed to the intent or language of this amendment. The Office of Legislative Services, with notice to the sponsor(s) of the Legislation, is hereby authorized to make necessary grammatical changes.

M: W. Stewart, Jr.

S: NO SECOND MOTION H. Daniels, Jr. (withdrawn)

V:

Legislation 0201-20

M: V. James

S: W. Stewart, Jr.

V: 21 in favor, 1 opposed (Speaker ProTem R. Nez not voting)

~~Amendment #1~~

1. On page 4, line 11, add new paragraph as follows

B. The Hardship Assistance Expenditure Plan shall prioritize assistance to those Navajo individuals who (1) are hospitalized due to COVID-19 and their families who must travel long distances to make medical decisions for them; and (2) are in isolations due to COVID-19 far from their home and family; and/or those Navajo families who have lost immediate family members to COVID-19.

2. Office of Legislative Services and Office of Legislative Counsel are to amend the Hardship Assistance Expenditure Plan, if necessary, to account for this amendment.
3. Renumber or re-letter succeeding paragraphs, sections, and/or exhibits accordingly, if necessary; and this amendment shall supersede inconsistent language contained in any other committee amendment, which shall be conformed to the intent or language of this amendment. The Office of Legislative Services, with notice to the sponsor(s) of the Legislation, is hereby authorized to make necessary grammatical changes.

M: E. Tso (withdrawn)

S: M. Freeland (withdrawn)

V:

#### Amendment #1

1. Page 2, line 16, delete 014 and insert 023

2. Page 2, line 20, add new sentence: COVID-19 cases and COVID-related deaths on the Navajo Nation have not subsided and continue to rise.

M: E. Begay

S: A.K. Crotty

V: 17 in favor, 0 opposed (Speaker ProTem R. Nez not voting)

#### Amendment #2

1. On page 1, line 13; page 3, line 29; and page 4, line 8; delete ~~one hundred seventy five million dollars (\$175,000,000)~~ and insert forty seven million nine four hundred fifty-four thousand four hundred sixteen dollars (\$47,900,000 49,454,416).

2. Office of Legislative Services and Office of Legislative Counsel are to amend the Hardship Assistance Expenditure Plan, if necessary, to account for this amendment.

3. Renumber or re-letter succeeding paragraphs, sections, and/or exhibits accordingly, if necessary; and this amendment shall supersede inconsistent language contained in any other committee amendment, which shall be conformed to the intent or language of this amendment. The Office of Legislative Services, with notice to the sponsor(s) of the Legislation, is hereby authorized to make necessary grammatical changes.

M: A.K. Crotty

S: E. Tso

V: 16 in favor, 4 opposed (Speaker ProTem R. Nez not voting)

Motion to refer legislation 0201-20 back to the Budget and Finance Committee

M: V. James (withdrawn)

S: E. Charles-Newton (withdrawn)

V:

Legislation 0229-20

M: E. Yazzie

S: P. Halona

V: 21 in favor, 0 opposed (Speaker Pro Tem R. Nez not voting)

legislation 0222-20

M: V. James

S: K.A. Begay, Jr.

V: 16 in favor, 5 opposed (Speaker Pro Tem R. Nez not voting)

Motion to table legislation 0222-20 for no later than 21 days for further research.

M: E. Yazzie

S: J. Yellowhair

V: 10 in favor, 11 opposed (Speaker Pro Tem R. Nez not voting)

Amendment #1

1. On page 3, line 13, after "designee", insert or pursuant to the pilot project created by CJN-24-19 and any extensions
2. Renumber or re-letter succeeding paragraphs, sections, and/or exhibits accordingly, if necessary; and this amendment shall supersede inconsistent language contained in any other committee amendment, which shall be conformed to the intent or language of this amendment. The Office of Legislative Services, with notice to the sponsor(s) of the Legislation, is hereby authorized to make necessary grammatical changes.

M: V. James

S: W. Stewart, Jr.

V: 16 in favor, 4 opposed (Speaker Pro Tem R. Nez not voting)

Motion to adjourn: 11:10 pm

M: E. Yazzie

S: V. James

V: 19 in favor, 0 opposed (Speaker Pro Tem R. Nez not voting)



**Navajo Nation  
CARES Fund Hardship Assistance Program Application**

**PROGRAM SUMMARY**

The Navajo Nation CARES Fund Hardship Assistance Program (Hardship Assistance Program) was established under Resolution No. CJY-67-20 and Resolution No. CS-74-20 and developed to support enrolled members of the Navajo Nation (Nation) who have been impacted by the COVID-19 pandemic. The Hardship Assistance Program will be funded by the Navajo Nation CARES (Coronavirus Aid, Response, and Economic Stimulus) Fund. In order to receive funding, individuals must show a financial impact resulting from the COVID-19 pandemic by completing and submitting the following application. Applications will be accepted until November 30, 2020. Final determination of payment will be based upon both 1) demonstrated need and 2) funding available to the program at the time the application is approved subsequent to the application deadline.

**ELIGIBILITY REQUIREMENTS**

1. **Financial Hardship:** Enrolled members will be required to attest that they have experienced a loss of income, reduced income, financial hardship, or increased expenses, resulting from the COVID-19 pandemic, and that they have been negatively impacted by the COVID-19 pandemic.
2. **Tribal Enrollment:** All persons listed as a funding recipient in SECTION 3 must be an enrolled member of the Navajo Nation as of the date of application.
3. **Residency Requirement:** Enrolled members living on- and off- reservation may apply for payments under the Hardship Assistance Program.

