

Federal Coronavirus Response Funding

Overview

The federal government has taken several major actions in response to the COVID-19 pandemic:

- The 2020 Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123), a stimulus package valued at \$8.3 billion, was enacted on March 6, 2020. (Referred to in this Program Summary as COVID 1)
- The Families First Coronavirus Response Act (P.L. 116-127), enacted on March 18, 2020, is estimated at \$192 billion. (COVID 2)
- The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) is estimated at approximately \$2.2 trillion and was enacted on March 27, 2020. (COVID 3)
- The Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139), estimated at \$484 billion, was enacted on April 24, 2020. (COVID 3.5)
- The Paycheck Protection Program Flexibility Act of 2020 (P.L. 116-142) was enacted on June 5, 2020.
- A presidential memorandum issued on August 8, 2020, established the Lost Wages Assistance Program.
- The 2021 Consolidated Appropriations Act (P.L. 116-260) contains \$900 billion in COVID-related relief and was enacted on December 27, 2020. (COVID 4)
- The American Rescue Plan (ARP) Act of 2021 (P.L. 117-2), estimated at \$1.9 trillion, was enacted on March 11, 2021.

Provisions

We estimate that the state will receive \$19.4 billion and local governments will receive \$4.0 billion, for a total of \$23.3 billion in aid to Arizona governments.

The \$23.3 billion estimate excludes direct aid to individuals and businesses. Arizona individuals and businesses will receive \$54.6 billion in direct federal aid.

Unless otherwise indicated, this document addresses the 2020 federal coronavirus response programs and the 2021 American Rescue Plan Act separately.

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2020 Federal Coronavirus Response Programs

Summary – From the federal coronavirus response programs enacted in 2020, we estimate that the state will receive \$8.2 billion and local governments will receive \$1.4 billion, for a total of \$9.5 billion in aid to Arizona governments. (See Table 2 for a summary of Arizona's share of funding from the 2020 coronavirus response legislation.)

The \$9.5 billion estimate excludes direct aid to individuals and businesses. Arizona individuals and businesses will receive \$41.8 billion in direct federal aid. (See *Direct Aid to Individuals and Businesses* section and Table 3 for more information.)

Most of the following provisions were enacted as part of COVID 3. Funding included in other pieces of legislation or actions by the federal government are noted as such.

Coronavirus Relief Fund

A total of \$150 billion in federal funding was distributed to state and local governments. States are allocated funding based on their share of population, with each state guaranteed a minimum funding amount of \$1.25 billion. Based on this formula, Arizona's total allocation from the Coronavirus Relief Fund (CRF) is \$2.82 billion for both its state and local governments combined.

Monies from the CRF may only be used for costs that are: 1) necessary expenditures incurred due to the public health emergency; 2) not accounted for in the state/local government's budget most recently approved as of March 27, 2020; and 3) incurred from March 1, 2020, to December 31, 2021, as the result of COVID 4. The state budget for FY 2021 was signed into law after the federal legislation was enacted. These funds may not be used to offset revenue shortfalls.

- Of Arizona's total allocation, the state received \$1.86 billion of the \$2.82 billion. These monies have been deposited in the state's Operating Fund and are controlled by the Executive. As of March 19, 2021, of the state's CRF monies, \$1.73 billion has been committed, leaving \$123 million remaining. The following have been disclosed:
 - \$441 million to local governments.
 - \$416 million to reimburse state agency public health and public safety expenses.
 - \$370 million for school districts and charter schools through the Enrollment Stabilization Grant Program.
 - \$224 million to DHS for direct COVID-19 expenses, including testing, contact tracing, and surge capacity.
 - \$115 million to the universities for general expenses. This amount consists of \$46 million for Arizona State University, \$46 million for the University of Arizona, and \$23 million for Northern Arizona University.
 - \$78 million for the Arizona Express Pay Program, which will be repaid using Federal Emergency Management Agency (FEMA) Public Assistance grant monies (see Stafford Act assistance under Emergency Relief section for more information).
 - \$58 million for deposits into the UI Trust Fund.
 - \$15 million for administrative costs, including single audit and legal services.
 - \$8 million to the universities for testing, surveillance, and other response efforts.
 - \$6 million to the Secretary of State and counties for COVID-19 response efforts and early voting opportunities for the 2020 elections.
 - \$2 million for the Arizona Virtual Teacher Institute, a partnership among Arizona State University, the Arizona Department of Education, and the non-profit Helios Education Foundation.
 - \$0.8 million for the AZ Stay Connected Program to provide \$10,000 technology grants to skilled nursing facilities and intermediate care facilities.

Table 1	
CRF Executive Allocations ^{1/}	
(\$ in millions)	
	<u>Amount</u>
Initial State-Level CRF Allocation	\$ 1,857
<u>Agency/Funding Use</u>	
Local Government Aid	441
State Government Agency Offsets	416
K-12 Enrollment Stabilization Grant	370
Department of Health Services	224
- Direct COVID-19 expenses, including testing, contract tracing, and surge capacity	
Universities (General Expenses)	115
Arizona Express Pay Program	78
UI Allocation	58
Administrative Costs	15
Universities (Testing, Surveillance, Other Response Efforts)	8
Elections	6
Arizona Virtual Teacher Institute	2
AZ Stay Connected Program	0.8
- \$10,000 technology grants to skilled nursing facilities/intermediate care facilities	
Amount Remaining from Initial State-Level CRF Allocation	123
<u>1/</u> As reported by the Executive on March 19, 2021.	

- Local governments (counties, cities, and towns) with populations over 500,000 were eligible to receive direct payments totaling \$965 million of the \$2.82 billion. The local governments in Arizona that received direct payments are Maricopa County (\$399 million), City of Phoenix (\$293 million), Pima County (\$87 million), City of Tucson (\$96 million), and City of Mesa (\$90 million).

U.S. Treasury/Federal Reserve Lending Programs

The U.S. Treasury has \$500 billion in loan capacity for business and governmental entities. This amount includes \$46 billion in set-asides for certain industries and \$454 billion for Federal Reserve programs. Of the \$46 billion, \$29 billion is set aside for airlines and air carriers. For more information, see the bullet point on the Payroll Support Program in the Direct Aid to Individuals and Businesses section.

Of the \$454 billion for Federal Reserve programs, \$35 billion from the U.S. Treasury has been allocated for the Municipal Liquidity Facility (MLF). The Federal Reserve has allocated an additional \$465 billion of its own funds to the MLF, for a total of \$500 billion.

The MLF purchased short-term (maturity of 3 years or less) notes from states, counties with a population of at least 500,000, cities with a population of at least 250,000, and multi-state entities, with at least 2 eligible local governments per state. In Arizona, eligible governments were the state, Maricopa County, City of Phoenix, City of Mesa, City of Chandler, City of Scottsdale, City of Glendale, Pima County, and City of Tucson.

The Federal Reserve had the capacity to purchase up to \$4.2 billion in eligible notes from the state and a total of \$1.5 billion from local governments in Arizona. No governments in Arizona utilized the MLF.

This program terminated on December 31, 2020.

For more information, see the Coronavirus State/Local Government Loan Programs attachment.

Unemployment Insurance

COVID 3 established several unemployment insurance (UI) programs that are funded by the federal government. COVID 4 amended these and established an additional UI program. These programs were later extended. For an estimate of federal UI benefits to individuals, see Direct Aid to Individuals and Businesses section and *Table 3*.

- Federal Pandemic Unemployment Compensation (FPUC) (\$7.6 billion): In Arizona, the maximum state-funded weekly UI benefits are \$240. COVID 3 provided 100% federally-funded UI benefits of \$600 per week, in addition to what the individual would otherwise receive. From March 27, 2020, through July 31, 2020 (weeks ending April 4 through July 25), enrollees were eligible for a combined maximum of \$840 per week. COVID 4 re-established the program with a weekly benefit of \$300. Enrollees received these benefits from December 27, 2020, through March 14, 2021 (weeks ending January 9 through March 13). From COVID 3 and COVID 4, Arizonans received a total of \$7.6 billion in FPUC.
- Pandemic Emergency Unemployment Compensation (PEUC) (\$371 million): Under Arizona law, individuals may receive up to 26 weeks of UI benefits. COVID 3 provided enrollees that already exhausted their regular 26 weeks of UI benefits with an additional 13 weeks, for a total of 39 weeks of UI benefits. The additional 13 weeks are 100% federally-funded and were initially effective through December 31, 2020 (week ending December 26). COVID 4 extended the program and allowed enrollees to receive up to 24 weeks beyond regular state benefits, for a total of 50 weeks of UI benefits. Individuals could enroll through March 14, 2021 (week ending March 13), and continue receiving benefits through April 5, 2021 (week ending April 10). Individuals receiving these benefits were also eligible for FPUC. From COVID 3 and COVID 4, Arizonans received a total of \$371 million in PEUC.
- Pandemic Unemployment Assistance (PUA) (\$2.3 billion): COVID 3 allowed individuals who are otherwise ineligible for UI benefits, such as self-employed workers, contractors, and gig workers, to receive 100% federally-funded benefits for up to 39 weeks from March 27, 2020, through December 31, 2020 (weeks ending April 4 through December 26). COVID 4 extended the program and allowed enrollees to receive up to 50 weeks of benefits. Individuals could enroll through March 14, 2021 (week ending March 13), and continue receiving benefits through April 5, 2021 (week ending April 10). First-time applicants who enrolled after December 27, 2020, could receive payments retroactive to December 1, 2020 (week ending December 12). Guidance issued by the U.S. Department of Labor on February 25, 2021, expanded eligibility to include individuals who refuse unsafe work, provide services to educational institutions, or are experiencing a reduction of hours or a lay-off. Individuals receiving PUA benefits were also eligible for FPUC. From COVID 3 and COVID 4, Arizonans received a total of \$2.3 billion in PUA.
- Mixed Earner Unemployment Compensation: Under COVID 3, an individual with income through both traditional employment and through self-employment was eligible for either regular UI benefits based on income from traditional employment or Pandemic Unemployment Assistance based on income from self-employment, but not a combination of both programs. COVID 4 allowed self-employed individuals with at least \$5,000 in self-employment income in the prior year to receive an additional \$100 per week, above regular UI benefits. These benefits are 100% federally-funded. States must elect to participate in this program, with benefits paid the week beginning on or after the date of the state's election through March 14, 2021 (week ending March 13). Arizona elected to participate in the program. Individuals receiving these benefits were also eligible for FPUC and PEUC.
- Waiting week (\$4 million): In Arizona, individuals may not receive UI benefits in the first week that a weekly claim is filed. COVID 3 provided 100% federally-funded benefits for the waiting week. States must elect to participate in this program, with benefits paid for waiting weeks beginning on or after the date of the state's election through December 31, 2020 (week ending December 26). Arizona elected to participate in the program. COVID 4 provided 50% federally-funded benefits for waiting weeks through March 14, 2021 (week ending March 13). Arizona also elected to participate in the COVID 4 program, with the federal government and state each contributing an estimated \$3.8 million over 11 weeks.
- For more information, see the Program Summary on [Unemployment Insurance Program Changes](#).
- UI administration (\$19 million): Under COVID 2, Arizona will receive an initial grant of \$10 million. A supplemental grant of \$10 million will be made available if the number of UI claims increases by 10% or more over the same quarter in 2019. This threshold has been exceeded in Arizona.
- UI extension implementation grants (\$0.7 million): Arizona received approximately \$0.7 million to implement extensions of UI provisions in COVID 4.
- Short-Time Compensation (STC) administration (\$2 million): The Arizona Shared Work program allows employees working reduced hours to receive a pro-rated portion of UI benefits. Employers may qualify for the

program if employees' hours have been reduced by at least 10% and no more than 60%, and employers must continue to provide health and retirement benefits to participating employees. Employees in the program received a \$600 weekly increase from March 29, 2020, through July 25, 2020. UI benefits paid through the STC program and the \$600 increase were 100% federally-funded. DES received \$2 million for administrative costs. Of the \$2 million award, one-third of funds (\$0.6 million) are for improved administration of the STC program and two-thirds (\$1.3 million) are for the promotion of the STC program and enrollment of employers in the program.

- Dislocated Worker Grants (\$1 million): DES received funds for disaster-relief cleanup, humanitarian assistance, and employment and training activities. These monies may also be used for contact tracing.
- Reimbursing employers (\$47 million): State and local governmental entities, certain nonprofits, and tribes were to be refunded 50% of the cost of unemployment claims made against the reimbursing employer between March 13, 2020, and March 14, 2021, as established by COVID 3 and amended by COVID 4. As of February 20, \$47 million has been reimbursed. While a portion of these dollars may have been reimbursed to non-governmental entities, we have included this entire figure in *Table 2*.
- Fraud investigation (\$2 million): Arizona received \$2 million in funding for fraud investigation activities in the PUA and PEUC programs.

For the remaining program descriptions, the amounts indicated below in parentheses represent estimates of Arizona's share of funding.

Education

The Education Stabilization Fund (ESF) allocates \$112.6 billion to states, school districts/charter schools, and higher education institutions. Of this amount, \$30.75 billion was appropriated by COVID 3 and \$81.88 billion by COVID 4. Arizona is expected to receive a total of \$2.3 billion in ESF monies from COVID 3 and COVID 4. The federal legislation does not contain "supplement-not-supplant" language, but the state must meet maintenance-of-effort (MOE) requirements to receive ESF monies for the Governor's Fund, K-12 Education Fund, and Private Schools Fund. The MOE requirements differ between COVID 3 and COVID 4 monies.

- Governor's Emergency Education Relief Fund (\$100 million): These funds may be allocated at the Governor's discretion to local education agencies, higher education institutions, or other education-related entities. Monies must be allocated to eligible entities within 1 year of receipt. Arizona received \$69 million from COVID 3 and will receive \$31 million from COVID 4 for these entities. COVID 3 monies must be spent by September 30, 2022, and COVID 4 monies by September 30, 2023.
 - To receive the Governor's Fund monies, the state must meet certain MOE requirements. See the bullets under MOE requirements for discussion of these levels of spending.
 - The COVID 3 monies are allocated as follows:
 - \$40 million for installation of broadband infrastructure along I-17 between Sunset Point and Flagstaff and along I-19 between Tucson and Nogales.
 - \$19 million for Acceleration Academy Grants, which are one-time grants to high-need schools for contracted services and training for existing teaching staff.
 - \$6 million for the Arizona Teachers Academy to provide tuition grants to postsecondary students in exchange for a commitment to teach in Arizona K-12 public schools after graduation.
 - \$2 million in grants to support innovative practices responding to the COVID-19 pandemic. A for Arizona, a nonprofit organization, will oversee the program and provide a private match of these monies.
 - \$1 million for vehicles for the Arizona State Schools for the Deaf and the Blind.
 - \$0.7 million for leadership development in rural and underperforming schools through the Beat the Odds School Leadership Academy.
 - \$0.5 million for tutoring from Teach for America.
 - \$0.5 million for the Arizona Virtual Teacher Institute.
- Emergency Assistance to Non-Public Schools (EANS) grants (\$54 million): Arizona will receive \$54 million in EANS grants from the private school set-aside in COVID 4. These funds will be distributed by the Governor and administered to private schools by ADE, which may retain up to 0.5%, or \$0.3 million, for administrative costs. Private schools receiving these funds may not receive a Paycheck Protection Program loan on or after December 27, 2020. (In *Table 2*, these monies are listed separately from the Governor's Fund line.) To receive

the EANS monies, the state must meet certain MOE requirements. See the bullets under MOE requirements for discussion of these levels of spending.

