

# U.S. DEPARTMENT OF THE TREASURY

**USET SPF 2023 Conference**

## **U.S. Treasury Briefing on Recovery Funds**



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# OFFICE OF TRIBAL & NATIVE AFFAIRS TEAM



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# OVERVIEW OF FUNDS

## TRIBAL RECIPIENTS

	State and Local Fiscal Recovery Funds (SLFRF)	Emergency Rental Assistance (ERA1)	Homeowner Assistance Fund (HAF)	State Small Business Credit Initiative	Capital Projects Fund (CPF)	Local Assistance and Tribal Consistency Fund	Coronavirus Relief Fund (CRF)
Authorizing Law	ARPA	CAA	ARPA	ARPA	ARPA	ARPA	CARES Act
Tribal Set-Aside	<b>\$20B</b>	<b>\$797MM</b>	<b>\$498MM</b>	<b>\$500MM</b>	<b>\$100MM</b>	<b>\$500MM</b>	<b>\$8B</b>
Recipients	579	301*	341*	108 applications	~540	In-Progress	755 <sup>Δ</sup>
Purpose	Respond to the public health emergency and its negative economic impacts; provide premium pay to essential workers; replace revenue loss; and investments in water, sewer, and broadband	Emergency assistance for rent, utilities, and other housing-related expenses; arrears for rent and utilities; and housing stability services	Emergency aid for homeowners to prevent mortgage delinquencies, defaults, foreclosures, loss of utilities and displacement through qualified expenses related to mortgages and housing	Establish credit and investment opportunity for Tribal enterprises and small business owners	Funding for eligible governments to carry out critical capital projects that enable work, education, and health monitoring	Provide funding to eligible governments for use on any governmental purpose except lobbying activity.	Provide funds to eligible governments to cover necessary expenses incurred due to COVID-19
Example Uses of Funds	Affordable housing, access to water, food security, job training, child care, small business grants, and economic recovery	Assist Tribal renters on or off Tribal lands and non-Tribal renters on Tribal lands with rent, utility, and home energy payments, and relocation expenses	Assist homeowners on and off Tribal lands with mortgage, gas, electric, internet, water, and homeowner insurance, assistance	Provide access to capital via loan and investment programs for Tribal enterprises and small businesses	Broadband infrastructure projects, multi-purpose community facilities, and connectivity technologies and devices	Governments have the discretion to use the funds for “any governmental purpose other than a lobbying activity.”	PPE, hazard pay for employees responding to the pandemic, support for distance learning and remote work, testing and vaccinations

\* ERA1 and HAF include TDHEs

Δ CRF includes Alaska Native Regional and Village Corporations

# CARES Act - Coronavirus Relief Fund

**Purpose:** Provide funds to Tribal governments, among other government recipients, to cover necessary expenditures incurred due to the COVID-19 pandemic by 12/31/22.

## Tribal Set Aside and Disbursements

- \$8 billion set aside

## Allowable Uses

- Necessary expenditures incurred due to the pandemic and assist Tribes and ANCs with preparing, responding, and recovering from the effects of the pandemic;
- Were not accounted for in the government's most recently approved budget as of March 27, 2020 (date of enactment of the CARES Act); and
- Costs were incurred during the period that begins on March 1, 2020 and ended on December 31, 2022.

## Updates and Required Compliance

- On December 29<sup>th</sup>, President Biden signed the Consolidated Appropriations Act, 2023, which extended the period for Tribal governments to incur eligible costs to December 31, 2022.
- The last date to expend/liquidate expenditures and receive goods and services is **March 31, 2023**.
- Quarterly reporting due 10 calendar days after the end of each quarter.
  - The next quarterly report is due on **April 10, 2023**.
- Closeout of CRF awards must be done by **July 10, 2023**.
- Records must be maintained for a period of five (5) years after final payment is made using CRF monies.
- Only 2 CFR 200.303 regarding internal controls, 2 CFR 200.331 through 2 CFR 200.333 regarding subrecipient monitoring and management, and 2 CFR Part 200, Subpart F regarding audit requirements applies to the Coronavirus Relief Fund awards.



# State and Local Fiscal Recovery Funds

**Purpose:** Resources to respond to the pandemic, support families and businesses with the public health emergency and its negative economic impacts, maintain vital public services amid declines in revenue resulting from the COVID- 19 pandemic, and support tools for long-term growth and recovery.