If you have any questions regarding eligibility or the application, please call 1-xxx-xxx-xxxx or e-mail [xxxxxxxx@nnooc.org](mailto:xxxxxxxx@nnooc.org).



**SECTION 1. Who are you applying for? Please initial ONE SELECTION ONLY.**

- Myself
- Myself and others (e.g., spouse, minors, other adults)
- On behalf of an eligible member(s)

**SECTION 2. Contact Information -- Primary Applicant**

First Name											Last Name																										
Address Line 1																																					
Address Line 2																																					
City																State						Zip															
Email																																					
Phone																Preferred Contact Method:																					
																<input type="checkbox"/> Phone						<input type="checkbox"/> Email						<input type="checkbox"/> Mail									
Payment Option:																<input type="checkbox"/> Pick Up																<input type="checkbox"/> Mail					

**SECTION 3. All Fund Recipient(s)**

Please list yourself, spouse, and/or other persons living with you in your home who meet the definition of "dependent" based on your federal tax filings. All persons listed below may only be claimed by one individual. Individual checks will be sent to each individual listed below who meets the established eligibility requirements noted above. Amount requested should be based on demonstrated need. Demonstrated need is defined as additional expenses or loss of income resulting from the COVID-19 pandemic. Adults over the age of 18 years are eligible to receive up to \$1,500 and minors under the age of 18 are eligible to receive up to \$500 per person.

<b>List Total Amount Requested Based on Demonstrated Need</b>	Amount \$										
---	-----------	--	--	--	--	--	--	--	--	--	--

First Name											Last Name																					
Census Number											Last 4 of SSN											Date of Birth (MMDDYYYY)										
Relationship:																Amount \$																
Chapter Affiliation																																

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

First Name	Last Name	
Census Number	Last 4 of SSN	Date of Birth (MMDDYYYY)
Relationship:		Amount \$
Chapter Affiliation		

**SECTION 4. Financial Hardship**

**Eligible Expenses:** Applicants must use funds received from the Hardship Assistance Program to cover the costs of expenses or lost income that resulted from the COVID-19 pandemic. Funds must be used to reimburse or pay reasonable and necessary personal, family, living, or funeral expenses incurred, including, but not limited to, rent, utilities, childcare, healthcare costs, purchase of personal protective equipment, and cost of food and fuel incurred during the period March 1, 2020 through December 30, 2020.

*Initial all that apply*

- I/We have experienced a loss of income or other financial hardship resulting from unemployment, furlough, or layoff due to the COVID-19 pandemic;
- I/We have experienced a reduction in income resulting from a loss of hours worked or a decrease in the rate of pay due to the COVID-19 pandemic;
- I/We have purchased personal protective equipment to help prevent the spread of COVID-19;
- I/We have been unable to pay past due utility bills as a result of economic hardship due to the COVID-19 pandemic;
- I/We have been unable to pay some or all of my rent or mortgage payments as a result of economic hardship due to the COVID-19 pandemic;
- I/We have had expenses related to isolation related to the COVID-19 pandemic;
- I/We have had livestock-related expenses that were incurred due to the COVID-19 pandemic;
- I/We have had education-related expenses that were incurred due to the COVID-19 pandemic;
- I/We have experienced OTHER economic hardship associated with the COVID-19 pandemic. Please describe below:

## **SECTION 5. Certifications and Authorizations**

By signing below, you make the following representations, authorizations, and certifications:

I certify on behalf of myself and all fund recipient(s) that:

1. I am or We are eligible to receive a Hardship Assistance Program payment under the laws, policy, and rules issued by the Navajo Nation in effect at the time this application is submitted;
2. All information in this Hardship Assistance Program application is true and does not contain any false or misleading information;
3. All statements in this Hardship Assistance Program application were made with the knowledge that a conviction of fraud, forgery, criminal impersonation and/or deceptions, is punishable by restitution or nályééh AND imprisonment for a term not greater than one year per offense, under 17 N.N.C. § 223;
4. Any Hardship Assistance Program payments received through forgery, as defined in 17 N.N.C. § 340, shall be subject to IMMEDIATE repayment to the Navajo Nation, and restitution or nályééh, as determined by a Navajo court;
5. Any Hardship Assistance Program payments received through misrepresentation or fraud, as defined in 17 N.N.C. § 335, shall be subject to IMMEDIATE repayment to the Navajo Nation, and restitution or nályééh, as determined by a Navajo Nation court;
6. Any Hardship Assistance Program payments received through criminal impersonation, as defined in 17 N.N.C § 343, shall be subject to IMMEDIATE repayment to the Navajo Nation, and restitution or nályééh, as determined by a Navajo Nation court; and
7. Any Hardship Assistance Program payments received through deception, as defined in 17 N.N.C. § 342, shall be subject to IMMEDIATE repayment to the Navajo Nation, and restitution or nályééh, as determined by a Navajo Nation court.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

**BUDGET AND FINANCE COMMITTEE**

**15 October 2020**

Special Meeting

**VOTE TALLY SHEET:**

**Legislation No. 0251-20:** An Action Relating to Health Education and Human Services and Budget and Finance Committees; Approving CARES Fund Hardship Assistance Expenditure Plan Eligibility Criteria and Application Process *Sponsored by Carl Slater, Seth A. Damon, and Edison J. Wauneka, Council Delegates*