- Elementary and Secondary School Emergency Relief Fund (\$1.4 billion): Arizona received \$277 million from COVID 3 and \$1.1 billion from COVID 4. School districts and charter schools will receive at least 90% of the state allocation, in proportion to the amount of Title I-A funding received. Schools received \$250 million from COVID 3 and \$1.0 billion from COVID 4, for a combined total of \$1.3 billion. The state may retain up to 0.5% for administrative costs, or \$1 million from COVID 3 and \$6 million from COVID 4, for a combined total of \$7 million. Up to 9.5% will be distributed at ADE's discretion to address coronavirus-related emergency needs. ADE received \$26 million from COVID 3 and \$109 million from COVID 4, for a combined total of \$135 million. Monies must be allocated to schools within 1 year of receipt. COVID 3 monies must be spent by September 30, 2022, and COVID 4 monies by September 30, 2023. See [here](#) for ADE's federal application for these funds, which has been approved by the U.S. Department of Education.
 - To receive the K-12 Education Fund monies, the state must meet certain MOE requirements. See the bullets under MOE requirements for discussion of these levels of spending.
 - The \$26 million portion controlled by ADE from COVID 3 is allocated as follows:
 - \$15 million for schools that are not eligible for formula funds from the K-12 Education Fund. Over 180 schools will receive monies based on the number of low-income students and the size of the school, with each entity receiving at least \$50,000.
 - \$6 million for distance learning grants to school districts and charter schools. Awards will be based on need and impact of COVID-19.
 - \$5 million for special education compensatory education.
 - \$0.3 million for social-emotional learning and trauma-informed training for school teachers and leaders.
 - Funds from the \$109 million portion controlled by ADE from COVID 4 are allocated to provide a minimum of \$150,000 for all school districts and charter schools, with rural schools (not in Maricopa or Pima Counties, or located more than 10 miles from a municipality with a population of 50,000 or more) receiving a minimum of \$175,000 and rural and remote schools (in a census-defined rural territory) receiving a minimum of \$200,000.
- Higher Education Emergency Relief Fund (\$761 million): Federal Funds are distributed directly to institutions of higher education (IHEs). Arizona IHEs received \$307 million from COVID 3. Of this amount, approximately \$122 million went to public universities, \$85 million to community colleges, and \$101 million to private institutions. So far, Arizona IHEs have been allocated \$454 million from COVID 4 and are expected to receive additional funds. Of the \$454 million, \$205 million will be distributed to public universities, \$182 million to community colleges, and \$67 million to private institutions. For both COVID 3 and COVID 4, some of these monies must be used for student grants, while the remainder may be used to offset revenue shortfalls. For public universities, a total of at least \$118 million must be distributed as student grants. COVID 3 monies must be spent by September 30, 2022, and COVID 4 monies by September 30, 2023.
 - The MOE requirements may affect the state's eligibility to receive GEERF, EANS, and ESSERF monies, but do not impact HEERF monies distributed directly to IHEs.
 - See the Higher Education Emergency Relief Fund Allocations attachment for a breakdown of HEERF funds received by Arizona IHEs.
- MOE requirements:
 - To receive COVID 3 Governor's Fund and K-12 Fund monies, the state must (1) keep its General Fund spending for K-12 in FY 2020 and FY 2021 at or above the average levels of K-12 spending in FY 2017-FY 2019 and (2) keep its General Fund spending for higher education in FY 2020 and FY 2021 at or above the average levels of higher education spending in FY 2017-FY 2019.
 - According to the COVID 3 MOE, the state must maintain a spending level of \$4.33 billion for elementary and secondary education in FY 2020 and FY 2021. The FY 2020 budget provides \$866 million in state support above the MOE spending level, and the FY 2021 budget provides \$1.27 billion in state support above the MOE spending level. Therefore, all of the K-12 Education Fund monies could potentially be used to supplant state General Fund spending for K-12. The state also has the option to use some or all of the monies to supplement current K-12 funding levels.
 - According to the COVID 3 MOE, the state must maintain a spending level of \$721 million for higher education in FY 2020 and FY 2021. The FY 2020 budget provides \$66 million in state support above the MOE spending level, and the FY 2021 provides \$22 million in state support above the MOE

- spending level. Therefore, up to \$66 million in FY 2020 and \$22 million in FY 2021 could potentially be supplanted.
 - To receive COVID 4 Governor's Fund, K-12 Fund, and EANS monies, the state must (1) keep its General Fund spending for K-12 in FY 2022 at or above the average proportional levels of K-12 spending relative to overall spending in FY 2017-FY 2019 and (2) keep its General Fund spending for higher education in FY 2022 at or above the average proportional levels of higher education spending relative to overall spending in FY 2017-FY 2019.
- Head Start (\$16 million): Arizona received \$12 million from COVID 3 and is estimated to receive \$4 million from COVID 4.

Health

- Temporary Medicaid Match Rate Increase (\$907 million): COVID 2 includes a temporary increase of 6.2% in each state's Federal Medical Assistance Percentage (FMAP) used to fund the Medicaid program and Title IV-E child welfare services. The increase is retroactive to January 1, 2020, and is effective for the duration of the federally-declared public health emergency in response to COVID-19. We estimate that the 6.2% increase reduced Arizona's state General Fund costs by \$(208) million in FY 2020, including \$(153) million for Medicaid services provided by AHCCCS, \$(45) million for DES, and \$(10) million for Title IV-E child welfare services provided by DCS. The actual net savings to the General Fund, however, will be lower, as the above savings do not account for caseload growth and other technical factors that impact General Fund spending for Medicaid and Title IV-E. We anticipate that savings will be \$(432) million in FY 2021 and \$(267) million in the first two quarters of FY 2022. The combined projected FY 2020, FY 2021, and FY 2022 savings is \$(907) million.
- Medicare State Survey and Certification (\$0.2 million): DHS received \$0.2 million in formula grants.
- CDC grants (\$672 million): DHS received \$16 million in Public Health Emergency Preparedness Grants from COVID 1, \$8 million in Immunization Cooperative Agreements from COVID 3, and \$13 million in Epidemiology and Laboratory Capacity Grants from COVID 1 and COVID 3. Funding may be used for lab capacity, infection control, and other preparedness and response activities. COVID 3.5 provided an additional \$150 million in Epidemiology and Laboratory Capacity Grants to DHS for testing and contract tracing. Arizona will also receive \$66 million for vaccine distribution and \$419 million for testing and contact tracing from COVID 4. See Tribal Relief section for monies distributed to tribal entities. ADE also received \$0.3 million from COVID 3 to address student health.
- Emergency Response Grants (\$5 million): AHCCCS received \$2 million from COVID 3 and \$3 million from COVID 4, for a total of \$5 million, to address mental health, substance use disorders, and to support youth and the homeless.
- Emergency Response for Suicide Prevention grants (\$0.8 million): AHCCCS received these funds to address suicide prevention during the COVID-19 pandemic. In addition, tribal entities received \$0.8 million, and the EMPACT-Suicide Prevention Center received \$0.8 million (see Tribal Relief section and *Table 3*). COVID 4 provided an additional \$50 million nationwide for suicide prevention programs.
- Hospital Preparedness Program (\$5 million): DHS and AHCCCS received approximately \$1 million in total from COVID 1 and \$4 million in total from COVID 3 to assist hospitals and the health care system in preparing for and responding to public health emergencies, including bioterrorism.
- Ryan White HIV/AIDS (\$0.4 million to the state, \$0.4 million to local governments, and \$0.4 million to non-governmental entities): State funds (Part B) improve HIV health care and support services, including AIDS Drug Assistance Program grants. Monies received by local governments (Part A) fund medical and support services in counties and cities that are the most severely affected by the HIV/AIDS epidemic. Local community-based organizations use funds (Parts C, D, and F) to provide outpatient health care services and clinician training.
- Substance Abuse Prevention and Treatment Block Grant (\$38 million): Arizona received \$38 million from COVID 4. At least 20% of funds, or \$8 million, must be spent on primary prevention.
- Community Mental Health Services Block Grant (\$23 million to the state): Arizona received \$44 million from COVID 4. At least 50% of funds, or \$23 million, are provided directly to facilities (see *Table 3*).
- For funds directed to hospitals and community health centers, see Direct Aid to Individuals and Businesses section.

Emergency Relief

- Emergency Management Performance Grants (\$2 million): ADOA and DEMA are eligible to apply to FEMA for these grants, which support coordination of communications and logistics among state, local, and tribal governments. The 50% state match requirement is not waived.
- Emergency Food and Shelter Program (\$0.6 million to the state and \$5 million to local governments): Grants are given to jurisdictions to provide food, lodging in a mass shelter or hotel, one month's rent or mortgage payment, one month's utility bill, or equipment necessary to feed or shelter people, up to a \$300 limit per item, for individuals or families in economic crisis.
- Assistance to Firefighters Grants (\$0.8 million to local governments): Assistance to Firefighters Grants (AFG) can be used by firefighters and other first responders to obtain equipment, protective gear, emergency vehicles, training, and other necessary resources.
- Stafford Act assistance (\$176 million to the state and \$12 million to local governments): The national emergency declaration on March 13, 2020, and the major disaster declaration for Arizona on April 4, 2020, made Arizona eligible for Stafford Act assistance. Arizona is eligible to receive FEMA funding for Public Assistance emergency protective measures. The 25% state cost share requirement has been waived. As of August 23, 2021, FEMA has obligated \$168 million in federal support to the state and \$12 million to local governments through the PA program. Tribal governments and nonprofits also received some PA funds (see Tribal Relief section and *Table 3*). Arizona has also received \$8 million in grants for the Crisis Counseling Program. We anticipate that these amounts of federal assistance will grow as additional expenses are approved by FEMA. This amount includes federal funding for National Guard deployments. For more information, see the FEMA Stafford Act Assistance attachment.

Food Assistance

- The Emergency Food Assistance Program (TEFAP) commodities (\$14 million): TEFAP provides emergency food and nutrition assistance. Funding came from COVID 2 (\$7 million) and COVID 3 (\$7 million).
- TEFAP administration (\$16 million): TEFAP is administered by DES. Funding was provided by COVID 2 (\$2 million) and COVID 3 (\$4 million). Arizona is also estimated to receive an additional \$10 million from COVID 4. These monies are for commodities and administration.
- Special Supplemental Nutrition Program for Women, Infants, and Children (\$10 million): COVID 2 provides \$10 million in funding. WIC provides assistance to low-income women and mothers with young children who are unemployed due to the COVID-19 pandemic.
- National School Lunch Program (\$140 million)
- Supplemental Nutrition Assistance Program (SNAP) administration (\$2 million): Arizona received \$2 million from COVID 4.
- Reimbursement for nutrition programs: COVID 4 allows states to be reimbursed for 55% of emergency operational costs incurred between March and June 2020 for school meal programs and child and adult care food programs. States may use 1% of funds for administrative costs. Monies remain available until September 30, 2021.

Children and Families

- Child Care and Development Block Grant (\$337 million): Funding assists child care providers and provides child care subsidies for essential employees. These funds require legislative appropriation and may not supplant child care assistance for low-income families. Arizona received \$88 million from COVID 3, and these funds will remain available through September 30, 2021. Payments of COVID 3 monies may be obligated from FY 2020-FY 2022. Arizona also received \$249 million from COVID 4, and the state must report how the funds were spent by October 31, 2022.
- Title IV-B (\$3 million): DCS uses Title IV-B monies primarily to fund caseworkers and other DCS staff. The state match requirement is waived. For child welfare services, DCS received \$1 million from COVID 3. For the Promoting Safe and Stable Families Program, DCS received \$2 million and the courts received \$0.2 million from COVID 4 for FY 2021. See Tribal Relief section for monies distributed to tribal entities.
- Chafee Foster Care Program for Successful Transition to Adulthood (\$12 million): Arizona received \$10 million for the Chafee program and \$2 million for education and training vouchers for youth who age out of foster care from COVID 4. See Tribal Relief section for monies distributed to tribal entities.
- Family violence prevention and services formula grants (\$1 million): The non-federal match requirements are waived.

Elderly and Community Living

- Older Americans Act:
 - Congregate and Home-Delivered Meals (\$20 million): COVID 2 provides \$5 million in funding for congregate and home-delivered meals. Arizona received an additional \$11 million from COVID 3 and \$4 million from COVID 4 for home-delivered meals. These programs are run by DES. The non-federal match requirements are waived.
 - Supportive services (\$4 million)
 - Supportive services for family caregivers (\$2 million)
 - Title VII Protection of Vulnerable Older Americans activities (\$0.5 million): Arizona received \$0.4 million from COVID 3 and \$0.1 million from COVID 4 for the long-term care ombudsman program.
 - Discretionary projects (\$1 million): These funds will be used by DES for the Arizona Bridges of Care project.
- Low Income Home Energy Assistance Program (\$29 million): Funding provides energy assistance to low-income residents. Arizona received \$16 million from COVID 3 and \$13 million from COVID 4. See Tribal Relief section for monies distributed to tribal entities.
- Community Services Block Grants (\$8 million): DES received monies for various programs related to poverty. Federal law requires 90% of these monies, or \$7 million, to be passed through to local entities.
- Aging and Disability Resource Centers (\$1 million)
- Adult Protective Services (\$2 million): Arizona received \$2 million from COVID 4.
- Vaccine Access (\$2 million): Arizona received a total of \$2 million from COVID 4.

Housing and Urban Development

- Community Development Block Grants (\$32 million to the state and \$74 million to local governments): Funding is used to provide housing and expand economic opportunities for persons of low or moderate income.
- Homeless Assistance/Emergency Solutions Grant (\$22 million to the state and \$50 million to local governments): The \$72 million to state and local governments represents Arizona's share of the \$2 billion in federal funding distributed according to FY 2020 allocations and the additional \$2 billion distributed by the U.S. Secretary of Housing and Urban Development. Funding is used to increase the number and quality of emergency shelters which provide short-term accommodations for people who are homeless or experiencing a housing crisis, and to assist in operating those shelters. Of the state's allocation, \$4 million was distributed to shelters, programs, and services that assist individuals and families experiencing homelessness, \$2 million to services and programs that work to prevent homelessness. The remaining \$16 million was used to support organizations that provide emergency shelter and connect those experiencing homelessness with needed services, as well as fund a non-competitive grant program through DES.
- Public Housing Operating Fund (\$3 million to local governments): Funding supports public housing agencies to help maintain normal operations as well as take necessary action to minimize the impacts of COVID-19 on public housing services. These monies are awarded directly to local Public Housing Authorities.
- Tenant-Based Rental Assistance (\$3 million to local governments): Funding provides rental assistance to low-income Arizonans to cover the monthly cost of rental units. These monies are used for adjustments to Section 8 renewal funding allocations due to the COVID-19 pandemic. Local governments received approximately \$3 million. The Arizona Department of Housing received \$22,500, and the Arizona Behavioral Health Corporation received \$16,300 (see *Table 3*).
- Supportive Housing for Persons with Disabilities (\$0.7 million to local governments): Funding subsidizes rental housing and provides supportive services for very low- and extremely low-income adults with disabilities. Local governments received \$0.7 million, and the Arizona Behavioral Health Corporation received \$0.1 million (see *Table 3*).
- Housing Opportunities for Persons with AIDS (\$0.1 million to the state and \$0.8 million to local governments): Funding provides housing assistance and supportive services to low-income persons living with HIV/AIDS who are or at risk of being homeless. The state received \$0.1 million and local governments received \$0.6 million in formula funding. Pima County and Cochise County also received \$0.2 million in competitive grants.
- Rental assistance (\$290 million to the state and \$202 million to local governments): The \$25 billion nationwide in rental assistance from COVID 4 will be distributed to states and localities using the Coronavirus Relief Fund allocation formula. States are allocated funding based on their share of population, with each state

guaranteed a minimum funding amount of \$200 million. Arizona's total allocation is \$492 million for both its state and local governments combined. Of this amount, the state received \$290 million, and local governments received \$202 million. The National Low Income Housing Coalition projects that Arizona has obligated 6.45% of its funds as of August 23, 2021. Beginning on September 30, 2021, the U.S. Secretary of the Treasury may reallocate funds to grantees that have obligated at least 65% of their original allocation. Funds will remain available through December 31, 2021.

- Local governments with populations over 200,000 are eligible to receive direct payments. The local governments in Arizona that received direct payments are: Maricopa County (\$46 million), Mohave County (\$6 million), Pima County (\$15 million), Pinal County (\$14 million), Yavapai County (\$7 million), Yuma County (\$6 million), Chandler (\$8 million), Gilbert (\$8 million), Glendale (\$8 million), Mesa (\$16 million), Phoenix (\$51 million), and Tucson (\$17 million). Scottsdale was also eligible but did not receive rental assistance monies.

Transportation

- Public Transit Grants provide funding for capital, planning, and operating assistance to state, local, and tribal governments to support public transportation. Arizona entities received \$313 million from COVID 3 and is estimated to receive an additional \$102 million from COVID 4, for a total of \$415 million.
 - Urbanized Areas (\$372 million): Arizona received a total of \$268 million from COVID 3 and \$103 million from COVID 4. Cities with populations of 50,000 or more are eligible for funding. Phoenix-Mesa received \$188 million from COVID 3 and \$85 million from COVID 4, for a total of \$273 million. Tucson received \$44 million from COVID 3 and \$18 million from COVID 4, for a total of \$62 million. The other urbanized areas that received monies are: Avondale-Goodyear, Casa Grande, Flagstaff, Lake Havasu City, Prescott Valley-Prescott, Sierra Vista, and Yuma. Allocations for these areas totaled \$36 million from COVID 3. Urbanized areas may not receive combined allocations from COVID 3 and COVID 4 in excess of 75% of that area's 2018 operating costs.
 - Nonurbanized (Rural) Area Formula (\$42 million): Grant funding is allocated to state and tribal governments to distribute to areas with populations of less than 50,000. Funds are apportioned to states based on a formula that includes land area, population, revenue vehicle miles, and low-income individuals in rural areas. States may not receive combined allocations from COVID 3 and COVID 4 in excess of 125% of that state's total rural operating costs.
 - See Tribal Relief section for monies distributed to tribal entities.
- Highway Infrastructure Program (\$150 million to the state and \$32 million to local governments): Arizona received \$182 million from COVID 4. Of this amount, Phoenix-Mesa received \$25 million, Tucson \$6 million, and all other areas \$150 million. Monies for rural areas fall under the jurisdiction of ADOT. Of the \$150 million to the state, \$33 million has been allocated for the Gila River Bridge project and \$117 million for pavement rehabilitation of 19 projects and 648 lane miles statewide. These funds must be spent by September 30, 2024.
- Grants for airports (\$225 million): Airports in Arizona received \$225 million from COVID 3. COVID 4 provided an additional \$2 billion in funds nationwide. Airports that received funds in excess of 4 years of operating costs from COVID 3 are not eligible to receive grants from COVID 4. Through February 15, 2021, airports must maintain at least 90% of employees as of March 27, 2020.
- Airport Improvement Program (\$71 million): Arizona received \$21 million from COVID 3 and is estimated to receive \$50 million from COVID 4.
- Supplemental Discretionary grants (\$10 million)
- Surface Transportation Block Grant Program (\$182 million): ADOT is estimated to receive \$182 million in formula funding from COVID 4. Funds are available until September 30, 2024.
- Enhanced Mobility of Seniors and Individuals with Disabilities (\$0.2 million to the state and \$0.8 million to local governments): Arizona received \$0.2 million in formula funding from COVID 4. In addition, Phoenix-Mesa is allocated \$0.6 million and Tucson is allocated \$0.2 million.
- The Real ID deadline for states is extended from October 1, 2020, to September 30, 2021.