## Tribal Set Aside and Disbursements

- \$20 billion Tribal set aside

## Allowable Uses

- Replace lost revenue, using funds to provide government services
- Respond to the public health emergency and its negative economic impacts
- Invest in water, sewer and broadband Infrastructure
- Provide premium pay to essential workers
- **NEW!** Emergency relief from natural disasters
- **NEW!** Certain transportation, infrastructure, and HUD/CDBG projects



# State and Local Fiscal Recovery Funds - Continued

## Updates and Required Compliance

- Under the State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act included in the Consolidated Appropriations Act of 2023, SLFRF may be used to provide emergency relief from natural disasters or the negative economic impacts of natural disasters, including temporary emergency housing, food assistance, financial assistance for lost wages, or other immediate needs.
- Additionally, SLFRF may be used for transportation projects: bridge replacement, rehabilitation, preservation, or protection-program and other projects under the Highway Infrastructure Program within the Department of Transportation, among other infrastructure projects and programs. This new category cannot include operating expenditures and can only supplement not supplant other available funds – important to note for Tribes. The cap on this is the greater of \$10 million or 30% of the SLFRF allocation.
  - **NOTE:** The deadline to expend funds for infrastructure projects is **September 30, 2026**.
- Funds, other than funds spent in the new infrastructure categories, must be obligated by December 31, 2024 and expended by December 31, 2026.
- Tiered tribal reporting due 30 days after the end of the reporting period.
- Records must be maintained for five years after all funds have been expended and should be in machine-readable formats.
- Must comply with the applicable provisions of the Uniform Guidance, 2 CFR Part 200.



# Local Assistance and Tribal Consistency Fund

**Purpose:** Recipients may use funds for any governmental purpose, except lobbying activities.

## Tribal Set Aside and Disbursements

- A total of \$500 million Tribal set aside, with \$250 million for each of fiscal years 2022 and 2023 to eligible Tribal governments.
- **NEW!** Submission Deadline: **February 28, 2023**

## Allowable Uses

- Any governmental purpose other than a lobbying activity – including investing in activities undertaken by Tribal enterprises.
- Generally, non-federal match or cost-share requirements of other federal programs.
- Funds may be used towards expenditures beginning on March 15, 2021 – there is no deadline on the use of funds.
  - **NOTE:** Debt service payments funded by LATCF is permissible. However, LATCF may only be used for costs incurred on or after March 15, 2021. Therefore, LATCF cannot be used for obligations on debt issued before this date.



# Local Assistance and Tribal Consistency Fund - Continued

## Updates and Required Compliance

- **NEW!** Treasury has issued a Tribal Consultation waiver from the Buy America Domestic Content Procurement Preference (BAP) as applied to federal financial assistance provided to Tribal government recipients of the LATCF.
  - This one-year Tribal consultations waiver will apply to all award agreements entered into with Tribal governments during the one-year period, from January 17, 2023 to January 17, 2024.
  - In addition, in the case of award agreements entered into with Tribal governments prior to the date of the final waiver, the Tribal consultation waiver will apply to all expenditures incurred after the date of the final waiver on an infrastructure project.
- All recipients must submit a Project and Expenditure report annually.
- NEPA and Federal Davis-Bacon prevailing wage rate requirements (typically applicable to Tribal contractors and subcontractors) generally do not apply to projects funded solely by LATCF.
- LATCF is subject to only the following provisions within the Uniform Guidance: 2 C.F.R. Subpart A (Acronyms); 2 C.F.R. 200.100-110 (certain General Provisions); 2 C.F.R. 200.203 (public notice of Federal financial assistance programs); 2 C.F.R. 200.303 (internal controls); and Single Audit Act and its implementing regulations at 2 C.F.R. Part 200 Subpart F.
  - **NOTE:** LATCF is not subject to program income, interest advances, equipment and real property management, procurement requirements, or subrecipient monitoring and reporting requirements. Therefore, capital assets purchased for the Tribe or the Tribal enterprises are not subject to the Uniform Guidance's use and disposition instructions and program income is the Tribe's.





# Emergency Rental Assistance (ERA1)

## Program Concluded at Close of 2022

**Purpose:** Assist low-income renters experiencing hardship due to the COVID-19 pandemic with rent, utility, and home energy costs; arrears for rent, utility, and home energy costs; other expenses related to housing; and housing stability services.

### Tribal Set Aside and Disbursements

- \$800 million set aside for Tribal Communities
  - \$797.6 million set aside for Tribes or their Tribally Designated Housing Entity (TDHEs)
  - \$2.4 million (.3%) set aside for the Department of Hawaiian Home Lands (DHHL)
- Performance Period ended for original allocation on September 30, 2022 and for reallocated funds on December 29, 2022

### Allowable Uses

- Tribes may serve members, including on and off tribal lands, and non-members on tribal lands.
- Allows a self-attestation of COVID-19 related financial hardship and household income, as well as categorical eligibility and fact-based proxies to determine income eligibility.
- Rent, rental arrears, security deposits, utilities, utility arrears, internet, housing stability services, application fees, and administrative costs up to 10-percent of the total ERA1 award amount.
- Limited to 12 months of assistance (plus an additional three months if necessary).



# Emergency Rental Assistance (ERA1) - Continued

## Updates and Required Compliance

- 47 Tribes/TDHEs received additional funds via reallocation totaling \$32 million.
- Group A: Recipients that did not receive reallocated funds had a closeout deadline of **January 30, 2023**.
- Group B: Recipients that received reallocated funds have a closeout deadline of **April 28, 2023**.
- Tribal recipients report only a subset of data points (no required household-level information for each payment made to or on behalf of an eligible household).
- Records must be maintained for five years after all funds have been expended.
- Must comply with the applicable provisions of the Uniform Guidance, 2 CFR Part 200.