*Motion: Amber K. Crotty*

*Second: Jimmy Yellowhair*

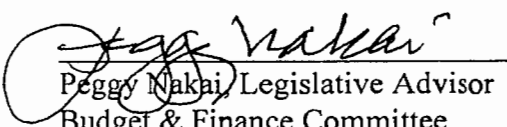
*Vote: 5-0, Chairman not voting; with 3 amendments*

**Final Vote Tally:**

Jamie Henio		
Jimmy Yellowhair	<b>yea</b>	
Raymond Smith Jr.	<b>yea</b>	
Elmer P. Begay	<b>yea</b>	
Amber K. Crotty	<b>yea</b>	
Nathaniel Brown	<b>yea</b>	



Jamie Henio, Chairman  
Budget & Finance Committee



Peggy Nakai, Legislative Advisor  
Budget & Finance Committee



**NAVAJO NATION CARES FUND**  
***PHASE II* HARDSHIP ASSISTANCE EXPENDITURE PLAN**

I. PURPOSE:

The purpose of the PHASE II Hardship Assistance Expenditure Plan is to allow for the use and expenditure of the unused balance of the Hardship Assistance Expenditure Plan as reallocated per NABID-63-20, and including earned interest income, to provide emergency financial assistance to enrolled Navajo members who have not previously received Hardship Assistance for purchasing Personal Protective Equipment, paying past due utility bills, rent, mortgages, isolation expenses, livestock-related expenses, education-related expenses incurred due to the COVID 19 pandemic, and other financial burdens caused by the COVID-19 pandemic and incurred since March 1, 2020. The expenditures set forth in this PHASE II Expenditure Plan are necessary in order to relieve the financial burdens imposed on Navajo households, students, participants in the informal economy, and dependents by the pandemic and public health orders, but shall not exceed fifteen hundred dollars (\$1500) per person over the age of 18 years as of March 1, 2020 and five hundred dollars (\$500) per person under the age of 18 years as of March 1, 2020. The per-person amounts under the PHASE II Expenditure Plan shall be prorated to account for funds available.

Financial assistance under this PHASE II Expenditure Plan shall not be income based or restricted.

The federal CARES Act, Title V, 5001, entitled “Coronavirus Relief Funds”, as amended by Division N, Title X, Section 1001 of the Consolidated Appropriations Act of 2021, requires these funds be used to 1) cover costs that are necessary expenditures incurred due to the public health emergency with respect to the COVID-19; 2) were not accounted for in the budget most recently approved, as of March 27, 2020; and 3) incurred during the period that begins on March 1, 2020 and ends on December 30, 2021. Per the U.S. Department of Treasury’s (Treasury) Guidance, dated January 15, 2021, eligible expenditures include expenses for general assistance for, including but not limited to, purchasing PPE, past due utilities, rent, isolation expenses and other financial burdens caused by COVID-19.

II. AFFIRMATION OF FUND USE

Any program, department, office or other entity receiving funding hereunder affirms that they will use these funds in accordance with the purposes set forth in Title V of the

Coronavirus Aid, Relief, and Economic Security Act (the “federal CARES Act”) as amended by Division N, Title X, Section 1001 of the Consolidated Appropriations Act of 2021.

IV. ADMINISTRATOR OF FUNDS

The Executive Branch, through the Office of the Controller, is responsible for implementing and administering the PHASE II Expenditure Plan.

III. MONITORING

The Office of the Controller shall be responsible for overseeing and monitoring the expenditure of these funds.

V. MEANS OF FUNDING

The PHASE II Expenditure Plan funds shall be made available to the Office of the Controller once the PHASE II Expenditure Plan is duly adopted and expedited budgets are implemented.

The Office of the Controller shall establish, publish, and implement a sixty (60) day application period for eligible Navajos who have not previously received Hardship Assistance funds; the eligibility criteria and application forms for Phase II Hardship Assistance Expenditure Plan funds shall be substantially the same as approved by BFO-32-20 unless recommended otherwise by the Health Education and Human Service Committee or Budget and Finance Committee through resolution.

VI. ACCOUNTING AND REPORTING REQUIREMENTS

Title V CARES Act Funds, as appropriated by Congress and received by the Nation, are considered federal financial assistance received by the Navajo Nation for specified uses; and are subject to the restrictions outlined in the Treasury Guidance and as set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act. The CARES Act has a CFDA No. 21.019; therefore, the funding received by the Nation is subject to GASB, Uniform Guidance/Super Circular guidelines, and the Single Audit Act and any other applicable rules, regulations, and guidance.

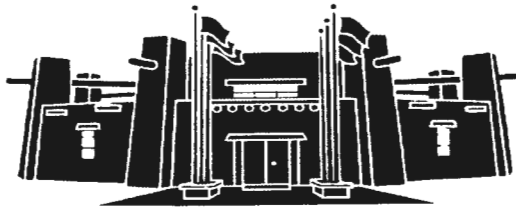
VII. OVERSIGHT COMMITTEE

The Health, Education, and Human Services Committee (HEHSC) and the Budget and Finance Committee (BFC) shall provide oversight as HEHSC has oversight over social services matters and BFC has oversight over externally restricted funding.