Other

- Byrne Justice Assistance Grants (\$12 million to the state and \$6 million to local governments): The U.S. Department of Justice announced that state, local, and tribal governments in Arizona will receive a total of \$19 million. Funding supports a range of program areas, including law enforcement, prosecution, indigent defense, courts, crime prevention and education, corrections and community corrections and drug treatment and

enforcement. The Arizona Criminal Justice Commission receives the state's allocation. Of the \$7 million to local governments, approximately \$1 million is allocated for Arizona tribes. (See Tribal Relief section.)

- Coronavirus Emergency Supplemental Funding Program (\$12 million to the state and \$7 million to local governments): Funding may be used for PPE and supplies, personnel expenses, and medical needs of inmates in state, local, and tribal prisons, jails, and detention centers. The Arizona Criminal Justice Commission received the state's allocation.
- Economic Adjustment Assistance grants (\$1 million to local governments): The Recovery Assistance grant recipients are the Central Arizona Governments, Northern Arizona Council of Governments, and Southeastern Arizona Governments Organization. For information on grants to businesses, see Direct Aid to Individuals and Businesses section.
- Elections (\$8 million): These election security grants are to prevent, prepare for, and respond to coronavirus in the 2020 federal election cycle. To receive these monies, Arizona must provide a 20% match (\$2 million) within 2 years of receiving funds. In-kind sources by state and local jurisdictions may be used to meet the state match. These Federal Funds may not be used to pay for expenses currently paid with state or local funds, such as regularly-anticipated demand for mail ballots. Instead, allowable costs would include such items as the marginal cost of printing additional ballots, cleaning supplies and protective masks, deep cleaning of polling places, and upgrades of statewide or local databases. These monies require legislative appropriation. Monies not used by December 31, 2020, reverted to the Treasury. These monies were not appropriated, and the Governor has allocated \$9 million from the Coronavirus Relief Fund for this purpose (see Coronavirus Relief Fund section).
- Manufacturing Extension Partnership (\$0.7 million): The Arizona Commerce Authority will receive \$0.7 million from the National Institute of Standards and Technology's Manufacturing Extension Partnership to assist small- and medium-sized manufacturers. The state match requirements have been waived for these monies.
- Institute of Museum and Library Services Grants (\$0.7 million): These monies will be distributed to the Arizona State Library within the Arizona Secretary of State's office. Funds are used to expand digital network access and provide technical support. As Arizona's State Library Administrative Agency, the Arizona State Library may distribute the \$0.7 million through competitive subawards or cooperative agreements. Amerind Museum in Cochise County received \$0.2 million as a direct award (see *Table 3*).
- Arts and humanities (\$0.5 million to the state and \$0.5 million to non-governmental entities): Of the \$60 million in federal funding that is distributed to states, Arizona's allocation is \$1 million. The Arizona Commission on the Arts will receive \$0.5 million, and the Arizona Humanities Council, which is not a state entity, will receive \$0.5 million (see *Table 3*). An additional \$90 million in federal funding will be distributed through direct grants.

Tribal Relief

We do not have a comprehensive list of tribal allocations for specific programs, but relief includes:

- Education Stabilization Fund (\$7 million): Diné College and Tohono O'odham Community College received \$7 million from the Higher Education Emergency Relief Fund from COVID 3. See Education section for more details. These monies are included in *Table 2* and are allocated through a different formula than the Tribal Colleges and Universities (TCUs) set-asides.
- Education Stabilization Fund K-12 and TCU set-asides (\$89 million): K-12 schools received \$28 million from COVID 3 and \$58 million from COVID 4. TCUs received \$4 million from COVID 3.
- \$750 million nationwide to tribes, tribal organizations, urban Indian health organizations, and health service providers to tribes for coronavirus testing from COVID 3.5.
- \$210 million to the Indian Health Service for vaccine distribution from COVID 4.
- \$790 million to the Indian Health Service for coronavirus testing and contact tracing from COVID 4.
- \$500 million nationwide to the Indian Health Service and tribal hospitals, clinics, and urban health centers.
- At least \$125 million nationwide for tribes, tribal organizations, urban Indian health organizations, or health service providers to tribes for Substance Abuse and Mental Health Services Administration programs from COVID 4.
- \$115 million nationwide for the Tribal Transportation Program.
- \$1 billion nationwide for tribal broadband programs from COVID 4.

For a breakdown of Federal Funds received by each Arizona tribal entity for other programs, see the Federal Coronavirus Response Funds to Tribal Entities attachment.

Direct Aid to Individuals and Businesses

- UI benefits (\$11.2 billion): See Unemployment Insurance section for more information on federally-funded UI programs. As of March 13, 2021, individuals in Arizona had received \$11.2 billion in federally-funded UI benefits through these programs. This amount includes the \$949 million in benefits from the Lost Wages Assistance Program (established by a presidential memorandum), which provided a federally-funded \$300 increase above Arizona's regular UI benefits between the weeks ending August 22, 2020, and September 12, 2020. While UI programs were later extended by ARP through September 6, 2021, the \$11.2 billion amount excludes ARP UI benefits.
- SNAP emergency allotments (\$830 million): SNAP benefits are 100% federally-funded. Under COVID 2, SNAP households may receive emergency allotments, which increase the household's allotment up to the maximum allotment. Arizona SNAP households received emergency allotments benefits beginning in April, and these benefits will continue until the end of the federally-declared COVID-19 public health emergency or until the expiration of the state-issued emergency or disaster declaration. According to DES, emergency allotments benefits totaled \$39 million in April 2020, \$42 million in May 2020, \$40 million in June 2020, \$42 million in July 2020, \$42 million in August 2020, \$41 million in September 2020, \$42 million in October 2020, \$43 million in November 2020, \$45 million in December 2020, \$47 million in January 2021, \$55 million in February 2021, \$53 million in March 2021, \$57 million in April 2021, \$95 million in May 2021, \$74 million in June 2021, and \$71 million in July 2021. COVID 4 also increases the monthly SNAP benefit level by 15% from January 1, 2021, to June 30, 2021, excludes Federal Pandemic Unemployment Compensation from household income calculations for SNAP, and extends SNAP eligibility to college students who are eligible for work-study or have an expected family contribution of \$0.
- Pandemic Electronic Benefit Transfer (P-EBT) (\$903 million): COVID 2 authorized P-EBT to provide assistance to households with children who are eligible for free or reduced-price school meals while schools are out of session due to the COVID-19 pandemic. The Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159) extends P-EBT availability from September 30, 2020, through September 30, 2021, and expands the program beginning October 1, 2020, to cover households with children at affected child care centers. Households received \$69 for March 2020, \$126 for April 2020, and \$120 for May 2020 per child. These benefits are 100% federally-funded. According to DES, emergency allotments benefits totaled \$29 million in April 2020, \$151 million in May 2020, \$2 million in June 2020, \$10 million in July 2020, \$8 million in August 2020, and \$1 million in September 2020, \$15 million in March 2021, \$136 million in April 2021, \$304 million in May 2021, \$191 million in June 2021, and \$56 million in July 2021.
- Emergency Broadband Benefit Program: COVID 4 authorized \$3.2 billion nationwide in emergency broadband benefits to families. The benefits are effective beginning from December 27, 2020, until 6 months after the end of the federally-declared public health emergency in response to COVID-19. Low-income families may receive up to \$50 per month, or \$75 per month if the household is on tribal land, for broadband access, as well as up to \$100 for one connected device per household. Families may qualify if at least one member of the household is eligible for free or reduced-price lunch, Pell Grant, or Federal Communications Commission's Lifeline program, or have experienced a substantial loss of income since February 29, 2020.
- Economic Impact Payments (\$9.0 billion): Individual taxpayers below certain income thresholds will receive 2 one-time direct payments from the federal government. The first round was authorized by COVID 3. In the first round, 3,484,125 individuals in Arizona received a total of \$5.9 billion in stimulus payments. The second round was authorized by COVID 4. In the second round, as of early February 2021, 3,176,360 individuals in Arizona received a total of \$3.1 billion in stimulus payments. In total, individuals received \$9.0 billion from COVID 3 and COVID 4 stimulus payments. This amount excludes ARP economic impact payments. For more information, see the American Rescue Plan Act section.
 - COVID 3: Single filers with an adjusted gross income (AGI) of less than \$75,000 on TY 2019 filings receive a one-time payment of \$1,200. Joint filers with AGI of less than \$150,000 on TY 2019 filings receive a one-time check of \$2,400, plus an additional \$500 per dependent child. For each \$100 in income over these limits, payments are reduced by \$5. As a result, there are no payments for single filers with AGI above \$99,000 and joint filers with no children with AGI above \$198,000.
 - COVID 4: Single filers with AGI of less than \$75,000 on TY 2019 filings receive a payment of \$600. Joint filers with AGI of less than \$150,000 on TY 2019 filings receive a check of \$1,200, plus an additional \$600 per dependent child. For each \$100 in income over these limits, payments are reduced by \$5. As a result, there are no payments for single filers with AGI above \$87,000 and joint filers with no children with AGI above \$174,000.

- Paid Sick and Family Leave: COVID 2 requires employers with fewer than 500 employees and government employers to provide 2 weeks of paid sick leave to employees advised to self-quarantine or caring for a child or family member who has been advised to self-quarantine. Employees advised to self-quarantine may receive 100% of their regular pay, up to \$511 per day and \$5,110 in total, and employees caring for a child or family member may receive two-thirds of their regular pay, up to \$200 per day and \$2,000 in total. Employees who have been employed for at least 30 calendar days are also eligible for up to 12 weeks of paid family leave. After the first 10 days of leave, employees receive at least two-thirds of their average pay, up to \$200 per day and \$10,000 in total. COVID 4 extends these requirements for non-government employers through March 31, 2021.
- Sick and Family Leave Credits: COVID 2 allows a refundable tax credit equal to 100% of paid sick and family leave for employers required to provide paid sick and family leave. For TY 2020, governments are subject to paid leave requirements but are not eligible for these tax credits. COVID 4 extends these credits through March 31, 2021.
- Employee Retention Credit (\$1 billion): Under COVID 3, employers required by a government order to suspend operations due to COVID-19 or whose gross receipts decline by at least (50)% compared to the same quarter in the prior year are allowed a refundable payroll tax credit of 50% of qualified wages paid after March 12, 2020, through and including December 31, 2020, up to \$10,000 per employee. Qualified wages include wages paid to an employee not providing services due to a government-ordered closure and as well as health plan expenses. The Joint Committee on Taxation estimates that this credit will result in \$55 billion to employers. We estimate that Arizona businesses, which make up roughly 1.8% of businesses nationwide, will receive approximately \$1 billion. COVID 4 expands and extends the tax credit through June 30, 2021. During this extension (between January 1, 2021, and June 30, 2021), the level of the credit is increased to 70% of qualified wages, up to \$10,000 per employee per quarter. Employers are eligible during the extension period if gross receipts decline by at least (20)% compared to the same quarter in 2019 or the prior quarter.
- Charitable contribution deductions for individuals: Up to \$300 in charitable contributions may be deducted from TY 2020 federal adjusted gross income (FAGI) for filers that claim the standard deduction. For filers that itemize, the limit on charitable contributions that may be claimed is raised from 60% to 100% of the filer's FAGI in TY 2020.
- Charitable contribution deductions for corporations: For charitable contributions of cash, the deduction limit is raised from 10% to 25% of the taxpayer's modified taxable income in TY 2020. For contributions of food inventory, the limit is raised from 15% to 25% of taxable income for C corporations or net aggregate income for all other taxpayers in TY 2020.
- Business interest expense deductions: For TY 2019 and TY 2020, the limitation on business interest expense deductions is raised from 30% to 50% of the corporation's adjusted taxable income.
- Net operating losses (NOLs): The 80% taxable income limitation for NOL carryovers is suspended for TY 2018-TY 2020. NOLs arising in TY 2018-TY 2020 may also be carried back for five years.
- Qualified improvement property (QIP) depreciation: Retroactive to TY 2018, the QIP depreciation period is decreased from 39 to 15 years. QIP is also now eligible for 100% bonus depreciation.
- Paycheck Protection Program (PPP) (\$12.6 billion): Small businesses are eligible to apply for 250% of their average monthly payroll expenses in potentially forgivable loans. The first round of the PPP closed on August 8, 2020, and the second round closed on May 31, 2021. Arizona businesses were approved for \$8.7 billion in first draw loans and \$3.9 billion in second draw loans, for a total of \$12.6 billion.
 - Under COVID 3, businesses with fewer than 500 employees were eligible to apply for PPP loans, and the maximum loan amount was \$10 million. Under COVID 4, businesses must have fewer than 300 employees and must demonstrate a revenue reduction of (25)% to be eligible to apply, and the maximum loan amount is \$2 million. COVID 4 also expands PPP eligibility to include 501(c)(6) nonprofits.
 - Loans are 100% backed by the Small Business Administration (SBA) and are obtained through participating banks.
 - Loan monies used for payroll and interest on rent payments and utility services are forgivable.
 - If no employees are laid off, then the entire loan is forgiven. If some employees are laid off, then the forgivable amount of the loan is reduced by the percentage of employees that were laid off.
 - Loan amounts that are forgiven may be excluded from the businesses' gross income for federal income tax purposes.
 - COVID 3 established the program and provided \$349 billion for PPP loans. COVID 3.5 provided an additional \$310 billion. Of the amount added by COVID 3.5, \$60 billion is reserved for lending by small-

- and medium-sized financial institutions and those serving minority or underserved areas. COVID 4 appropriated an additional \$284.5 billion for a second round of PPP loans.
- Under the Paycheck Protection Program Flexibility Act, the covered period was extended from 8 weeks to 24 weeks or December 31, 2020, whichever is earlier. COVID 4 continues to allow businesses to select a covered period of 8 weeks or 24 weeks.
 - COVID 4 allows businesses to take tax deductions for expenses covered by forgiven PPP loans.
 - Economic Injury Disaster Loans (EIDLs) (\$4.2 billion): Small businesses and non-profits may apply for EIDLs of up to \$2 million to cover operating expenses, including sick leave, wages, supply chain cost increases, rent, and other liabilities that cannot be paid due to revenue decreases. EIDLs may not be forgiven. COVID 3.5 provided additional funds for the program and made agricultural enterprises with fewer than 500 employees eligible for the loans. A total of 63,518 Arizona businesses received \$4.2 billion in loans.
 - Emergency EIDL Advances (\$365 million): Small businesses and non-profits may apply for emergency grants of up to \$10,000 made within 3 days of application. Advances may be converted into grants if used to cover operating expenses, including sick leave, wages, supply chain cost increases, rent, and other liabilities that cannot be paid due to revenue decreases, even if the application for a loan is not subsequently approved. COVID 3 established the program and appropriated \$10 billion, COVID 3.5 provided an additional \$10 billion, and COVID 4 added \$20 billion. Arizona businesses have received \$329 million in 2020 advances and \$36 million in 2021 targeted advances.
 - Relief for existing loans: Small businesses with existing SBA loans may apply for funds to cover 6 months of payments. COVID 3 appropriated \$17 billion nationwide, and COVID 4 provided an additional \$3.5 billion nationwide.
 - Payroll Support Program (\$174 million): Under COVID 3, passenger carriers, cargo carriers, and contractors were eligible to apply for loans; COVID 4 extended the program for passenger carriers and contractors. Businesses received a total of \$111 million under COVID 3 and \$63 million under COVID 4, for a total of \$174 million.
 - Coronavirus Food Assistance Program (\$136 million): Producers of certain agricultural commodities who have suffered price declines of at least 5%, and who face substantial marketing costs for inventories, are eligible for payments of up to \$250,000 per person or legal entity, or \$750,000 per corporate entity. COVID 3 established the program, and COVID 4 provided additional funding. As of August 15, 2021, Arizona producers had received a total of \$136 million from both rounds of the program (CFAP 1 and CFAP 2).
 - Poison Control Centers (\$0.1 million): Funding would increase capacity of poison control centers to respond to increased calls.
 - NIH research grants (\$8 million)
 - Hospitals and health care providers (\$2.3 billion): COVID 3 provides \$100 billion to hospitals and health care providers nationwide, and COVID 3.5 provides an additional \$75 billion nationwide. Arizona hospitals and providers have been allocated \$2.3 billion. This allocation for Arizona entities includes \$823 million as a proportionate amount based on providers' share of 2019 Medicare fee-for-service reimbursements, \$214 million for areas particularly impacted by COVID-19, \$127 million for rural providers, \$86 million for skilled nursing facilities, and \$84 million to Indian Health Service and tribal entities. This amount also includes an estimated \$279 million for safety net hospitals. The remaining COVID 3 funding will be targeted to providers to uninsured Americans, the Indian Health Service, and providers that solely take Medicaid. COVID 4 also provides an additional \$3 billion nationwide for health care-related expenses or lost revenue directly attributable to the COVID-19 pandemic. See Tribal Relief section for monies distributed to tribal entities.
 - Community Health Centers (\$40 million): These monies will be distributed directly to Arizona's 23 community health centers (CHCs) to detect, diagnose, prevent, and treat COVID-19. Federal funding will expire on November 30, 2020. COVID 1 provides an initial \$2 million in funding. COVID 3 provides \$24 million, and COVID 3.5 provides an additional \$13 million. See Tribal Relief section for monies distributed to tribal entities.
 - Certified Community Behavioral Health Clinic Expansion Grants (\$8 million): Valle del Sol and Southeastern Arizona Behavioral Health Services received a total of \$8 million from COVID 4.
 - Primary Care Association (\$0.1 million): Each state's Primary Care Association received funding for training and technical assistance related to the COVID-19 pandemic. The Arizona Association of Community Health Centers received \$0.1 million.
 - Rural Health Clinics (\$2 million): COVID 3.5 provided a flat amount of nearly \$50,000 to each rural health clinic (RHC). In Arizona, 33 RHCs received a total of approximately \$2 million.
 - Health Center Controlled Networks (\$0.1 million): CHC Collaborative Ventures received funding to strengthen health IT support.

