



## **USE OF FEDERAL CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT FUNDING**

On March 27, 2020, President Donald Trump signed United States House of Representatives Bill No. 748 which provides \$2 trillion of economic stimulus to states, territories, and tribes. The bill, also called the Coronavirus Aid, Relief, and Economic Security (CARES) Act, creates a \$150 billion federal Coronavirus Relief Fund for state, local, and tribal governments. North Dakota is estimated to receive \$1.25 billion from the fund.

### **UNITED STATES DEPARTMENT OF THE TREASURY GUIDANCE**

On April 22, 2020, the United States Department of the Treasury released guidance ([appendix](#)) for the use of the relief funding. The CARES Act provides payments from the fund may be used only for costs necessary due to the Coronavirus (COVID-19), were not accounted for in the most recently approved budget for the state, and were incurred during the period beginning March 1, 2020, and ending December 30, 2020.

The guidance provides examples of eligible expenses including:

- Medical expenses relating to COVID-19 incurred in the treatment of patients, testing of individuals, and construction of temporary medical facilities;
- Public health expenses incurred due to COVID-19, including the acquisition and distribution of medical supplies, costs of disinfecting public areas and other facilities, and expenses for public safety measures taken;
- Payroll expenses for public safety, public health, health care, human services, and similar employees mitigating or responding to the COVID-19 emergency;
- Expenses to comply with COVID-19 measures, including expenses for food delivery to vulnerable populations, expenses to facilitate distance learning and telework capabilities, and costs incurred by correctional facilities for sanitation and improvement of social distancing measures;
- Economic support expenses, including grants to small businesses required to close because of COVID-19 orders, expenditures related to a government payroll support program, and unemployment insurance costs; and
- Any other expenses related to COVID-19 reasonably necessary to the function of government.

A portion of the funding allocated to the state may be used for qualifying local government expenses. However, the funding may not be used to replace shortfalls in government revenues. Any funds not used consistent with the Act must be repaid to the Department of the Treasury and any funds received by the state but not needed for costs incurred between March and December 2020 must be returned to the Department of the Treasury.

ATTACH:1