IX. AFFIRMATION OF ADMINISTRATION AND MANAGEMENT

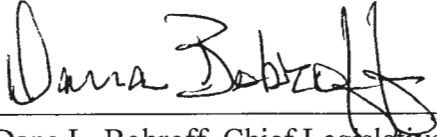
The Office of the Controller and any entity receiving funding thereunder affirms it will administer, manage, and implement the funds allocated to it in this expenditure plan consistent with the federal CARES Act, the Treasury Guidance, as well as other applicable laws and regulations of the Navajo Nation.





## MEMORANDUM

TO: Honorable Eugene Tso, Sponsor  
Honorable Eugenia Charles-Newton, Co-Sponsor  
Honorable Jimmy Yellowhair, Co-Sponsor  
Honorable Vince James, Co-Sponsor  
24<sup>th</sup> Navajo Nation Council

FROM:   
Dana L. Bobroff, Chief Legislative Counsel  
Office of Legislative Counsel

DATE: June 8, 2021

SUBJECT: **AN ACTION RELATING TO HEALTH EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; ENACTING THE NAVAJO NATION CARES FUND PHASE II HARDSHIP ASSISTANCE EXPENDITURE PLAN; ALLOCATING NAVAJO NATION CARES FUND INVESTMENT EARNINGS THERETO**

I have prepared the above-referenced proposed resolution and associated legislative summary sheet pursuant to your request for legislative drafting. Based on existing law and review of documents submitted, the resolution as drafted is legally sufficient. As with any action of government however, it can be subject to review by the courts in the event of proper challenge.

The Office of Legislative Counsel confirms the appropriate standing committee(s) based on the standing committees powers outlined in 2 N.N.C. §§301, 401, 501, 601 and 701. Nevertheless, “the Speaker of the Navajo Nation Council shall introduce [the proposed resolution] into the legislative process by assigning it to the respective oversight committee(s) of the Navajo Nation Council having authority over the matters for proper consideration.” 2 N.N.C. §164(A)(5).

Please ensure that his particular resolution request is precisely what you want. You are encouraged to review the proposed resolution to ensure that it is drafted to your satisfaction.

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0094-21\_

SPONSOR: Eugene Tso

**TITLE: An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto**

*Date posted:* June 9, 2021 at 5:11 PM

Digital comments may be e-mailed to [comments@navajo-nsn.gov](mailto:comments@navajo-nsn.gov)

Written comments may be mailed to:

**Executive Director  
Office of Legislative Services  
P.O. Box 3390  
Window Rock, AZ 86515  
(928) 871-7586**

**Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.**

**Please note:** This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*

**THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW SUMMARY**

**LEGISLATION NO.:** 0094-21

**SPONSOR:** Honorable Eugene Tso

**TITLE:** An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto

**Posted:** June 9, 2021 at 5:11 PM

**5 DAY Comment Period Ended:** June 14, 2021

**Digital Comments received:**

<b>Comments Supporting</b>	1.) Daniel Murphy 2.) Marie Rose 3.) Tino Redsteer
<b>Comments Opposing</b>	<i>None</i>
<b>Comments/Recommendations</b>	<i>None</i>


---

**Legislative Tracking Secretary  
Office of Legislative Services**

June 15, 2021 8:00 AM  
**Date/Time**

# Legislation 0094-21

Murphy, Daniel <danielmurphy@sandersusd.net>

Fri 6/11/2021 4:21 PM

To: Raymond Smith Jr. <rsmithjr@navajo-nsn.gov>; comments <comments@navajo-nsn.gov>;

June 11, 2021

To : Honorable Mr. Raymond Smith  
Navajo Nation Council Delegate &  
Navajo Nation Legislative Branch

From: Daniel Murphy- Navajo Nation Member/DM  
Houck AZ Community member

Houck AZ 86506

[Daneyol82@gmail.com](mailto:Daneyol82@gmail.com)

Reference: **Legislation No: 0094-21** Navajo Nation Cares Fund Phase II Hardship Assistance

Please support the Legislation No: 0094-21. Some of my nieces , nephews , their children did not apply the first time or their application had some problems. Also some of my siblings as well, with their children. They all work, attend Schools and reside off the Navajo Reservation. They can now have some time to enroll or update their census enrollment. They sure do need assistance, they all have their needs. Some are single parents.

Thank you

--

Daniel Murphy- Navajo Nation Member Houck AZ

Houck, AZ 86506

[Daneyol82@gmail.com](mailto:Daneyol82@gmail.com)

WARNING: External email. Please verify sender before opening attachments or clicking on links.

0007-19

Marie Rose <wiyaa\_rose@hotmail.com>

Sat 6/12/2021 6:30 PM

To:comments <comments@navajo-nsn.gov>;

I agree with Legislation 94-21. Phase II Hardship Expenditure Plan where those who did not receive the first hardship funds will receive the hardship fund. I applied for my niece, she never received it. I don't know what happened to her application and many other community members that applied at the chapter house

Sent via the Samsung Galaxy Note20 5G, an AT&T 5G smartphone

[Get Outlook for Android](#)

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# Legislation #0094-21, CARES ACT HARDSHIP, PHASE II.

Tino Redsteer <[tinoredsteer@gmail.com](mailto:tinoredsteer@gmail.com)>

Mon 6/14/2021 7:45 PM

To:comments <[comments@navajo-nsn.gov](mailto:comments@navajo-nsn.gov)>;

Please approve this effort to pay-out those Dine' who were unable to participate in the 2020 Hardship Disbursement Program of CARES ACT LAW.