- Telehealth Program grants (\$2 million)
- Small Rural Hospital Improvement Program (\$1 million)
- Runaway and Homeless Youth Act (\$0.5 million): These monies must be used to supplement, not supplant, existing funds.
- Centers for Independent Living (\$2 million): Funding serves individuals with significant disabilities, regardless of age or income.
- Economic Adjustment Assistance grants (\$2 million): PPEP Microbusiness and Housing Development Corporation received a Revolving Loan Fund grant, and Northern Arizona University received a University Center grant.
- Health Information Exchange Program (\$0.6 million): Arizona Health-e Connection received \$0.5 million to facilitate electronic state and federal hospital reporting for public health surveillance.
- National Science Foundation grants (\$7 million): Recipients of COVID-related research grants included Arizona State University (\$3 million), Flora Coatings LLC (\$0.9 million), Northern Arizona University (\$1 million), Translational Genomics Research Institute (\$0.2 million), the University of Arizona (\$0.8 million), and US Air Tech, LLC (\$0.3 million).

Table 2
2020 Federal Coronavirus Response Program Funding for Arizona State and Local Governments
(\$ in millions)

	<u>State Aid</u>	<u>Local Aid</u>
Coronavirus Relief Fund	\$ 1,857	\$ 965
U.S. Treasury/Federal Reserve Lending Programs	N/A ^{1/}	N/A ^{1/}
<u>Unemployment Insurance</u>		
UI Administration (Initial and Supplemental Grants)	19	
Extension Implementation Grants	0.7	
Short-Time Compensation Administration	2	
Dislocated Worker Grants	1	
Reimbursing Employers	47	
Fraud Investigation	2	
<u>Education</u>		
Education Stabilization Fund		
Governor Emergency Education	100	
Private Schools Set-Aside	54	
K-12	1,427	
Higher Education	761	
Head Start	16	
<u>Health</u>		
FMAP Increase	907	
Medicare State Survey and Certification	0.2	
CDC Grants	672	
Emergency Response Grants	5	
Emergency Response for Suicide Prevention	0.8	
Hospital Preparedness Program	5	
Ryan White HIV/AIDS	0.4	0.4
Substance Abuse Prevention and Treatment Block Grant	38	
Community Mental Health Services Block Grant	23	
<u>Emergency Relief</u>		
Emergency Management Performance Grants	2	
Emergency Food and Shelter Program	0.6	5
Assistance to Firefighters Grants		0.8
Stafford Act Assistance	176	12
<u>Food Assistance</u>		
TEFAP	30	
WIC	10	
National School Lunch Program	140	
SNAP Administration	2	
Reimbursement for Nutrition Programs	N/A ^{1/}	
<u>Children and Families</u>		
Child Care and Development Block Grant	337	
Title IV-B	3	
Chafee Foster Care Program	12	
Family Violence Prevention and Services	1	

Table 2 Continued

**2020 Federal Coronavirus Response Program Funding for Arizona State and Local Governments
(\$ in millions)**

	<u>State Aid</u>	<u>Local Aid</u>
<u><i>Elderly and Community Living</i></u>		
Older Americans Act		
Congregate and Home-Delivered Meals	20	
Supportive Services	4	
Family Caregivers Supportive Services	2	
Title VII Protection of Vulnerable Older Americans	0.5	
Discretionary Projects	1	
Low Income Home Energy Assistance Program	29	
Community Services Block Grants	8	
Aging and Disability Resource Centers	1	
Adult Protective Services	2	
Vaccine Access	2	
<u><i>Housing and Urban Development</i></u>		
Community Development Block Grants	32	74
Homeless Assistance/Emergency Solutions Grant	22	50
Public Housing Operating Funding		3
Tenant-Based Rental Assistance	0 ^{2/}	3
Supportive Housing for Persons with Disabilities		0.7
Housing Opportunities for Persons with AIDS	0.1	0.8
Rental Assistance	290	202
<u><i>Transportation</i></u>		
Urbanized Areas	372	
Rural Area Formula	42	
Highway Infrastructure Program	150	32
Airport Grants	225	
Airport Improvement Program	71	
Supplementary Discretionary Grants	10	
Surface Transportation Block Grant Program	182	
Enhanced Mobility of Seniors and Individuals with Disabilities	0.2	0.8
<u><i>Other</i></u>		
Byrne Justice Assistance Grants	12	6
Coronavirus Emergency Supplemental Funding	12	7
Economic Adjustment Assistance		1
Elections	8	
Manufacturing Extension Partnership	0.7	
Institute of Museum and Library Services Grants	0.7	
Arts	0.5	
Total ^{3/}	8,151 ^{4/}	1,364 ^{4/}

^{1/} The state was eligible to borrow up to \$4,197 million and local governments were eligible to borrow up to a total of \$1,453 million through the Municipal Liquidity Facility. For more information, see the narrative and attachment.

^{2/} Actual figure rounds to \$0. See narrative for amount.

^{3/} This table is not a comprehensive list of funding sources in federal coronavirus response legislation.

^{4/} Numbers may not add to total due to rounding.

Table 3
2020 Federal Coronavirus Response Program Direct Aid to Arizona Individuals and Businesses
(\$ in millions)

<u>Individuals</u>	
UI Benefits	11,180
SNAP Emergency Allotments	830
Pandemic EBT	903
Emergency Broadband Benefit Program	N/A ^{1/}
\$1,200/\$2,400 Taxpayer Assistance	9,043
Paid Sick and Family Leave	N/A ^{1/}
Charitable Contribution Deductions (Individual)	N/A ^{1/}
<u>Businesses</u>	
U.S. Treasury/Federal Reserve Lending Programs	N/A ^{1/}
Sick and Family Leave Credits	N/A ^{1/}
Employee Retention Credit	982
Charitable Contribution Deductions (Corporations)	N/A ^{1/}
Business Interest Expense Deductions	N/A ^{1/}
Net Operating Losses	N/A ^{1/}
Qualified Improvement Property Depreciation	N/A ^{1/}
Paycheck Protection Program	12,555
Economic Injury Disaster Loans	3,226
EIDL Advances	365
Relief for Existing Loans	N/A ^{1/}
Payroll Support Program	174
Coronavirus Food Assistance Program	136
<u>Health</u>	
Emergency Response for Suicide Prevention	0.8
Ryan White HIV/AIDS	0.4
Community Mental Health Services Block Grant	22
Poison Control Centers	0.1
NIH Research Grants	8
Hospitals and Health Care Providers	2,267
Community Health Centers	40
Certified Community Behavioral Health Clinics	8
Primary Care Association	0.1
Rural Health Clinics	2
Health Center Controlled Networks	0.1
Telehealth Program Grants	2
Small Rural Hospital Improvement Program	1
<u>Other</u>	
Stafford Act Assistance	0 ^{2/}
Family Violence Prevention and Services	0.1
Runaway and Homeless Youth Act	0.5
Centers for Independent Living	2
Tenant-Based Rental Assistance	0 ^{2/}
Supportive Housing for Persons with Disabilities	0.1
Humanities	0.5
Institute of Museum and Library Services Grants	0.2
Economic Adjustment Assistance	2
Health Information Exchange Program	0.6
National Science Foundation Grants	7
Total ^{3/}	41,759 ^{4/}

^{1/} N/A means Arizona's allocation is not yet known.

^{2/} Actual figure rounds to \$0. See narrative for amount.

^{3/} This table is not a comprehensive list of funding sources in federal coronavirus response legislation.

Attachment: Coronavirus State/Local Government Loan Programs

The CARES Act (COVID 3) directed the Treasury to provide \$454 billion for Federal Reserve Board (Fed) programs, which included the Municipal Liquidity Facility (MLF). The MLF consisted of \$35 billion from the Treasury's COVID 3 appropriation and \$465 billion from the regional Federal Reserve banks, for a total of \$500 billion. Through the MLF, the Fed bought short-term notes from states, county governments with populations of at least 500,000, city governments with populations of at least 250,000, and multi-state entities, with at least 2 eligible local governments per state. For Arizona, this meant that the state, Maricopa County, City of Phoenix, City of Mesa, City of Chandler, City of Scottsdale, City of Glendale, Pima County, and City of Tucson were eligible for the program. State and local governments must have a rating of at least BBB-/Baa3 as of April 8, 2020, from at least 2 major nationally-recognized credit rating agencies. A qualifying entity may also issue debt on behalf of political subdivisions below these population thresholds.

To be eligible for the program, short-term notes must mature in 3 years or less. These include tax anticipation notes (TANs), tax and revenue anticipation notes (TRANS), bond anticipation notes (BANs), and other similar short-term notes. The MLF purchased notes until December 31, 2020 (mid-FY 2021). Therefore, if Arizona entities participated in the program, the latest that principal payments would be due is December 31, 2023 (mid-FY 2024). No governments in Arizona utilized the MLF.

Purchases would have an interest rate determined by the Fed and based on the government's credit rating. Details on pricing have not yet been released, but initial comments from the Fed indicate that the pricing may be higher than market rates. There was also an origination fee of 10 basis points, or 0.10%, of the principal amount. The origination fee may be paid from the proceeds of the issuance. These notes may be prepaid at any time by the issuer, subject to the approval of the Fed.

Purchases were capped at 20% of the entity's overall tax revenue and utility revenue (excluding intergovernmental revenue) in 2017, as reported by the U.S. Census Bureau. (See *Table 4.*) In Arizona, the state's overall tax revenue and utility revenue (excluding intergovernmental revenue) totaled \$21.0 billion in 2017. Therefore, the 20% cap for the state would be \$4.2 billion. However, states may request that MLF purchases exceed this cap to assist political subdivisions that are not eligible for the program.

These monies may be used to help manage revenue shortfalls. The eligible government may also use the proceeds to purchase similar notes issued by, or otherwise assist, political subdivisions that do not qualify for the program. For each eligible government unit, only one entity/office within that government may participate and issue debt under the program, unless additional issuers are approved by the Federal Reserve.

The Fed has reiterated that it will continue to monitor the market to evaluate whether additional measures are necessary. Reports on the Fed's guidance to state and local officials indicate that the MLF should be viewed as a last resort.

State	4,197,400,000
Maricopa County	204,800,000
City of Phoenix	562,600,000
City of Mesa	130,500,000
City of Chandler	65,800,000
City of Scottsdale	98,200,000
City of Glendale	68,500,000
Pima County	183,900,000
City of Tucson	138,900,000

Attachment: Higher Education Emergency Relief Fund Allocations

The Higher Education Emergency Relief Fund (HEERF) received appropriations from the CARES Act (COVID 3), the Consolidated Appropriations Act (COVID 4), and the American Rescue Plan (ARP) Act.

COVID 3 Allocations

There are 3 types of COVID 3 HEERF allocations:

- Section 18004(a)(1) of COVID 3 outlines a distribution formula based 75% on the relative share of full-time equivalent student enrollment (FTSE) of in-person Pell Grant recipients and 25% on in-person non-Pell Grant recipients at the institution of higher education (IHE). At least 50% of these monies must be used for student grants. The minimum amount that must be used for student grants is indicated in the "Student Grants" column.
- Section 18004(a)(2) monies are allocated according to the above formula to Historically Black Colleges and Universities (HBCUs), American Indian Tribally Controlled Colleges and Universities (TCCUs), Minority Serving Institutions (MSIs), and Strengthening Institutions Program (SIP) participants.
- Section 18004(a)(3) funding is allocated through Fund for the Improvement of Postsecondary Education (FIPSE) Formula Grants, which ensure all public and private nonprofit IHEs receive at least \$500,000 in HEERF monies, and Institutional Resilience and Expanded Postsecondary Opportunity (IREPO) Competitive Grants.

From COVID 3, Arizona IHEs received \$307 million in HEERF monies, consisting of approximately \$122 million to public universities, \$85 million to community colleges, and \$101 million to private IHEs.

COVID 4 Allocations

There are 4 types of COVID 4 HEERF allocations:

- Section 314(a)(1) of COVID 4 outlines a distribution formula based 37.5% on the relative share of in-person Pell Grant FTSE, 37.5% on the relative share of in-person Pell Grant headcount, 11.5% on the relative share of in-person non-Pell Grant FTSE, 11.5% on the relative share of in-person non-Pell Grant headcount, 1% on the relative share of exclusively-online Pell Grant FTSE, and 1% on the relative share of exclusively-online Pell Grant headcount at the IHE. Of these monies, IHEs must use at least the same dollar amount as was required in COVID 3 for student grants, including the full amount of section 314(a)(1)(E) and (F) funds allocated for exclusively-online students. The minimum amount that must be used for student grants is indicated in the "Student Grants" column.
- Section 314(a)(2) allocates additional funding for HBCUs, TCCUs, MSIs, and SIP participants according to the above formula, except for the following:
 - HBCU undergraduate programs (see the next bullet for HBCU graduate programs) will receive monies based 70% on share of Pell Grant headcount, 20% on share of total student headcount, and 10% on ratio of endowment size.
 - HBCU graduate programs will receive an amount in proportion to funds received for guaranteed loans in the 2020 Further Consolidated Appropriations Act (P.L. 116-94).
 - For TCCUs, up to 30% of funds may be reserved for 1-year grants of at least \$1 million for construction, maintenance, and renovation needs. Of the remaining monies, 60% will be distributed by FTSE and 40% in equal shares, with each TCCU receiving at least \$500,000.
- Section 314(a)(3) funding will be distributed to IHEs that have the greatest unmet needs related to COVID-19, at the discretion of the U.S. Secretary of Education. These include eligible IHEs that did not receive section 314(a)(1) awards, MSIs and SIP participants that did not receive section 314(a)(2) awards, and IHEs with high populations of Pell Grant recipients, students with financial needs, and graduate students.
- Section 314(a)(4) monies are allocated to proprietary IHEs based on the section 314(a)(1) formula. These monies must be used exclusively for student grants.

The U.S. Department of Education has announced section 314(a)(1), (a)(2), and (a)(4) allocations. From COVID 4, Arizona IHEs will receive at least \$454 million in HEERF monies. Of this amount, public universities are allocated \$205 million, community colleges \$182 million, and private IHEs \$67 million.

Breakdowns of section 314(a)(3) distributions are not yet available. We expect that Arizona IHEs may receive additional funding through these allocations.

ARP Allocations

There are 4 types of ARP HEERF allocations:

- Section 2003(a)(1) outlines a distribution formula based 37.5% on the relative share of in-person Pell Grant FTSE, 37.5% on the relative share of in-person Pell Grant headcount, 11.5% on the relative share of in-person non-Pell Grant FTSE, 11.5% on the relative share of in-person non-Pell Grant headcount, 1% on the relative share of exclusively-online Pell Grant FTSE, and 1% on the relative share of exclusively-online Pell Grant headcount at the IHE. Of the section 2003(a)(1)(A) through (D) funds allocated for in-person students, IHEs must use at least 50% for student grants. In addition, IHEs must use the full amount of section 2003(a)(1)(E) and (F) funds allocated for exclusively-online students for student grants. The minimum amount that must be used for student grants is indicated in the "Student Grants" column.
- Section 2003(a)(2) allocates additional funding for HBCUs, TCCUs, MSIs, and SIP participants according to the above formula, except for the following:
 - HBCU undergraduate programs (see the next bullet for HBCU graduate programs) will receive monies based 70% on share of Pell Grant headcount, 20% on share of total student headcount, and 10% on ratio of endowment size.
 - HBCU graduate programs will receive an amount in proportion to funds received for guaranteed loans in the 2020 Further Consolidated Appropriations Act (P.L. 116-94).
 - For TCCUs, up to 30% of funds may be reserved for 1-year grants of at least \$1 million for construction, maintenance, and renovation needs. Of the remaining monies, 60% will be distributed by FTSE and 40% in equal shares, with each TCCU receiving at least \$500,000.
- Section 2003(a)(3) funding will be distributed to IHEs that have the greatest unmet needs related to COVID-19, at the discretion of the U.S. Secretary of Education.
- Section 2003(a)(4) monies are allocated to proprietary IHEs based on the section 2003(a)(1) formula. These monies must be used exclusively for student grants.

The U.S. Department of Education has announced section 2003(a)(1), (a)(2), and (a)(4) allocations. From the ARP, Arizona IHEs will receive at least \$716 million in HEERF monies. Of this amount, public universities are allocated \$354 million, community colleges \$323 million, and private IHEs \$39 million.