# Homeowner Assistance Fund (HAF) Program

**Purpose:** Provides assistance to prevent homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship after January 21, 2020 through qualified expenses related to mortgages and housing.

## Tribal Set Aside and Disbursements

- \$498 million set aside for Indian Tribes/TDHEs and DHHL
- Over 200 Tribes and TDHE's submitted a Notice of Funds Request (NFR)

## Updates and Required Compliance

- **NEW!** Participating eligible Tribes will receive an increased adjustment to their original allocation.
  - If a Tribe no longer wishes to participate in HAF, please return your funds to Treasury by **February 28, 2023**
- Tribes must submit a HAF plan in order to receive their total allocation.
- All funds must be obligated by **September 30, 2026**.
- Tiered tribal reporting due 45 days after the end of the reporting period.
- Tribal recipients allocated at least \$5 million must report quarterly.
- Tribal recipients allocated under \$5 million must report annually – first report was due November 15, 2022.



# Capital Projects Fund

**Purpose:** Provides \$10 billion to States, territories, freely associated states, and Tribal Governments to carry out critical capital projects that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency.

## Tribal Set Aside and Disbursements

- \$100 million Tribal set aside
- Each Tribe receives approximately \$167,504
- Submission deadline closed in October 2022
- Approved Tribal Applications: 231

## Allowable Uses

- Broadband infrastructure projects
- Digital connectivity technology projects
- Multi-purpose community facility projects
- Projects that do not fit the categories above that are designed to jointly enable work, education and health monitoring.

## Updates and Required Compliance

- All funds must be expended by **December 31, 2026**.
- Ownership of equipment (laptops, computers, tablets, routers, etc.) must be maintained by the Tribe or consortium.
- Required reporting annually. The first report is due on **July 31, 2023**.
- All provisions in the OMB Uniform Guidance at 2 C.F.R. Part 200 apply to CPF other than as provided by Treasury.
- Administrative costs capped at 5% of the total amount of the award or \$25,000, whichever is higher.



# Summary of Compliance and Reporting Requirements

Program	OMB Uniform Guidance	Reporting Portal	Reporting Frequency	Due Date After End of Reporting Period	Single Audit
Coronavirus Relief Fund	Sections	GrantSolutions	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>	10 Days	Yes
States and Local Fiscal Recovery Funds	Yes <i>Exceptions to the Revenue Loss Category – see FAQs for a detailed list.</i>	Login.gov Or ID.Me	<ul style="list-style-type: none"> <li>Quarterly – Allocated Over \$30mm</li> <li>Annually in April – Allocated Under \$30mm</li> </ul>	Last Day of the Month	Yes – ACEE Option
Emergency Rental Assistance (ERA1)	Yes	Login.gov Or ID.Me	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>	15 Days	Yes
Homeowner Assistance Fund	Yes	Login.gov Or ID.Me	<ul style="list-style-type: none"> <li>Quarterly – Received at Least \$5mm</li> <li>Annually in November – Received Under \$5mm</li> </ul>	45 Days	Yes
Local Assistance and Tribal Consistency Fund	Sections	Login.gov Or ID.Me	<ul style="list-style-type: none"> <li>Annually</li> </ul>	In-Development	Yes
Capital Projects Fund	Yes	Login.gov Or ID.Me	<ul style="list-style-type: none"> <li>Annually</li> </ul>	Last Day of the Month	Yes



## Other Updates of Interest to USET

- **The Office of Management and Budget released a memo on December 23, 2022 that allows federal agencies to grant specific waivers on grant requirements to their recipients affected by Hurricane Fiona, Ian, and the Alaska Flood and Landslide.**
  - If your Tribe was impacted by the hurricanes, please note that you are permitted an extension of the Single Audit or Program-Specific Audit if the due dates are between September 18, 2022 and December 31, 2022. Please work with each federal agency on other flexibilities granted.
  - [Link to Memo](#)
  
- **The Social Security Administration (SSA) released an alert that clarifies that pandemic assistance payments made to Tribal citizens with CARES, CAA, or ARPA will not affect eligibility for SSI or the monthly SSI payment amount.**
  - If your Tribal citizens' SSI benefits were previously impacted by payments made with CRF, ERA1, or SLFRF, please have them contact their Representative Payee.
  - [Link to Alert](#)



# Upcoming Meetings and Consultations

- **Consultation on LATCF Build America Buy America Waiver for Tribal Governments**
  - February 21, 2023
- **Consultation on TTAC Dual Taxation Report**
  - February 28, 2023
- **Consultation on Treasury's Consultation Plan**
  - March 8, 2023
- **Treasury Tribal Advisory Committee (TTAC) Meeting**
  - March 14, 2023



**Q&A**