There were many problems in administrative process and THE 1st time we have had such a program created even more problems. There remains a great need to take care of those Dine' in dire, dire need. Many of our Elder and Special Needs Relatives submitted applications without a reasonable effort made on NNGOV's part in securing all Chapter-submitted, special-numbered applications'. They were victimized by poor services and no verifications. The end of program was different than what was first presented. The status for Elders and Special Needs Dine' was LOST at the Nov. 30 deadline.

Please make this a FAIR PROCESS WHICH INCLUDES ALL DINE'.

VOTE GREEN ON #0094-21 !!!!

Ahee' hee'.

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**THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW SUMMARY**

**LEGISLATION NO.:** 0094-21

**SPONSOR:** Honorable Eugene Tso

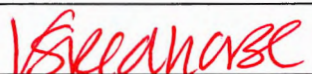
**TITLE:** An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto

**Posted:** June 9, 2021 at 5:11 PM

**5 DAY Comment Period Ended:** June 14, 2021

**Digital Comments received:**

<b>Comments Supporting</b>	1.) Martina Mary Boy 2.) Connie Zahney 3.) Gwenyth Miller 4.) Dinah Paul 5.) Anita Curley 6.) Martina Six-Begay 7.) Kathy Bert 8.) Laura Franklin 9.) Velma Wilson 10.) Renaldo Benally 11.) Legena Wagner 12.) Sooner Brady 13.) Joanne Todecheene 14.) Sharon Goodluck Eluska
<b>Comments Opposing</b>	<i>None</i>
<b>Comments/Recommendations</b>	1.) Vanessa Frank 2.) Everett Charles Ross

  
 Legislative Tracking Secretary  
 Office of Legislative Services

June 16, 2021 9:00 AM

Date/Time

# Hardship

Martina Maryboy <mmaryboy73@gmail.com>

Tue 6/15/2021 11:07 PM

To:comments <comments@navajo-nsn.gov>;

Ya'ah'teeh

In regards to the hardship that most people have received, but in kids case they didn't receive theirs and my adult son also sent in he's info and attached a CIB as well. At the time I was told the CIB office had lost some data.

It would be great if they can receive it, because we weren't at fault with this virus. I think the dine ppl that didn't receive should be still obligated to a check.

Ahe hee

Martina Maryboy

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# CARES HARDSHIP

Connie Zahney <conniezahney@yahoo.com>

Tue 6/15/2021 11:07 PM

To: comments <comments@navajo-nsn.gov>;

I'm forwarding the disappointing email we received when my husband followed up for the 2nd time on myself and our Nephew's Cares Hardship checks and was told they had no application on us. Back on January 18th, when my husband had first called to follow up on our application, the "guy" he had spoken to verified that we were all approved, my husband had him verify all our information. When we still had not received our checks, we followed up on ours and for some unexplained reason, our application was lost, that they could not find anything on myself and nephew.

We appreciate and give gratitude to Navajo Nation for finally monetarily assisting our people during the pandemic. We were greatly affected by it, my husband was on furlough so not receiving our Hardship funds was a disappointment.

I truly hope you assist those whose applications were mishandled, mismanaged or lost, it would be a tremendous financial help to myself and our family.

Thank you,

Cornelia Zahney

----- Original message -----

From: NN Cares Hardship <BTCPA@bakertilly.com>

Date: 3/9/21 1:36 PM (GMT-07:00)

To: kenzahney <kenzahney@yahoo.com>

Subject: Re: hardship checks

Hello Keno,

Unfortunately, we have not been able to locate Cornelia or Dorian in your application or any other. We would like to submit a waitlist application for them, which will make them eligible for a check once additional funding is released for the program. If you'd like us to do that, please reply to this email and answer the following questions. We will submit the waitlist application on your behalf and send you an application number.

1. Would you like to keep the contact information the same as in your initial application? (Section 2)
2. How much would you like to request for Orville? The maximum amount for adults is \$1,500, and for children is \$500. (Section 3)
3. What are the last 4 digits of his social security number? (Section 3)
4. Would you like to select the same hardship expenses as in your initial application? (Section 4)
5. Do you agree to the certifications within the application image below? (Section 5)

Thank you,

Serena

NN Cares Support Center

# NN CARES Fund Hardship Assistance

gwenythmiller79@gmail.com

Tue 6/15/2021 11:07 PM

To:comments <comments@navajo-nsn.gov>;

Hello,

I would like to support the new legislation that will establish a second CARES Fund Hardship Assistance Expenditure Plan. I am one of the members that did not receive assistance under the first hardship assistance.

Thank you,

Gwen Miller

Sent from my iPhone

WARNING: External email. Please verify sender before opening attachments or clicking on links.

# Hardship funds.

di gilmore paul <dipaul@ymail.com>

Tue 6/15/2021 11:08 PM

To:comments <comments@navajo-nsn.gov>;

Hello, I like to add my daughter with 5 children for Hardship funds. If at all possible would you consider to approve funds for those that haven't gotten any funds.

Greatly appreciate your services, Dinah Paul  
contact phone number.

Sent from Yahoo Mail on Android

WARNING: External email. Please verify sender before opening attachments or clicking on links.