Breakdowns of section 2003(a)(3) distributions are not yet available. We expect that Arizona IHEs will receive additional funding through these allocations.

Table 5

HEERF Allocations by Type of Institution

	<u>COVID 3</u>					<u>COVID 4</u>					<u>ARP</u>					<u>Total</u>	
	<u>18004(a)(1)</u>	<u>18004(a)(2)</u>	<u>18004(a)(3)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>314(a)(1)</u>	<u>314(a)(2)</u>	<u>314(a)(4)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>2003(a)(1)</u>	<u>2003(a)(2)</u>	<u>2003(a)(4)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>Total Allocation</u>	<u>Total Student Grants</u> ^{1/}
Public Universities	118,064,438	3,472,541		121,536,979	59,032,219	198,390,109	6,673,293		205,063,402	59,032,219	341,098,371	12,827,684		353,926,055	178,523,063	326,600,381	118,064,438
Community Colleges	72,712,674	9,310,304	2,974,668	84,997,646	36,356,337	167,234,509	15,124,666		182,359,175	36,356,337	295,189,459	28,259,894		323,449,353	151,000,040	562,546,280	223,712,714
Private Institutions	97,974,699	224,375	2,439,150	100,638,224	48,987,350	4,678,090	316,694	61,842,570	66,837,354	63,385,550	3,710,304	53,661	35,276,533	39,040,498	37,189,599	206,516,076	149,562,499
Total	288,751,811	13,007,220	5,413,818	307,172,849	144,375,906	370,302,708	22,114,653	61,842,570	454,259,931	158,774,106	639,998,134	41,141,239	35,276,533	716,415,906	366,712,702	1,095,662,737	491,339,651

^{1/} At least 50% of the COVID 3 section 18004(a)(1) funds must be distributed to students as emergency financial aid grants. At least this same dollar amount from COVID 4 section 314(a)(1) funds must also be distributed to students, including the full amount of COVID 4 section 314(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. All COVID 4 section 314(1)(4) funds must also be distributed to students. In addition, at least 50% of the ARP section 2003(a)(1)(A) through (D) funds must be distributed to students as emergency financial aid grants, as well as the full amount of ARP section 2003(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses and all ARP section 2003(a)(4) funds. These figures represent the minimum amount that must be distributed as student grants.

Table 6

HEERF Allocations: Public Universities

	<u>COVID 3</u>				<u>COVID 4</u>				<u>ARP</u>				<u>Total</u>	
	<u>18004(a)(1)</u>	<u>18004(a)(2)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>314(a)(1)</u>	<u>314(a)(2)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>2003(a)(1)</u>	<u>2003(a)(2)</u>	<u>Total</u>	<u>Student Grants</u> ^{1/}	<u>Total Allocation</u>	<u>Total Student Grants</u> ^{1/}
Arizona State University	63,533,137		63,533,137	31,766,569	112,906,424	1,900,835	114,807,259	31,766,569	191,373,341	3,231,567	194,604,908	102,280,736	178,340,396	63,533,137
Northern Arizona University	23,577,854	1,157,111	24,734,965	11,788,927	37,511,826	1,583,041	39,094,867	11,788,927	66,183,680	4,202,329	70,386,009	33,993,200	63,829,832	23,577,854
University of Arizona	30,953,447	2,315,430	33,268,877	15,476,724	47,971,859	3,189,417	51,161,276	15,476,724	83,541,350	5,393,788	88,935,138	42,249,127	84,430,153	30,953,447
Total	118,064,438	3,472,541	121,536,979	59,032,219	198,390,109	6,673,293	205,063,402	59,032,219	341,098,371	12,827,684	353,926,055	178,523,063	326,600,381	118,064,438

^{1/} At least 50% of the COVID 3 section 18004(a)(1) funds must be distributed to students as emergency financial aid grants. At least this same dollar amount from COVID 4 section 314(a)(1) funds must also be distributed to students, including the full amount of COVID 4 section 314(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. In addition, at least 50% of the ARP section 2003(a)(1)(A) through (D) funds must be distributed to students as emergency financial aid grants, as well as the full amount of ARP section 2003(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. These figures represent the minimum amount that must be distributed as student grants.

HEERF Allocations: Community Colleges															
	COVID 3				COVID 4				ARP				Total		
	18004(a)(1)	18004(a)(2)	18004(a)(3) ^{1/}	Total	Student Grants ^{2/}	314(a)(1)	314(a)(2)	Total	Student Grants ^{2/}	2003(a)(1)	2003(a)(2)	Total	Student Grants ^{2/}	Total Allocation	Total Student Grants ^{2/}
Arizona Western	4,528,738	284,360		4,813,098	2,264,369	9,589,819	521,129	10,110,948	2,264,369	16,504,583	870,207	17,374,790	8,548,301	31,428,629	13,077,039
Central Arizona	3,010,509	189,817		3,200,326	1,505,255	5,964,675	325,820	6,290,495	1,505,255	12,012,760	628,732	12,641,492	6,073,656	21,503,581	9,084,165
*Chandler-Gilbert	4,350,989			4,350,989	2,175,495	9,757,937		9,757,937	2,175,495	17,305,778	965,041	18,270,819	8,717,431	31,414,704	13,068,420
Cochise	3,163,235	211,918		3,375,153	1,581,618	5,418,622	314,382	5,733,004	1,581,618	9,568,797	539,242	10,108,039	4,977,476	18,676,954	8,140,711
Coconino	1,104,730	137,894		1,242,624	552,365	2,805,311	309,641	3,114,952	552,365	4,812,964	516,771	5,329,735	2,454,265	9,170,540	3,558,995
Diné	1,346,931	4,844,910		6,191,841	673,466	2,909,862	5,835,175	8,745,037	673,466	4,983,963	10,176,741	15,160,704	2,502,747	19,920,841	3,849,678
EVIT	236,123		263,877	500,000	118,062	503,990		503,990	118,062	897,610		897,610	448,806	1,901,600	684,929
Eastern Arizona	2,222,272	111,481		2,333,753	1,111,136	4,692,651	202,829	4,895,480	1,111,136	8,306,984	460,616	8,767,600	4,175,514	15,536,217	6,397,786
*Estrella Mountain	4,856,585	307,658	1,498,545	6,662,788	2,428,293	11,191,621	608,523	11,800,144	2,428,293	19,437,041	1,025,915	20,462,956	9,906,098	37,899,973	14,762,683
*GateWay	2,707,626	156,881		2,864,507	1,353,813	6,158,634	337,442	6,496,076	1,353,813	10,830,521	576,464	11,406,985	5,465,359	20,191,104	8,172,985
*Glendale	8,301,836	533,479		8,835,315	4,150,918	19,156,542	1,046,490	20,203,032	4,150,918	33,424,136	1,773,896	35,198,032	16,919,671	62,462,483	25,221,507
*Mesa	7,352,103	478,185		7,830,288	3,676,052	17,795,363	990,108	18,785,471	3,676,052	31,155,467	1,684,828	32,840,295	15,919,343	57,771,226	23,271,446
Mohave	1,933,935	94,646		2,028,581	966,968	4,605,866	188,236	4,794,102	966,968	8,321,369		8,321,369	4,311,749	15,144,052	6,245,684
Northland Pioneer	643,137	83,277	1,212,246	1,938,660	321,569	1,842,485	206,712	2,049,197	321,569	3,273,884	358,132	3,632,016	1,703,655	7,261,741	2,346,792
*Paradise Valley	2,586,404			2,586,404	1,293,202	6,141,870		6,141,870	1,293,202	10,891,792	598,661	11,490,453	5,512,224	19,620,066	8,098,628
*Phoenix	4,772,192	304,728		5,076,920	2,386,096	11,740,227	640,649	12,380,876	2,386,096	20,552,476	1,088,401	21,640,877	10,518,649	38,010,272	15,290,841
Pima	9,989,049	640,229		10,629,278	4,994,525	22,597,292	1,242,857	23,840,149	4,994,525	38,689,595	2,069,352	40,758,947	19,906,024	73,159,022	29,895,073
*Rio Salado	2,531,870			2,531,870	1,265,935	7,331,461		7,331,461	1,265,935	14,311,941	839,982	15,151,923	7,680,562	24,175,272	10,212,432
*Scottsdale	2,386,925			2,386,925	1,193,463	5,584,623		5,584,623	1,193,463	9,744,370		9,744,370	4,944,778	17,715,918	7,331,703
*South Mountain	2,098,614	132,246		2,230,860	1,049,307	5,018,347	270,185	5,288,532	1,049,307	8,633,405	451,496	9,084,901	4,387,847	16,152,797	6,486,461
Tohono O'odham	199,279	798,595		997,874	99,640	508,878	2,084,488	2,593,366	99,640	840,688	3,635,417	4,476,105	424,742	4,431,928	624,021
Yavapai	2,389,592			2,389,592	1,194,796	5,918,433		5,918,433	1,194,796	10,689,335		10,689,335	5,501,143	18,997,360	7,890,735
Total	72,712,674	9,310,304	2,974,668	84,997,646	36,356,337	167,234,509	15,124,666	182,359,175	36,356,337	295,189,459	28,259,894	323,449,353	151,000,040	562,546,280	223,712,714

Note: Asterisks indicate institutions in the Maricopa County Community College District.

1/ Monies to EVIT are by FIPSE formula grant. Monies to Estrella Mountain and Northland Pioneer are by IREPO competitive grant.

2/ At least 50% of the COVID 3 section 18004(a)(1) funds must be distributed to students as emergency financial aid grants. At least the same dollar amount from COVID 4 section 314(a)(1) funds must also be distributed to students, including the full amount of COVID 4 section 314(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. In addition, at least 50% of the ARP section 2003(a)(1)(A) through (D) funds must be distributed to students as emergency financial aid grants, as well as the full amount of ARP section 2003(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. These figures represent the minimum amount that must be distributed as student grants.

	COVID 3			COVID 4					ARP					Total			
	18004(a)(1)	18004(a)(2)	18004(a)(3)	Total	Student Grants ^{1/}	314(a)(1)	314(a)(2)	314(a)(4)	Total	Student Grants ^{1/}	2003(a)(1)	2003(a)(2)	2003(a)(4)	Total	Student Grants ^{1/}	Total Allocation	Total Student Grants ^{1/}
	All Beauty College	82,062			82,062	41,031			51,884	51,884	51,884				30,862	30,862	164,808
American Institute of Interior Design	47,278			47,278	23,639			25,474	25,474	25,474				15,739	15,739	88,491	64,852
American InterContinental University	1,150,405			1,150,405	575,203			1,478,251	1,478,251	1,478,251				791,177	791,177	3,419,833	2,844,631
Arizona Academy of Beauty	107,836			107,836	53,918			61,716	61,716	61,716				36,063	36,063	205,615	151,697
Arizona Christian University	747,009	36,421		783,430	373,505	1,188,662	50,006		1,238,668	373,505	1,945,139			1,945,139	993,195	3,967,237	1,740,204
Arizona College	3,665,308			3,665,308	1,832,654			1,851,990	1,851,990	1,851,990				1,224,171	1,224,171	6,741,469	4,908,815
Arizona Culinary Institute	209,341			209,341	104,671			134,444	134,444	134,444				84,219	84,219	428,004	323,334
Arizona School of Acupuncture and Oriental Medicine	7,856			7,856	3,928			10,665	10,665	10,665				7,341	7,341	25,862	21,934
Arizona School of Integrative Studies	163,548			163,548	81,774			150,141	150,141	150,141				89,675	89,675	403,364	321,590
Avalon School of Cosmetology	2,120,430			2,120,430	1,060,215			1,059,738	1,059,738	1,059,738				624,026	624,026	3,804,194	2,743,979
Aveda Institute Tucson	598,691			598,691	299,346			317,571	317,571	317,571				191,056	191,056	1,107,318	807,973
Brookline College	1,890,270			1,890,270	945,135			1,794,652	1,794,652	1,794,652				1,102,634	1,102,634	4,787,556	3,842,421
Bryan University								65,408	65,408	65,408				36,684	36,684	102,092	102,092
Carrington College	3,823,185			3,823,185	1,911,593			2,312,361	2,312,361	2,312,361				1,341,784	1,341,784	7,477,330	5,565,738
Charles of Italy Beauty College	74,036			74,036	37,018			49,741	49,741	49,741				28,955	28,955	152,732	115,714
CollegeAmerica - Flagstaff	1,792,797	173,258		1,966,055	896,399	2,524,521	242,724		2,767,245	896,399				0	0	4,733,300	1,792,797
Conservatory of Recording Arts & Sciences	926,993			926,993	463,497			568,120	568,120	568,120				378,948	378,948	1,874,061	1,410,565
Grand Canyon University	22,351,397			22,351,397	11,175,699			18,004,836	18,004,836	18,004,836				10,854,795	10,854,795	51,211,028	40,035,330
HDS Truck Driving Institute	167,052			167,052	83,526			126,462	126,462	126,462				76,430	76,430	369,944	286,418
International Baptist College and Seminary	70,347		429,653	500,000	35,174	98,089			98,089	35,174	170,809	7,505		178,314	85,682	776,403	156,029
International Barber College	91,467			91,467	45,734			44,469	44,469	44,469				29,508	29,508	165,444	119,711
Kor Beauty Academy	37,326			37,326	18,663			21,442	21,442	21,442				12,553	12,553	71,321	52,658
National Paralegal College								21,300	21,300	21,300				11,947	11,947	33,247	33,247
Paul Mitchell The School Phoenix	306,817			306,817	153,409			143,625	143,625	143,625				84,197	84,197	534,639	381,231
Penrose Academy	412,035			412,035	206,018			241,548	241,548	241,548				147,777	147,777	801,360	595,343
Phoenix Institute of Herbal Medicine & Acupuncture	37,245			37,245	18,623			47,035	47,035	47,035				32,392	32,392	116,672	98,050
Phoenix Seminary	42,117		457,883	500,000	21,059	71,977			71,977	21,059	133,714			133,714	66,858	705,691	108,975
Pima Medical Institute	21,285,691			21,285,691	10,642,846			10,834,945	10,834,945	10,834,945				5,857,077	5,857,077	37,977,713	27,334,868
Prescott College	301,297	14,696	184,007	500,000	150,649	589,575	23,964		613,539	150,649	1,080,517	46,156		1,126,673	577,268	2,240,212	878,565
Pure Aesthetics Natural Skincare School	32,907			32,907	16,454			26,535	26,535	26,535				16,189	16,189	75,631	59,178
Refrigeration School	1,786,314			1,786,314	893,157			989,615	989,615	989,615				592,817	592,817	3,368,746	2,475,589
Regional Center for Border Health	13,967		486,033	500,000	6,984	49,729			49,729	6,984	92,060			92,060	46,030	641,789	59,997
Roberto-Venn School of Luthery	35,092			35,092	17,546			19,831	19,831	19,831				12,226	12,226	67,149	49,603
School of Architecture at Taliesin	3,492		496,508	500,000	1,746	9,577			9,577	1,746	17,737			17,737	8,869	527,314	12,361
Sessions College for Professional Design								6,354	6,354	6,354				3,564	3,564	9,918	9,918
Sonoran Desert Institute								35,423	35,423	35,423				19,861	19,861	55,284	55,284
Southwest College of Naturopathic Medicine & Health Sciences	114,934		385,066	500,000	57,467	145,960			145,960	57,467	270,328			270,328	135,164	916,288	250,098
Southwest Institute of Healing Arts	339,100			339,100	169,550			343,108	343,108	343,108				235,695	235,695	917,903	748,353
Southwest University of Visual Arts	239,538			239,538	119,769			0	0	0				0	0	239,538	119,769
Studio Academy of Beauty	994,090			994,090	497,045			608,619	608,619	608,619				357,909	357,909	1,960,618	1,463,573
Tucson College of Beauty	180,991			180,991	90,496			97,325	97,325	97,325				56,838	56,838	335,154	244,659
Turning Point Beauty College	94,238			94,238	47,119			112,588	112,588	112,588				74,696	74,696	281,522	234,403
Universal Technical Institute	24,281,085			24,281,085	12,140,543			12,290,482	12,290,482	12,290,482				7,139,643	7,139,643	43,711,210	31,570,668
University of Advancing Technology	759,682			759,682	379,841			450,942	450,942	450,942				259,240	259,240	1,469,864	1,090,023
University of Phoenix	6,589,433			6,589,433	3,294,717			7,443,930	7,443,930	7,443,930				3,417,845	3,417,845	17,451,208	14,156,492
Total	97,974,699	224,375	2,439,150	100,638,224	48,987,350	4,678,090	316,694	61,842,570	66,837,354	63,385,550	3,710,304	53,661	35,276,533	39,040,498	37,189,599	206,516,076	149,562,499

1/ At least 50% of the COVID 3 section 18004(a)(1) funds must be distributed to students as emergency financial aid grants. At least this same dollar amount from COVID 4 section 314(a)(1) funds must also be distributed to students, including the full amount of COVID 4 section 314(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses. All COVID 4 section 314(a)(4) funds must also be distributed to students. In addition, at least 50% of the ARP section 2003(a)(1)(A) through (D) funds must be distributed to students as emergency financial aid grants, as well as the full amount of ARP section 2003(a)(1)(E) and (F) funds allocated for students enrolled in exclusively distance education courses and all ARP section 2003(a)(4) funds. These figures represent the minimum amount that must be distributed as student grants.

Attachment: FEMA Stafford Act Assistance

The Federal Emergency Management Agency (FEMA), part of the U.S. Department of Homeland Security, provides disaster assistance under the Stafford Disaster Relief and Emergency Assistance Act ("Stafford Act"). Federal assistance is paid for through the Disaster Relief Fund, which received \$45 billion in the CARES Act (COVID 3).

There are 2 types of Stafford Act declarations: emergency declarations and major disaster declarations. On March 13, 2020, the President issued a national emergency declaration due to the COVID-19 pandemic. The Governor subsequently requested a major disaster declaration for Arizona, which was approved on April 4, 2020.

There are 3 major categories of federal assistance under the Stafford Act: (1) Public Assistance (PA); (2) Hazard Mitigation Assistance; and (3) Individual Assistance (IA). The federal cost-share for PA, Hazard Mitigation Assistance, and some IA programs is a minimum of 75%, but can be increased by the President on the recommendation of FEMA or through a legislative (Congressional) waiver. For example, Congress waived the cost-share following Hurricane Katrina and 9/11, and the Executive waived the cost-share following Hurricane Sandy and the Columbia Space Shuttle incident.

As a result of the national emergency declaration, all states became eligible for PA Category B (emergency protective measures) spending with a 75% federal cost-share. In Arizona's major disaster declaration request, the Governor sought a waiver of Arizona's cost-share portion, as well as:

1. PA Category B eligibility (which Arizona was already entitled to, due to the national emergency declaration), including direct federal assistance;
2. Hazard Mitigation Assistance; and
3. Access to the following IA programs:
 - Crisis Counseling Program
 - Disaster Case Management
 - Disaster Unemployment Assistance
 - Disaster Legal Services
 - Disaster Supplemental Nutrition Assistance Program

The major disaster declaration was approved for PA Category B spending (item #1 above), which Arizona was already eligible for, due to the national emergency declaration. However, the federal government did not waive Arizona's 25% state match requirement.

The federal approval also did not initially expand Arizona's eligibility to include Hazard Mitigation Assistance or any IA programs (items #2 and #3 above). However, the major disaster declaration for Arizona was later amended to include one IA program, the Crisis Counseling Program (for more information, see Crisis Counseling Program section).

On February 2, 2021, the President provided a waiver for the state cost-share requirement, retroactive to January 20, 2020.

Public Assistance

Eligible entities (such as state agencies, cities, counties, tribal governments, and some "critical" nonprofits) have 30 days from the approval of the major disaster declaration (until May 4, 2020) to submit requests for PA to the state coordinating agency. In Arizona, the state coordinating agency is the Department of Emergency and Military Affairs (DEMA). DEMA then submits requests and supporting documentation to FEMA, which reviews and approves the funding package.

As of August 23, 2021, FEMA has obligated to Arizona a total of \$181.5 million in PA monies, consisting of \$176.8 million in Category B funds and \$4.7 million for state management costs. Of these monies, \$168.4 million went to state agencies, \$11.5 million to local governments, and \$1.5 million to tribal entities. Nonprofits also received

\$33,872. A total of 43 applicants have received funding for 86 projects. For a more detailed breakdown of projects, see *Table 9*.

Critical supplies delivered (as of June 9, 2020) include 485,055 N95 respirators, 356,208 gloves, 86,993 face shields, 566,477 surgical masks, 100 ventilators, and 8,564 non-contact infrared thermometers. Additional FEMA assistance is expected.

National Guard

COVID 3 provides \$1.4 billion nationwide to support deployment of 20,000 members of the National Guard for 6 months. Under U.S.C. Title 32, state governments pay 25% of the cost of operating the National Guard, while the federal government provides the remaining 75%. On April 7, 2020, the President issued a memorandum allowing FEMA to fully fund National Guard activities in Arizona for 31 days. The 100% federal cost share was extended through May 31, 2020 (in an April 20, 2020, memorandum), through June 24, 2020 (in a May 8, 2020, memorandum), and through August 21, 2020 (in a June 2, 2020 memorandum). On August 3, 2020, the President issued a memorandum allowing FEMA to provide a 75% federal cost share for National Guard activities through December 31, 2020. According to NCSL, mobilization of 1,000 troops costs \$9 million per month. As of November 17, 2020, 730 Arizona National Guard members are deployed in response to COVID-19.

Crisis Counseling Program

FEMA oversees the Crisis Counseling Assistance and Training Program (CCP) in partnership with the Substance Abuse and Mental Health Services Administration (SAMSHA), a branch of the U.S. Department of Health and Human Services. The CCP supports short-term interventions to assist disaster survivors in understanding their current situation and their reactions, stress management, disaster recovery options, coping strategies, and emotional support. CCP services include individual or group crisis counseling, community networking, educational materials, connection to resources, and media/public messaging partnerships.

State, local, and tribal mental health authorities may receive funds through the Immediate Services Program (ISP), which provides funds for 60 days of services from IA approval and is monitored by FEMA, or the Regular Services Program (RSP), which funds 9 months of services from notice of award and is monitored by SAMSHA. Funding for entities is contingent on the provision of regular progress and financial status reports, a site visit by FEMA and SAMSHA during the grant period, and detailed documentation of services.

The CCP does not have cost-sharing requirements and is funded 100% by the federal Disaster Relief Fund.

On June 3, 2020, FEMA awarded Arizona an ISP grant of \$0.5 million. The state launched Resilient Arizona CCP on June 22, 2020. Services are available to the general public, with a specific focus on healthcare workers, youth, families, those 65 and older, and tribal communities. FEMA provided Arizona with an ISP funding extension of \$2.5 million, allowing ISP services to continue through September 2020, and SAMHSA granted \$2.3 million to fund RSP services through June 2021. In addition, FEMA and SAMHSA provided an additional \$3.3 million for both ISP and RSP services through December 2, 2021. Across ISP and RSP programs, Arizona has received a total of approximately \$8.1 million in CCP monies.

Relationship to State Emergency Declaration

On March 11, 2020, the Governor issued a state emergency declaration due to the COVID-19 pandemic.

Stafford Act assistance may be tied to a state emergency declaration. Relief under the Stafford Act is not a formula grant, in which the level of funding provided to a state is based on a pre-determined formula. Stafford Act aid to Arizona is dependent on the dollar level of COVID-related expenditures approved for reimbursement by the federal government.

The FEMA guide to the disaster declaration process states that “the Governor must take appropriate action under State law and direct execution of the State’s emergency plan” to qualify for Stafford Act funding. In Arizona’s major disaster declaration request, the Governor was required to certify that he had “taken appropriate action under State... law and [has] directed the execution of the State... Emergency Plan on March 11, 2020, in accordance with the Stafford Act”. In an April 1, 2020, press release, the Governor referenced the state emergency declaration as being required to receive federal Stafford Act disaster relief monies.

Table 9

FEMA Stafford Act Public Assistance Grants by Project

<u>Recipient</u>	<u>Federal Share of Project Cost</u>	<u>Additional Project Information</u>
DHS	\$ 47,711,174	Materials
	360,156	Logistical Facility
	551,709	Materials
	17,716,359	PPE
	4,500,000	State Farm
	16,000,000	State Farm
	12,491,776	Phoenix Vaccine Point of Dispensing (POD) - First 30 Days
	7,756,850	Public Service Announcements
	12,733,000	ASU Testing
	1,045,474	Testing Blitz
	23,941,235	Phoenix Vaccine POD 03/06/2021-06/04/2021
Subtotal	144,807,733	
DEMA, Division of Emergency Management	13,437,000	Coveralls
	2,882,079	PPE
	4,707,678	State Management Costs
	309,365	State Emergency Operations Center (SEOC) Expenses
Subtotal	21,336,123	
Navajo Nation Reservation	269,710	Health Command Operations Center (HCOC) Force Account Materials
	25,173	Local Temp Hire to Process Chapter House
Subtotal	294,883	
Pascua Yaqui Indian Reservation	64,475	Food Procurement & Distribution
	123,342	Food Procurement & Distribution
	46,338	Food Procurement & Distribution
	49,744	Food Procurement & Distribution
	71,000	Food Procurement & Distribution
	35,608	EOC Activation and Health Response
	47,410	Food Procurement & Distribution
	19,277	Food Procurement & Distribution
	62,434	Food Procurement & Distribution
	94,045	Food Procurement & Distribution
	33,726	Food Procurement & Distribution
	63,338	Food Procurement & Distribution
	39,261	Food Procurement & Distribution
	49,410	Food Procurement & Distribution
	73,158	Food Procurement & Distribution
	63,681	Food Procurement & Distribution
	16,298	Food Procurement & Distribution
Subtotal	952,546	
Eloy	20,959	
	6,785	
Subtotal	27,743	
Verde Valley Fire District	13,575	
	8,702	
Subtotal	22,277	
Santa Cruz County	266,193	EOC Activation and Health Response
	518,996	PPE
	22,837	PPE
Subtotal	808,025	
Superstition Fire & Medical District	57,543	
	14,225	
Subtotal	71,768	

Table 9 Continued

FEMA Stafford Act Public Assistance Grants by Project

<u>Recipient</u>	<u>Federal Share of Project Cost</u>	<u>Additional Project Information</u>
Copper Queen Hospital	10,770	Sanitation and Cleaning Supplies
	18,472	Glass Barriers and Face Shields
Subtotal	29,242	
Maricopa County	471,273	Border Response - Phoenix Inn 04/01/2021-05/01/2021
	456,398	Border Response - Days Inn 04/01/2021-05/01/2021
Subtotal	927,671	
Coconino County	586,433	Temporary Isolation Housing Site
	6,325	Vaccine POD 12/28/2020 - 01/27/2021
Subtotal	592,758	
Sun City Fire Department	14,911	Q1 Actuals
	34,701	Q2 Actuals
Subtotal	49,613	
Yavapai-Apache Nation Indian Reservation	61,291	
	110,325	Police
	110,325	Police
Subtotal	281,940	
Pima County	7,250	Emergency Operations Center
	4,932,716	Vaccine POD 12/17/2020 - 01/16/2021
Subtotal	4,939,966	
Tucson	56,377	PPE
	3,361,203	Non-Congregate Sheltering
Subtotal	3,417,579	
DEMA, Military Affairs	2,049,505	Expedited ADEM Military Affairs - Food Distribution
ADOA	226,304	
Apache County	8,552	
El Mirage	5,176	
Guadalupe	6,245	PPE
Forest Lakes Fire District	3,597	
Pleasant Valley Fire District	3,802	PPE
Three Points Fire Department	4,673	
Somerton	4,354	
Yuma	44,460	
Winslow	80,000	
Green Valley Fire District	23,905	PPE
Apache Junction	9,574	
Bullhead City Fire Department	9,904	
Marana	28,459	PPE
Northwest Fire District	165,610	
Phoenix Children's Hospital	4,630	
Sedona	6,439	PPE
Clarkdale	4,500	
Douglas	13,820	
Cochise County	18,329	EOC & PPE
Scottsdale	6,631	
Drexel Heights Fire District	16,894	Decontamination
Arizona Department of Juvenile Corrections	21,121	PPE
Tubac Fire Department	5,371	
Navajo County	21,326	EOC & PPE
Yuma County	53,818	Health District & One-Day
Yavapai County	108,229	Yavapai Mobile Clinic 60 Days
Total	\$ 181,515,096	

Tribal Entity	Location	Coronavirus State		Aid to Tribal Governments	Welfare Assistance	BIE	ESF TCU Set-Aside	Head Start	CDC	Emergency Grants	Behavioral Health Grants	Suicide Prevention	Telehealth	Rural Tribal COVID-19 Response	IHS Self-Determination & Self-Governance	Epidemiology Cooperative Agreements	Community Health Centers
		Fiscal Recovery Funds	CRF ^{1/}														
Ak-Chin Indian Community	Maricopa	15,166,882	6,854,425	437,612	7,904				157,935								
Cocopah Indian Tribe	Somerton	6,112,305	7,217,566	500,127	10,178			47,525		1,586,266					92,932		
Colorado River Indian Tribe *	Parker	15,364,177		1,500,382	48,105			434,859	135,380								
Diné College						2,522,270	1,523,984										
Fort Defiance Indian Hospital Board, Inc	Fort Defiance								1,122,068					300,000	72,026,831		
Fort McDowell Yavapai Nation	Fountain Hills	12,527,172	5,755,688	500,127	10,037												
Fort Mojave Indian Tribe *	Needles, California	9,213,765	8,330,270	718,933	15,548												
Gila River Health Care Corporation	Sacaton								758,964	427,499							
Gila River Indian Community	Sacaton	97,327,409	107,537,808	2,407,613	221,729			834,073	125,000						151,858,897		
Havasupai Tribe	Supai	2,719,030	5,183,041	437,612	7,947			85,546	154,640		97,402						
Hopi Tribe	Kykotsmovi	92,996,823	69,868,833	2,407,613	156,149			99,174	226,360		97,402			300,000			
Hualapai Indian Tribe	Peach Springs	11,651,422	12,883,509	843,965	23,094			135,448	183,151	807,974							
Inter-Tribal Council of Arizona, Inc	Phoenix								4,257,964							1,000,000	
Kaibab Band of Paiute Indians	Fredonia	1,858,226	3,348,710	194,246	3,118												
Native American Community Health Center	Phoenix										97,402						1,068,930
Navajo Nation *	Window Rock	714,189,631	1,861,554,458	4,000,000	3,008,211			2,607,973	3,375,000				954,990		48,395,463	1,000,000	
Navajo Nation Health Foundation	Ganado														14,580,812		
Navajo Technical University						2,534,030	1,528,059										
Navajo Tribal Utility Authority	Fort Defiance								491,175								
Pascua Yaqui Tribe	Tucson	43,800,816	99,665,081	2,407,613	199,652			171,092	243,963		97,402	800,000			21,056,662		
Phoenix Indian Center, Inc	Phoenix										97,402						
Quechan Indian Tribe *	Yuma	21,539,160	20,048,576	1,250,319	36,682			206,736	368,281								
Salt River Pima-Maricopa Indian Community	Scottsdale	60,445,469	51,977,117	1,750,446	114,150			238,315	162,770						10,398,408		
San Carlos Apache Healthcare Corporation	Peridot								173,462								
San Carlos Apache Older Adult Center																	
San Carlos Apache Tribe	San Carlos	57,930,809	79,720,217	2,407,613	158,661			731,894	363,442								
San Juan Southern Paiute Tribe	Tuba City	1,552,337	2,510,690	116,965	2,252												
Tohono O'odham Community College						480,290	817,579										
Tohono O'odham Nation	Sells	61,115,398	166,315,563	2,407,613	288,792			510,900	585,602		97,402			298,403	67,221,234		
Tonto Apache Tribe	Payson	2,302,670	2,468,789	116,965	1,895				45,589								
Tuba City Regional Health Care Corporation	Tuba City								1,115,993								763,037
White Mountain Apache Tribe	Whiteriver	61,356,787	81,126,228	2,407,613	143,243			598,822	663,999					300,000	79,553,715		
Winslow Indian Health Care Center	Winslow								675,962						83,494,122		
Yavapai-Apache Nation	Camp Verde	4,598,672	13,782,052	843,965	23,105				30,469								
Yavapai-Prescott Indian Tribe	Prescott	2,931,883	2,473,445	116,965	1,808												
Zuni Tribe *	Zuni, New Mexico	31,466,013		1,750,446	111,065												
Total		\$ 1,328,166,856	\$ 2,608,622,066	\$ 29,524,753	\$ 4,593,325	\$ 5,536,590	\$ 3,869,622	\$ 6,702,357	\$ 15,417,169	\$ 2,821,739	\$ 584,412	\$ 800,000	\$ 954,990	\$ 1,198,403	\$ 548,679,076	\$ 2,000,000	\$ 1,831,967

* indicates tribes located in multiple states. Some of the Federal Funds allocated to these tribes may be spent in states other than Arizona.

^{1/} These figures represent all Coronavirus Relief Funds reported as distributed to tribes as of September 25, 2020. These allocations are based on population, employment, and expenditure data.