# Legislation 0094-21

Anita Curley <acurley02@outlook.com>

Tue 6/15/2021 11:09 PM

To:comments <comments@navajo-nsn.gov>;

I would like for the 24<sup>th</sup> Navajo Nation Council Delegates to vote yes to pass this legislation to approve Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan Allocating Navajo Nation Cares Fund Investment for those of us that missed out on the funding from last year due to no fault of our own. I will tell you that some of us are still going through the hardship resulting from having the Covid19 lingering effects and if this funding goes through it will help in ways that benefit us such as: repairing our homes so that we don't go to the chapter for help where we are always told that there is no funding: To relieve some stress from the lingering effects that can over power moms that feel weak but still have to provide for their family and their small children that have also gone through the ordeal. Please have a heart for your people within the Navajo Tribe whom are enrolled members and are sometimes still getting sick. We are still behind on our utility bills , water bills, and also behind on car payments due to traveling long miles to help out with what little money we have to help our children and little grandchildren. Thank you very much for thinking of your people Council Delegates. Sincerely Anita Curley and family.

Sent from [Mail](#) for Windows 10

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# Legislation of 0094-21

Anita Curley <acurley02@outlook.com>

Tue 6/15/2021 11:09 PM

To:comments <comments@navajo-nsn.gov>;

I would like to ask that the Navajo Nation Council to pass this legislation especially honorable Seth Damon speaker of the 24<sup>th</sup> Navajo Nation Council which is for your Navajo people with Census numbers and we have felt so much turmoil and grief due to the Corona19 which was beyond our control. This virus is sadly lingering on with a lot of our people still suffering from the effects of the virus.

I have children and grandbabies that are still suffering from this and they live in Arizona but I am situated in Manuelito,NM. I need to help my grandchildren and my children even if I have to move there for a short period of time. I do have bills and so it is hard to help out when they get sick. My children moved away due to not enough good jobs. They still have to pay rent , etc.

I also asked for help from my chapter with a leaky roof but was told by chapter president that there is no money and he just told us use the checks that were sent to you from hardship! I did not get a check because the system kept kicking me out and I couldn't download. I don't know much about computers and so I finally got through the Hardship line and they helped me with the application and then I was put on the waiting list, Please pass this legislation because we are still suffering. I ask for your help on behalf of all the people that are still suffering. Thank you for at least listening to me. Sent from Mail for Windows 10

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# Legislation 0094-21

Martina Six-Begay <sixbegay@gmail.com>

Tue 6/15/2021 11:10 PM

To:comments <comments@navajo-nsn.gov>;

Approve the legislation! Some of our kids who are in college did not receive the Hardship! They can use this toward their rent. Some Elderlies didn't get it either. They too are needing your help. We voted you all in..you all promised us to get help. People put you in...now you help them. Thank you.

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# Hardship

Kat Bert <kattechme\_2000@yahoo.com>

Tue 6/15/2021 11:12 PM

To:comments <comments@navajo-nsn.gov>;

Good evening,

I am Dine of the Bordertown and I did not apply the first time hardship was available. But this second time around I would like to apply. I've helped my kids throughout this pandemic and now feeling the effects of needing help. I hope this adds to those that are considering help from NN hardship. I, too need help. Please pass this legislation as so many Dine people are suffering especially those that were driven to Bordertowns to live and work.

Thank you and I hope to receive any type of help.

Mother in need,  
Kathy Bert

Sent from Yahoo Mail on Android

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# Legislation 0094-21

Laura Franklin <laura.franklin10@gmail.com>

Tue 6/15/2021 11:14 PM

To:comments <comments@navajo-nsn.gov>;

Diné people that were unable to receive the first Hardship Assistance from the CARES funding, should be allowed to re-apply, apply, or update information to be able to be given a chance due to technology issues, unable to correct census information or any unforeseen issue that did not allow them to apply. Every enrolled Navajo Nation member should be given a chance to apply.

Other Navajo entities, divisions, and departments were given extensions so why not the Diné people. This funding was based on enrollment thus the Navajo Government should do the right thing, since Navajo Fundamental laws are based on culture, traditions and ké.

Laura Franklin  
Nageezi Chapter

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# NN Cares

Velma W <velmawlsn@yahoo.com>

Tue 6/15/2021 11:15 PM

To:comments <comments@navajo-nsn.gov>;

I am kindly asking you to pass this legislation so many elderly & our people who didn't get assistance will. My mom had two strokes & now has a low heart rate. I know many are in the same situation as she is. She was one of the first to turn in her application at the bodawaygap chapter, but she never received the hardship money. Thank you

Mae L Wilson

Velma Wilson

Sent from my iPhone

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# Support for Legislation 0094-21

Renaldo Benally <renaldo.benally@gmail.com>

Tue 6/15/2021 11:16 PM

To:comments <comments@navajo-nsn.gov>;

This comment is being submitted IN SUPPORT of **Legislation 0094-21**.

**A digital form is more secure and applicants can simply check the status of their application.**

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# Re: cares hardship legislation for those who didnt receive payment

gna wagner <gnawagner@gmail.com>

Tue 6/15/2021 11:17 PM

To: comments <comments@navajo-nsn.gov>;

Hello! Thank you to those who are sponsoring this new legislation for those who didnt receive their 1st payment of the cares hardship. It is very much needed as some of us prepare during the summer for the winter season. Thank you for including all of us as we still face tough times.