Table 1 Continued

Tribal Entity	Federal Coronavirus Response Funds to Tribal Entities																Tribal Total
	Local Community- Based Workforce	FEMA Stafford Act	CCDBG	Child Welfare Services	Promoting Safe and Stable Families	Chafee	FVPSA	TANF	OAA	LIHEAP	CSBG	CDBG	IHBG	Public Transit	Byrne JAG	CESF	
Ak-Chin Indian Community									143,360				145,971				\$ 23,007,021
Cocopah Indian Tribe			428,927						129,530				280,235	83,124			\$ 16,411,242
Colorado River Indian Tribe *				2,430	5,251				289,340	49,580			791,184				\$ 18,620,688
Diné College																	\$ 4,046,254
Fort Defiance Indian Hospital Board, Inc																	\$ 73,448,899
Fort McDowell Yavapai Nation			3,473,048										43,958				\$ 22,310,030
Fort Mojave Indian Tribe *													455,392				\$ 18,733,908
Gila River Health Care Corporation																	\$ 1,186,463
Gila River Indian Community			9,651,303	12,389	26,043				289,340	156,013			2,343,367	405,243	70,429		\$ 373,266,656
Havasupai Tribe									132,950				49,760	54,498			\$ 8,922,426
Hopi Tribe			4,420,243	7,349	14,787				186,283	258,260			2,016,465	891,741			\$ 173,947,482
Hualapai Indian Tribe			1,492,732						114,852	190,610			512,923	776,148			\$ 29,615,828
Inter-Tribal Council of Arizona, Inc										167,670							\$ 5,425,634
Kaibab Band of Paiute Indians													129,314	136,889			\$ 5,670,503
Native American Community Health Center																	\$ 1,166,332
Navajo Nation *		294,883	106,533,308	150,251	312,361		2,662,553	8,064,017	371,640	10,417,998	1,825,255		22,333,177	1,866,942	486,348	486,348	\$ 2,794,890,807
Navajo Nation Health Foundation																	\$ 14,580,812
Navajo Technical University																	\$ 4,062,089
Navajo Tribal Utility Authority																	\$ 491,175
Pascua Yaqui Tribe		610,160	6,729,930	12,100	25,435	159,923		447,503	356,800	241,298			1,548,753	123,408			\$ 178,697,591
Phoenix Indian Center, Inc																	\$ 97,402
Quechan Indian Tribe *			1,631,846						164,540	29,516	28,000		520,734				\$ 45,824,390
Salt River Pima-Maricopa Indian Community			25,289,246	8,749	18,392	148,220		174,613	249,470	57,563			663,145	351,039	107,346	107,346	\$ 152,261,804
San Carlos Apache Healthcare Corporation																	\$ 173,462
San Carlos Apache Older Adult Center									31,080								\$ 31,080
San Carlos Apache Tribe	710,097		7,642,348	10,303	20,561			510,361	273,100	94,923	86,173		1,917,041	1,214,438	132,065		\$ 153,924,046
San Juan Southern Paiute Tribe													30,771				\$ 4,213,015
Tohono O'odham Community College																	\$ 1,297,869
Tohono O'odham Nation			17,480,504	22,882	50,955		362,146		370,640			1,500,000	1,303,136		41,434		\$ 319,972,604
Tonto Apache Tribe													15,455				\$ 4,951,363
Tuba City Regional Health Care Corporation																	\$ 81,432,745
White Mountain Apache Tribe			12,822,261					495,282	371,640	135,605	102,055	3,000,000	2,173,423	540,727	218,971		\$ 166,456,656
Winslow Indian Health Care Center																	\$ 84,170,084
Yavapai-Apache Nation		156,293	1,586,839		4,039				100,090				341,182	229,553			\$ 21,696,259
Yavapai-Prescott Indian Tribe									103,350				15,455				\$ 5,642,906
Zuni Tribe *													855,794				\$ 34,183,318
Total	\$ 710,097	\$ 1,061,336	\$ 199,182,535	\$ 226,453	\$ 477,824	\$ 308,143	\$ 3,242,901	\$ 9,878,059	\$ 3,890,060	\$ 11,197,955	\$ 2,041,483	\$ 4,500,000	\$ 38,486,635	\$ 6,673,750	\$ 1,056,593	\$ 593,694	\$ 4,844,830,843

* Indicates tribes located in multiple states. Some of the Federal Funds allocated to these tribes may be spent in states other than Arizona.

2021 American Rescue Plan Act

Summary – The American Rescue Plan (ARP) Act of 2021 (P.L. 117-2), the latest round of federal COVID-19 relief, was enacted on March 11, 2021. Provisions are organized according to broad topics. We have listed the affected state agency at the beginning of each program. Our estimates for Arizona's share are listed in parentheses and are bolded.

We estimate that the bill will result in at least \$11.3 billion to the state, \$2.6 billion to local governments, \$827 million in business aid, and \$12.0 billion in tax provisions and economic impact payments (the stimulus payments). Please see *Table 11* for a listing of each program. These amounts do not include the additional federal aid from an extension of unemployment compensation benefits, tax credits, and some other business aid.

Amounts include actual allocations published by federal agencies as well as estimates based on 2% of the total nationwide amount for the program or program-specific allocation formulas. Some estimates come from the Federal Funds Information for States, a collaboration between the National Conference of State Legislatures (NCSL) and the National Governors Association that tracks the fiscal impact of federal actions on states.

State/Local Government Aid (\$7.0 billion)

- Coronavirus State and Local Fiscal Recovery Funds (name has been changed from Coronavirus Relief Fund): For more information, see "Attachment: Coronavirus State and Local Fiscal Recovery Funds".
 - States: \$195.3 billion (**\$4.2 billion**): Available through December 31, 2024. Funds may be used to respond to COVID-19 or its negative economic impacts, premium pay to essential workers (up to \$13/hour, maximum of \$25,000 per worker), lost revenues, and water/sewer/broadband infrastructure. May not be used to reduce taxes directly or indirectly or make payments to pension funds. For allocations of these monies, see the Program Summary on [Allocations of American Rescue Plan Act Funds](#).
 - Locals: \$130.2 billion (**\$2.6 billion**): Available through December 31, 2024.
 - Cities with a population of 50,000 or more: \$45.6 billion nationwide (\$1.0 billion).
 - Nonentitlement units of local government (cities and towns with a population of less than 50,000): \$19.5 billion nationwide (\$227 million).
 - Distributed to states (from locals fund) for redistribution to local governments, based on population.
 - Total amount received by nonentitlement unit (small city or town) may not exceed 75% of most recent budget as of January 27, 2020.
 - Counties: \$65.1 billion nationwide (\$1.4 billion). Distributed based on population, with hold-harmless provision relative to CDBG formula for urban counties.
 - Coronavirus Capital Projects Fund: \$10 billion (**\$187 million**) for capital projects to carry out "critical capital projects directly enabling work, education and health monitoring, including remote options, in response to the public health emergency." The legislation directs the U.S. Secretary of the Treasury to establish an application process within 60 days after the bill's enactment. Available until expended.
 - Local Assistance and Tribal Consistency Fund: \$2 billion nationwide. Available until September 30, 2023. To counties that experienced negative revenue impacts due to changes in federal programs, \$750 million in FY 2022 and \$750 million in FY 2023 based on economic conditions. Monies may be used for any governmental purpose other than lobbying.

Education (\$3.6 billion) – Arizona Department of Education (ADE), Department of Economic Security (DES), Governor's Office, Universities, Community Colleges, Arizona Commerce Authority (ACA)

- ADE – Elementary and Secondary School Emergency Relief Fund (ESSERF): added \$122.8 billion to original CARES Act program (**\$2.6 billion**). Monies remain available through September 30, 2024.
 - Local Education Agencies (districts and charters) will receive 90% (**\$2.3 billion**), according to prior formula, and must reserve at least 20% (**\$465 million**) to address learning loss.
 - ADE – 5% (**\$129 million**) retained by ADE to address learning loss as well. With LEA share, represents total of **\$594 million** related to learning loss.

- ADE – 1% (**\$26 million**) for summer enrichment programs for children that are disadvantaged/fostered/homeless.
- ADE – 1% (**\$26 million**) for afterschool programs for children that are disadvantaged/fostered/homeless.
- ADE – 0.5% (**\$13 million**) for administrative costs.
- ADE – 2.5% (**\$65 million**) at the Superintendent’s discretion.
- The U.S. Department of Education will also use \$800 million nationwide of ESSERF monies for wrap-around services and assistance to enable homeless youth to attend school.
- Individuals with Disabilities Education Act funding: \$3 billion (**\$53 million**):
 - ADE – \$46 million (based on formula) for special education formula grants.
 - ADE – \$3 million (based on formula) for grants for preschool for children with disabilities.
 - DES – \$4 million for early intervention services for infants and toddlers with developmental delays.
- Governor’s Office, ADE – Emergency Assistance to Non-Public Schools: \$2.75 billion (**\$54 million**) for services for private schools, to be allocated by the Governor. Available through September 30, 2023.
- Universities, Community Colleges – Higher Education Emergency Relief Fund (HEERF): \$39.6 billion (**\$716 million**). Of the \$716 million so far allocated, **\$677 million** is allocated to public universities and community colleges. Public and private nonprofit institutions of higher education (IHEs) must spend at least 50% of ARP allocations on student grants; other (i.e., for-profit) IHEs must spend 100% of ARP allocations on student grants. Monies remain available through September 30, 2024. For a breakdown of ARP HEERF funds received by Arizona IHEs, see "Attachment: Higher Education Emergency Relief Fund Allocations".
- ADE – Maintenance of Effort (applies only to ESSERF): maintain FY 2022 and FY 2023 spending levels on both K-12 and higher education at the proportionate level of state spending on those categories averaged from FY 2017, FY 2018, and FY 2019. Allows for waiver by U.S. Secretary of Education.
- ACA – Emergency Connectivity Fund: \$7.2 billion (**\$205 million**) to provide funding to schools and libraries for the provision of connected devices, internet service, and equipment. Available until September 30, 2030. As noted above, State Fiscal Recovery Funds may also be spent on broadband.

Health (\$855 million) – Department of Health Services (DHS), AHCCCS, DES

- DHS – Centers for Disease Control (CDC) vaccine grants: \$7.5 billion (**\$71 million**). Available until expended.
- DHS – COVID-19 testing, contact tracing, and mitigation: \$48 billion (**\$219 million**). Available until expended.
- DHS – COVID-19 expand genomic sequencing grants: \$240 million (**\$5 million**).
- DHS – Public health workforce: \$7.7 billion (**\$153 million**) in awards to state/local public health departments for recruiting, hiring, and training of public health workers. Available until expended.
- Community Health Centers (CHCs): \$7.6 billion (**\$135 million**). Available until expended. The federal government would grant these monies directly to CHCs.
- AHCCCS – Grants for Teaching Health Centers that operate Graduate Medical Education: \$330 million (**\$7 million**). Available until September 30, 2023.
- AHCCCS – Community Mental Health Services Block Grant: \$1.5 billion (**\$39 million**). Must be expended by states by September 30, 2025.
- DHS – Substance Abuse Prevention Treatment Block Grant: \$1.5 billion (**\$33 million**). Must be expended by states by September 30, 2025.
- Health Resources and Services Administration (HRSA) mental and behavioral health training for health care professionals, paraprofessionals, and public safety officers: \$80 million (**\$2 million**). Available until expended.
- Mental and behavioral health promotion among health professional workforce: \$40 million (**\$0.8 million**). Available until expended. The federal government would grant these monies directly to entities providing health care.
- Behavioral Health Workforce Education and Training: \$100 million (**\$1 million**).
- DHS – Maternal, Infant, and Early Childhood Home Visiting: \$40 million (**\$1 million**) to support the delivery of evidence-based home visiting services to children and families living in communities at risk for poor maternal and child health outcomes.
- AHCCCS – Local substance use disorder services: \$30 million (**\$0.6 million**) to be awarded to states and local governments. Available until expended.
- AHCCCS – Local behavioral health needs: \$50 million (**\$1 million**) to be awarded to states and local governments. Available until expended.
- AHCCCS – Certified Community Behavioral Health Clinic Expansion Grants: \$420 million (**\$2 million**) to Terros.

- AHCCCS – Medicaid/KidsCare:
 - 100% federal match for Medicaid and Kids Care COVID-19 vaccines.
 - State option to provide coverage to uninsured for COVID-19 vaccines and treatment without cost sharing through the public health emergency, with vaccines matched at 100% federal match.
 - State option to extend eligibility to women for 12 months postpartum, for 5 years.
 - Enhanced federal match at 85% for mobile crisis intervention services.
 - 100% federal match for services to beneficiaries under Urban Indian Organizations for 2 years.
 - Eliminates cap on drug rebates, beginning in CY 2024. We estimate this would increase Prescription Drug Rebate Fund revenues by \$13 million.
 - Temporary federal match increase of 10% (with COVID 2 federal match, total of 86.21%) for states to make improvements to Medicaid Home and Community Based Services for 1 year. Contains supplement not supplant requirement.
- Nursing facilities strike teams: \$250 million (**\$5 million**). Available until expended.
- Rural health care providers: \$8.5 billion (**\$170 million**) for rural health care related expenses and lost revenues as a result of the pandemic. Health care providers would apply directly to the federal government for these funds.
- Emergency rural development grants: \$500 million (**\$10 million**) for rural health care, including vaccine distribution and lost revenues. Funds would be available through September 30, 2023. Monies will not be distributed according to a formula.
- Subsidies for workers eligible for continuation coverage under the Consolidated Omnibus Reconciliation Act of 1985 (COBRA) due to involuntary termination or reduction in hours: 85% premium assistance available through September 30, 2021; provides refundable payroll tax credit to allow employers and health plans to be reimbursed for the full amount of COBRA premiums.

Human Services (**\$1.1 billion**) – DES, ADE, Department of Child Safety (DCS), Department of Veterans' Services (DVS)

- DES – SNAP (Food Stamps) administration: \$1.1 billion (**\$18 million**) for FY 2021-FY 2023.
- DES – Extends, from June 30, 2021, to September 30, 2021, the requirement that SNAP benefits be calculated at 115% of the regular level.
- DES – Commodity Supplemental Food Program: \$37 million (**\$44,327**), available through September 30, 2023.
- DHS – Women, Infants, and Children (WIC) food program: (**\$10 million**). U.S. Secretary of Agriculture may temporarily boost the value of the Cash Value Voucher up to \$35/month for women and children for a 4-month period.
- ADE – Child and Adult Care Food Program: temporarily expands the age of eligibility at emergency homeless shelters from 18 to 25 during COVID.
- DES – Pandemic Electronic Benefit Transfer: may be implemented for any school year during COVID and may be extended through the summer. Extends earlier COVID relief program which provides SNAP-like benefits to children who have received free or reduced price school meals if not for COVID-related school closures or reduced hours.
- DES – Pandemic Emergency Assistance Fund: \$1 billion (**\$15 million**) through September 30, 2022. Up to 15% may be spent on administrative costs. Benefits may be used for non-recurrent short-term benefits in cash or other forms. May not supplant other federal or state monies. This is a new program.
- DES – Adult Protective Services (APS): \$276 million for FY 2021 and FY 2022 (**\$2 million**).
- DES – Older Americans Act: \$1.4 billion (**\$32 million**), available until expended.
 - \$750 million for nutrition programs (**\$17 million**).
 - \$460 million for home- and community-based preventative and support services programs (**\$11 million**).
 - \$44 million for evidence-based health promotion and disease prevention (**\$1 million**).
 - \$145 million for the National Family Caregiver Support Program (**\$3 million**).
 - \$10 million for the long-term care ombudsman program (**\$0.2 million**).
- DES – Child Care and Development Block Grant Program: \$15 billion for FY 2021-2023 (**\$372 million**) to provide assistance to workers deemed essential during the pandemic without regard to income eligibility requirements. Funding must be obligated by September 30, 2023. Includes supplement not supplant provision. Along with the Child Care Stabilization Grants, these monies are subject to legislative appropriation.

These monies are in addition to \$249 million for Arizona child care in December's Consolidated Appropriations Act (CAA) of 2021.

- DES – Child Care Stabilization Grants: \$24 billion (**\$596 million**). DES may reserve up to 10% for administrative and technical assistance costs. Remainder must be awarded to qualified child care providers either open or closed due to COVID, based on current operating expenses. Funds must be used to supplement and not supplant other federal or state child care funds. DES is to notify the federal government if it is unable to obligate at least 50% of the funds within 9 months of the bill's enactment. Available through September 30, 2021.
- DES – Child Care Entitlement to States: (**\$11 million**). Suspends state match on funding for FY 2021 and FY 2022.
- Local Education Agencies – Head Start: \$1 billion (**\$16 million**) to be awarded based on number of children enrolled. Available through September 30, 2022.
- DES – Family Violence Prevention and Services Act: \$180 million (**\$3 million**) for formula grants, not subject to matching requirements. Available through September 30, 2025.
- DCS – Child Abuse Prevention and Treatment Act: (**\$8 million**). \$250 million child abuse and neglect prevention programs, not subject to matching; \$100 million for child abuse and neglect treatment and response state grant program, without regard to discretionary activity allocation requirements. Available through September 30, 2023.
- DES – Low Income Home Energy Assistance Program (LIHEAP): \$4.5 billion (**\$24 million**) through September 30, 2022.
- DVS – State Veteran's Homes: \$500 million in construction funds, with matching requirements. \$250 million one-time funds for state-operated facilities based on number of beds. Available until September 30, 2022.

Housing (**\$784 million**) – DES, Department of Housing (DOH)

- DES – Water Assistance Program: \$500 million (**\$11 million**) to assist low income consumers in paying for drinking water and wastewater expenses. Available until expended.
- DES – Emergency Rental Assistance: \$18.7 billion (**\$389 million**). ARP funds remain available until September 30, 2027. December's CAA of 2021 included \$492 million for Arizona. CAA funds remain available until September 30, 2022 (extended). Makes other changes to eligibility and program administration.
- DOH – Homeowner Assistance Fund: \$10 billion (**\$197 million**), to remain available until September 30, 2025. Monies may be used for mortgage and utilities payment assistance.
- DOH – Homeless Assistance and Supportive Services Program/HOME Investment Partnerships: \$5 billion (**\$83 million**), for tenant-based rental assistance, affordable housing development, supportive services, and non-congregate shelter units. Individuals and households qualify based on homelessness/domestic violence/veteran status. Monies remain available through September 30, 2025. Of the \$83 million to Arizona, \$22 million in non-entitlement funds are allocated to the state.
- Emergency Housing Choice Vouchers: \$5 billion (**\$100 million**) for individuals or households based on homelessness/domestic violence. Formula based on public housing capacity and geographic diversity. Available until September 30, 2030.
- DES - Emergency assistance for rural housing: \$100 million (**\$2 million**), available until September 30, 2022. For payments to households that have experienced income loss.
- DOH – Housing Counseling: \$100 million (**\$2 million**) for Neighborhood Reinvestment Coalition (NeighborWorks) grants, to remain available until September 30, 2025.