-Legena Wagner

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# Didn't apply for first Cares Hardship

sooner brady <soonerbrady32@outlook.com>

Tue 6/15/2021 11:19 PM

To:comments <comments@navajo-nsn.gov>;

Sooner John Brady  
Eugene Tso, NN Chapter Delgate  
Chinle Chapter

Please approve  
LEGISLATION 0094-21

I did not apply for the Cares hardship fund last year November 2020.

THANK YOU,  
Sooner Brady WARNING: External email. Please verify sender before opening attachments or clicking on links.

# Legislation 0084-21

Jaye Todecheene <todecheene59@gmail.com>

Tue 6/15/2021 11:20 PM

To:comments <comments@navajo-nsn.gov>;

Eugene Tso,  
Chapter President  
Chinle Chapter  
Chinle AZ, 86503

Please approve this legislation.

I have family, 2 nallies that are in Phx Metropolitan area in school and 1 son that did not get to apply for the Cares hardship funds last year 2020. Many of our navajo people had miss the cut off date ad well.

Thank you so much  
Joanne Todecheene  
Chinle Chapter  
Chinle, AZ 86503

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# Legislation No. 0094-21

Sharon Eluska <sgeluska@gmail.com>

Tue 6/15/2021 11:21 PM

To: comments <comments@navajo-nsn.gov>;

Dear Navajo Tribal Council,

I am a Citizen of the Navajo nation with a census number. I didn't apply for the first round of Cares hardship money.

I support the new legislation which will allow me to apply for the second round of Cares money, as well as others who missed out.

Thank you for the opportunity to comment.

Sharon Goodluck Eluska

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Anchorage, AK 99508

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## my comments - EDUCATION

Vanessa Frank <vfrank@unm.edu>

Tue 6/15/2021 2:28 PM

To:comments <comments@navajo-nsn.gov>;

I have some valuable input regarding the Navajo Peoples' money. 1.8 BILLION

The cares money that was given to the chapter houses is being guarded. I was told by Tohatchi Chapter that no scholarships for Fall 2020, Spring 2021 and Summer 2021. I am paying \$2800 out of pocket for my Summer 2021 semester.

We need to encourage young Navajo's to go get an education with these funds. ONNSFA is not enough. \$2500 per semester is not enough. Please use these funds to increase the award amount for college students. I am a full time student and a full time navajo nation employee with children and \$11 an hour is not enough. We need to help those willing to help themselves first.

College students who are parents need the most support.

Children under 18 need the most help utilizing these funds to support their education to prevent dropping out.

I still do not have running water. I was told by IHS sanitation facilities that i must wait to get on a project until OCTOBER 2021. Also, all these chapters are closed with shower facilities. I must take my showers at Hot springs where cattle drink water in Tohatchi, NM. The struggle is REAL, especially for a navajo nation employee with children and no husband.

Legislation 0094-21 is for CARES Hardship (\$1350; \$450) for people who did not get the assistance, this has **passed**, please move forward.

ARPA Hardship has NOT been written. Write it now and disburse the money immediate by August 2021. The request to have this legislation written has been submitted, and i don't understand why this has not been written yet. I expect his to be written and approved in July 2021.

Vanessa Frank

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# Comments regarding proposed ARPA Expenditures

Everett <echarlesross@juno.com>

Tue 6/15/2021 10:09 PM

To:comments <comments@navajo-nsn.gov>;

I propose that the honorable Navajo Nation Council Delegates seriously consider another round of Hardship checks to all Navajos with Census Numbers and children with Census Numbers.

The amounts should be \$2,000.00 per adult and \$1,000 per child.

Reason for this is to assure that all Navajos receive some part of the ARPA funds, rather than spend funds that result in favoritism for relatives of Navajo Nation Chapter employees and Navajo Nation government employees, which has happened too much in the past. This practice of favoritism must stop!!

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THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW SUMMARY

LEGISLATION NO.: 0094-21

SPONSOR: Honorable Eugene Tso


**TITLE: An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto**

Posted: June 9, 2021 at 5:11 PM

5 DAY Comment Period Ended: June 14, 2021

Digital Comments received:

Comments Supporting	1.) Roberta Sam
Comments Opposing	<i>None</i>
Comments/Recommendations	<i>None</i>

  
Legislative Tracking Secretary  
Office of Legislative Services

June 21, 2021 8:30 AM  
Date/Time

0094-21

Roberta Sam <rsam\_57@yahoo.com>

Fri 6/18/2021 12:38 PM

To:comments <comments@navajo-nsn.gov>;

Good Afternoon. My name is Roberta Sam, I am a registered voter of Coyote Canyon Chapter. I am a retiree of the Navajo Nation. Reasons for my support of the Legislation No. 0094-21 is because my son who resides in Albuquerque, N.M., CIB was invalid when he applied for the hardship assistance. Although, he is a registered voter of Coyote Canyon. He has in the past received scholarship assistance from the Chapter.

I am sure our Dine' people had this sort of problem with their CIB, therefore, your approval of the 2<sup>nd</sup> distribution of the Hardship Assistance will be appreciated. Thank You.

Sent from Mail for Windows 10

WARNING: External email. Please verify sender before opening attachments or clicking on links.

**HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE  
24<sup>TH</sup> NAVAJO NATION COUNCIL**

**THIRD YEAR 2021**

**COMMITTEE REPORT**

Mr. Speaker,

The **HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE** to whom has been assigned:

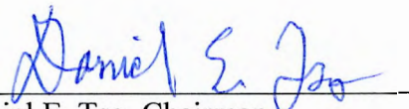
**Legislation No. 0094-21:** An Action Relating to Health, Education and Human Services, Budget and Finance, and Naabik'iyati' Committees and the Navajo Nation Council; Enacting the Navajo Nation CARES Fund *Phase II* Hardship Assistance Expenditure Plan; Allocating Navajo Nation CARES Fund Investment Earnings Thereto

*Sponsor: Eugene Tso, Council Delegate*

Has had it under consideration and reports the same with the recommendation that it DO PASS with no amendments

And thereafter referred to the Budget and Finance Committee.

Respectfully submitted,



\_\_\_\_\_  
Daniel E. Tso, Chairman  
Health, Education and Human Services Committee  
24<sup>th</sup> Navajo Nation Council

Date: June 16, 2021

**Main Motion:**

Motion : Honorable Pernell Halona  
Second : Honorable Edison J. Wauneka  
Vote : 3-0-3

**HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE**  
**Regular Meeting**  
**June 16, 2021**

**Legislation No. 0094-21:** An Action Relating to Health, Education and Human Services, Budget and Finance, and Naabik'íyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation CARES Fund *Phase II* Hardship Assistance Expenditure Plan; Allocating Navajo Nation CARES Fund Investment Earnings Thereto  
Sponsor: Eugene Tso, Council Delegate

**VOTE TALLY SHEET:**

Main Motion:

Motion: Honorable Pernell Halona

Second: Honorable Edison J. Wauneka

Yea: Paul Begay, Jr.; Pernell Halona; Edison J. Wauneka

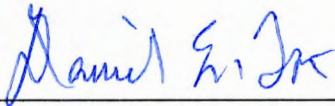
Nay: None

Not Voting: Daniel E. Tso (Presiding Chair)

Excused: Charlaine Tso; Carl R. Slater

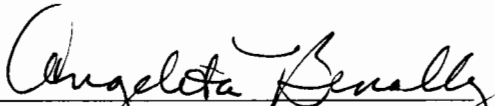
Absent:

Vote: 3-0-3



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Daniel E. Tso, Chairman  
Health, Education and Human Services Committee  
24<sup>th</sup> Navajo Nation Council



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Angelita Benally, Legislative Advisor  
Health, Education and Human Services Committee  
Office of Legislative Services

24<sup>th</sup> NAVAJO NATION COUNCIL

Third Year 2021

Mr. Speaker:

The **BUDGET & FINANCE COMMITTEE** to whom has been assigned

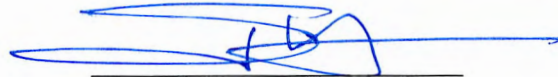
**NAVAJO LEGISLATIVE BILL # 0094-21:**

An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto  
*Sponsored by Eugene Tso, Eugenia Charles-Newton, Jimmy Yellowhair, Mark Freeland, Kee Allen Begay Jr., and Carl Slater, Council Delegates*

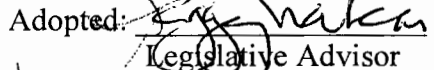
has had it under consideration and reports the same with the recommendation that It **Do Pass** without amendment.

And, therefore referred to the **NAABIKIYATI** Committee

Respectfully submitted,



Jamie Henio, Chairman

Adopted:   
Legislative Advisor

Not Adopted: \_\_\_\_\_  
Legislative Advisor

**22 June 2021**

The vote was **5** in favor **0** opposed yeas: *Jimmy Yellowhair, Raymond Smith, Jr., Amber K. Crotty, Nathaniel Brown, Elmer P. Begay*  
Main Motion: *Nathaniel Brown*  
Second: *Jimmy Yellowhair*

**BUDGET AND FINANCE COMMITTEE**

**22 June 2021**

Special Meeting

**VOTE TALLY SHEET:**

**Legislation No. 0094-21:** An Action Relating to Health Education and Human Services, Budget and Finance, and Naabik'iyáti' Committees and the Navajo Nation Council; Enacting the Navajo Nation Cares Fund Phase II Hardship Assistance Expenditure Plan; Allocating Navajo Nation Cares Fund Investment Earnings Thereto *Sponsored by Eugene Tso, Eugenia Charles-Newton, Jimmy Yellowhair, Mark Freeland, Kee Allen Begay Jr., and Carl Slater, Council Delegates*

*Motion: Nathaniel Brown*

*Second: Jimmy Yellowhair*

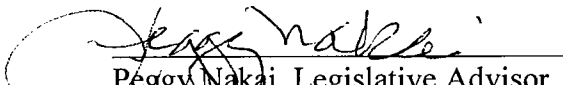
*Vote: 5-0, Chairman not voting*

**Final Vote Tally:**

Jamie Henio		
Raymond Smith Jr.	<b>yea</b>	
Elmer P. Begay	<b>yea</b>	
Nathaniel Brown	<b>yea</b>	
Amber K. Crotty	<b>yea</b>	
Jimmy Yellowhair	<b>yea</b>	



Jamie Henio, Chairman  
Budget & Finance Committee



Peggy Nakai, Legislative Advisor  
Budget & Finance Committee