Transportation (**\$562 million**) – Arizona Department of Transportation

- Federal Transit Administration mass transit grants: Available until September 30, 2024.
 - Urbanized areas: \$26.1 billion (**\$259 million**). Allocations are for Avondale-Goodyear (\$0.5 million), Flagstaff (\$3 million), Phoenix-Mesa (\$208 million), Sierra Vista (\$0.2 million), Tucson (\$47 million), and Yuma (\$0.5 million).
 - Seniors and persons with disabilities: \$50 million (**\$1 million**). The state received \$0.2 million, Phoenix-Mesa \$0.6 million, and Tucson \$0.2 million.
 - Rural areas: \$317 million (**\$1 million**).
 - Intercity bus formula: \$100 million (**\$2 million**).

- Capital investment grants: \$1.7 billion (**\$99 million**). Phoenix received \$81 million for the light rail extension and Tempe received \$17 million for its streetcar project.
- Indian reservations: (**\$3 million**).
- Airports: \$8 billion (**\$197 million**). Available until September 30, 2024.

Other (**\$26 million**) – DES, Department of Emergency and Military Affairs (DEMA), Secretary of State (SOS), Arts Commission

- DES – UI Equity Grants: \$260 million (**\$7 million**) to improve claimant outreach and customer service processes, implement strategies to reduce backlog, and improve access for lower-income claimants.
- DEMA – Emergency Management Performance Grants: \$100 million (**\$2 million**). Available until September 30, 2025.
- DEMA – Emergency Food and Shelter Program: \$400 million (**\$11 million**). Available until September 30, 2025.
- SOS – Institute of Museum and Library Services: \$200 million (**\$4 million**). Available until expended.
- Arts Commission – National Endowment for the Arts grants: \$135 million (**\$0.9 million**). Available until expended.
- National Endowment for the Humanities: \$135 million (**\$1 million**). Available until expended.

Business Aid (**\$827 million**) – ACA

- Reauthorizes State Small Business Credit Initiative Act of 2010. Provides \$10 billion (**\$59 million**) to support small business financing, to be expended by September 30, 2030. Arizona's employment based allocation is \$55 million and very small business allocation is \$4 million.
- Paycheck Protection Program (PPP): Expands eligibility to 501(c) nonprofits (except 501c4) and larger nonprofits, as well as internet-only news and periodical publishers. Provides additional \$7.25 billion for PPP (**\$145 million**).
- Targeted Economic Injury Disaster Loan (EIDL) Advances: \$15 billion (**\$16 million**). Advances for small businesses of up to \$10,000 may be converted to grants if used to cover business's operating expenses. As of August 19, 2021, Arizona businesses have received \$16 million in 2021 supplemental targeted advances.
- Shuttered Venue Operators Grant: \$16 billion (**\$194 million**). As of August 23, 2021, Arizona has received 177 grants for a total of \$194 million.
- Assistance to restaurants: \$25 billion (**\$294 million**). Grants of up to \$10 million per entity (maximum of \$5 million per location) based on difference between 2020 and 2019 revenue. Available until expended. May be used for payroll, rent, operational expenses, etc. As of June 30, 2021, Arizona has received 1,325 grants for a total of \$294 million.
- Economic Adjustment Assistance: \$3 billion (**\$60 million**). Provides competitive technical, planning, and public works and infrastructure assistance to regions experiencing adverse economic impacts. Available until September 30, 2022.
- Payroll Support Program: \$14 billion to air carriers, \$1 billion to contractors (**\$59 million**). Available until September 30, 2023. Passenger carriers based in Arizona received \$57 million and contractors received \$2 million.

Tax Provisions (**\$3.3 billion**)

- Child tax credit: \$105.1 billion (**\$2.1 billion**). Fully refundable for 2021. Amount increased from \$2,000 to \$3,000 per child (or \$3,600 per child under 6). Allows 17-year-olds to qualify.
- Earned Income Tax Credit, changes for 2021: \$11.9 billion (**\$238 million**). Minimum age lowered from 25 to 19 and maximum age eliminated. Increases phaseout percentage from 7.65% to 15.3%. Maximum credit increases from \$543 to \$1,502 for childless adults.
- Child and Dependent Care Tax Credit, changes for 2021: \$8.1 billion (**\$162 million**). Makes credit fully refundable. Increases maximum credit rate to 50%. Increases phaseout threshold from \$15,000 to \$125,000.
- Paid Sick and Family Leave Credits: \$6.3 billion (**\$125 million**). Extended from March 31, 2021, through September 30, 2021. Increased from \$10,000 to \$12,000 per employee. Allows state and local governments to access credits.
- Employee Retention Credit: \$10.2 billion (**\$204 million**). Extended through December 31, 2021. Employers whose gross receipts declined by at least (20)% compared to the same quarter in 2019 or the prior quarter are allowed a payroll tax credit of 70% of wages, up to \$10,000 per employee per quarter.

- 36B Credits: Allows individuals with income up to 400% of federal poverty line to qualify for the refundable Health Insurance Premium Tax Credit in TY 2021 and TY 2022.
- EIDL Advances: exempts EIDL grants from tax.
- Restaurant Revitalization Grants: exempts from tax.
- COVID-related student loan relief: exempt from tax.
- Exempts \$10,200 of Unemployment Insurance benefits from federal taxation for households with incomes up to \$150,000: \$25.0 billion (**\$499 million**). State conformity will reduce General Fund revenues by \$(30) million.

Individual Aid (\$8.7 billion)

- Economic Impact Payments (Stimulus Payments): (**\$8.7 billion**). \$1,400 for single filer (\$2,800 for joint filer) and \$1,400 per child or non-child dependent. Full amount provided to filers with Adjusted Gross Income (AGI) of \$75,000 single and \$150,000 married filing jointly). In Arizona, 3,567,885 individuals received payments.

UI – DES

- Federal Pandemic Unemployment Compensation (additional \$300/week): 100% federal funding extended through September 6, 2021.
- Pandemic Unemployment Assistance (self-employed): 100% federal funding extended through September 6, 2021; total number of weeks of benefits increased from 50 to 79.
- Pandemic Emergency Unemployment Compensation (increase in number of weeks): increases number of weeks from 24 to 53, and extends program through September 6, 2021, at 100% federal funding
- Extended Benefits (EB): extends through September 6, 2021, 100% federal funding of extended benefits for high-unemployment states (waives 50% state cost share). Arizona’s 13-week EB period was triggered beginning the week of June 14, 2020.
- Waiving waiting week: full reimbursement, retroactive to December 31, 2020, and continued through September 6, 2021.
- Short-time compensation: extends 100% federal financing of short-time compensation through September 6, 2021.
- Reimbursing employers (50% subsidy to government and nonprofit entities): subsidy increases from 50% to 75% after March 31, 2021; extends reimbursement through September 6, 2021 at 75% rate.
- Allows states to take federal loans with 0% interest through September 6, 2021.
- Exempts \$10,200 of UI income from federal taxation for households with incomes up to \$150,000 (see last bullet of Tax Provisions in the section above).

Table 11

2021 American Rescue Plan Act Programs ^{1/}\$ in MillionsState/Local Government Aid

State Fiscal Recovery Fund	4,183
Local Fiscal Recovery Fund	2,644
Coronavirus Capital Projects Fund	187 ^{2/}

Education

K-12 Emergency Relief Fund (ESSERF)	2,582
Individuals with Disabilities Education Act (IDEA)	53
Emergency Assistance to Non-Public Schools	54
Higher Education Emergency Relief Fund (HEERF) – Public Universities and Community Colleges	677
Emergency Connectivity Fund – Schools and Libraries	205

Health

CDC Vaccine Grants	71
COVID-19 Testing, Contact Tracing, and Mitigation	219
COVID-19 Expand Genomic Sequencing	5
Public Health Workforce	153 ^{2/}
Community Health Centers	135
Graduate Medical Education	7 ^{2/}
Community Mental Health Services Block Grant	39
Substance Abuse Prevention Treatment Block Grant	33
Mental and Behavioral Health Training	2 ^{2/}
Mental and Behavioral Health for Healthcare Workers	0.8 ^{2/}
Behavioral Health Workforce Education and Training	1
Maternal, Infant, and Early Childhood Home Visiting	1
Local Substance Use Disorder Services	0.6 ^{2/}
Local Behavioral Health Needs	1 ^{2/}
Certified Community Behavioral Health Clinic Expansion Grants	2
Nursing Facilities Strike Teams	5 ^{2/}
Rural Health Care Providers	170 ^{2/}
Emergency Rural Development Grants	10 ^{2/}

Human Services

SNAP Administration	18
Commodity Supplemental Food Program	0 ^{3/}
Women, Infants, and Children Food Program	10
Pandemic Emergency Assistance Fund – 1-time, short-term benefits	15
Adult Protective Services	2
Older Americans Act	32
Child Care and Development Block Grant	372
Child Care Stabilization Grants	596
Child Care Entitlement to States	11
Head Start	16
Family Violence Prevention and Services Act	3
Child Abuse Prevention and Treatment Act	8
Low Income Home Energy Assistance Program	24
State Veterans' Homes	N/A ^{4/}

Table 11 (Continued)

2021 American Rescue Plan Act Programs ^{1/}

\$ in Millions

Housing

Low Income Drinking Water Assistance	11
Emergency Rental Assistance	389
Homeowner Assistance Fund	197
Homeless Assistance and Supportive Services Program/HOME Investment Partnerships	83
Emergency Housing Choice Vouchers	100 ^{2/}
Emergency Assistance for Rural Housing	2 ^{2/}
Housing Counseling	2 ^{2/}

Transportation

Federal Transit Administration Mass Transit Grants	
Urbanized Areas	259
Seniors and Persons with Disabilities	1
Rural Areas	1
Intercity Bus Formula	2
Indian Reservations	3
Capital Investment Grants	99
Airports	197

Other

UI Equity Grants	7
Emergency Management Performance Grants	2
Emergency Food and Shelter Program	11
Institute of Museum and Library Services	4
National Endowment for the Arts	0.9
National Endowment for the Humanities	1

Business Aid

Small Business Financing	59
Paycheck Protection Program	145 ^{2/}
Targeted Economic Injury Disaster Loan Advances	16
Shuttered Venue Operators Grant	194
Assistance to Restaurants	294
Economic Adjustment Assistance	60 ^{2/}
Payroll Support Program (Air Carriers)	59

Tax Provisions

Child Tax Credit	2,102 ^{5/}
Earned Income Tax Credit	238 ^{5/}
Child and Dependent Care Tax Credit	162 ^{5/}
Paid Sick and Family Leave Credits	125 ^{5/}
Employee Retention Credit	204 ^{5/}
UI \$10,200 Tax-Free	499 ^{5/}

Individual Aid

Economic Impact Payments (Stimulus Payments)	8,661
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Total**26,737 ^{6/}**^{1/} Unless otherwise noted, figures represent the actual allocation.^{2/} Estimate assumes Arizona will receive 2% of the national funding level.^{3/} Actual figure rounds to \$0. See narrative for amount.^{4/} N/A means Arizona's allocation is not yet known.^{5/} These estimates are based on pro-rated nationwide amounts.^{6/} Numbers may not add to total due to rounding.

Attachment: Coronavirus State and Local Fiscal Recovery Funds

We provide further details on the uses, restrictions, and recoupment provisions related to the Coronavirus State and Local Fiscal Recovery Funds according to the American Rescue Plan Act (P.L. 117-2). Our description is largely verbatim from the bill text.

Coronavirus State Fiscal Recovery Fund

Uses – The state must use monies received from the Coronavirus State and Local Fiscal Recovery Funds to cover costs incurred by December 31, 2024:

- A. To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- B. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay (up to \$13 per hour in addition to regular wages or remuneration, with a maximum of \$25,000 per worker) to eligible workers of the state (workers needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors designated by the Governor as critical to protect the health and well-being of the state's residents) or by providing grants to employers with eligible workers;
- C. For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full state fiscal year prior to the emergency (i.e., SFY 2019);
- D. To make necessary investments in water, sewer, or broadband infrastructure.

Restrictions – In addition, the state may not use monies received from the Coronavirus State and Local Fiscal Recovery Funds:

- A. To either directly or indirectly offset a reduction in the state's net tax revenue resulting from a change in law, regulation, or administrative interpretation between March 3, 2021, and the last day of the fiscal year in which all Coronavirus State Fiscal Recovery Fund monies have been expended (or returned to or recovered by the U.S. Treasury) that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit, or otherwise) or delays the imposition of any tax or tax increase;
- B. For deposit into any pension fund.

Recoupment – If the state fails to comply with these uses and restrictions, the state shall be required to repay to the U.S. Treasury an amount equal to the amount of funds used in violation. In the case of a violation of Restriction A, the amount the state shall be required to repay is the lesser of:

- The amount of the applicable reduction to net tax revenue attributable to such violation;
- The amount of funds received by the state from the Coronavirus State and Local Fiscal Recovery Funds.

Coronavirus Local Fiscal Recovery Fund

Uses – The metropolitan city, nonentitlement unit (small city or town), or county must use monies received from the Coronavirus Local Fiscal Recovery Fund to cover costs incurred by December 31, 2024:

- A. To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- B. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay (up to \$13 per hour in addition to regular wages or remuneration, with a maximum of \$25,000 per worker) to eligible workers of the local government (workers needed to

- maintain continuity of operations of essential critical infrastructure sectors and additional sectors designated by the local government's chief executive officer as critical to protect the health and well-being of the local government's residents) or by providing grants to employers with eligible workers;
- C. For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency (i.e., FY 2019);
 - D. To make necessary investments in water, sewer, or broadband infrastructure.

Restrictions – In addition, the metropolitan city, nonentitlement unit (small city or town), or county may not use monies received from the Coronavirus Local Fiscal Recovery Fund for deposit into any pension fund.

Recoupment – If the metropolitan city, nonentitlement unit (small city or town), or county fails to comply with these uses and restrictions, the local government shall be required to repay to the U.S. Treasury an amount equal to the amount of funds used in violation.

Allocations – See *Table 12* for allocations from the Coronavirus Local Fiscal Recovery Fund.

Table 12

Coronavirus Local Fiscal Recovery Fund Allocations

	<u>\$ in Millions</u>		<u>\$ in Millions</u>
<u>Metropolitan Cities</u>		<u>Metropolitan Cities (Continued)</u>	
Avondale	18	Mesa	106
Buckeye	11	Peoria	21
Casa Grande	11	Phoenix	396
Chandler	35	Prescott	6
Douglas	4	Prescott Valley	8
Flagstaff	13	Queen Creek	5
Gilbert	24	Scottsdale	29
Glendale	60	Sierra Vista	6
Goodyear	10	Surprise	16
Kingman	5	Tempe	46
Lake Havasu City	9	Tucson	136
Maricopa	7	Yuma	23
		Metropolitan Cities Subtotal	1,003^{1/}
<u>Small Cities/Towns^{2/}</u>		<u>Small Cities/Towns (Continued)</u>	
Apache Junction	14	Nogales	8
Benson	2	Oro Valley	15
Bisbee	2	Page	2
Bullhead City	14	Paradise Valley	5
Camp Verde	4	Parker	1
Carefree	1	Patagonia	0 ^{3/}
Cave Creek	2	Payson	5
Chino Valley	4	Pima	1
Clarkdale	1	Pinetop-Lakeside	1
Clifton	1	Quartzsite	1
Colorado City	2	Safford	3
Coolidge	4	Sahuarita	11
Cottonwood	4	San Luis	13
Dewey-Humboldt	1	Sedona	3
Duncan	0 ^{3/}	Show Low	2
Eagar	2	Snowflake	6
El Mirage	11	Somerton	6
Eloy	6	South Tucson	2
Florence	9	Springerville	1
Fountain Hills	8	St. Johns	1
Fredonia	0 ^{3/}	Star Valley	1
Gila Bend	1	Superior	1
Globe	2	Taylor	1
Guadalupe	2	Thatcher	2
Hayden	0 ^{3/}	Tolleson	2
Holbrook	2	Tombstone	0 ^{3/}
Huachuca City	1	Tusayan	0 ^{3/}
Jerome	0 ^{3/}	Wellton	1
Kearny	1	Wickenburg	3
Litchfield Park	2	Willcox	1
Mammoth	1	Williams	1
Marana	17	Winkelman	0 ^{3/}
Miami	1	Winslow	3
		Youngtown	2
		Small Cities/Towns Subtotal	227

Table 12 (Continued)	
Coronavirus Local Fiscal Recovery Fund Allocations	
	<u>\$ in Millions</u>
<u>Counties</u>	
Apache	14
Cochise	24
Coconino	28
Gila	10
Graham	8
Greenlee	2
La Paz	4
Maricopa	871
Mohave	41
Navajo	22
Pima	203
Pinal	90
Santa Cruz	9
Yavapai	46
Yuma	42
Counties Subtotal	1,414
Fund Total	2,645 ^{1/}
<hr/>	
<u>1/</u>	Numbers may not add to total due to rounding.
<u>2/</u>	Small Cities/Towns figures are estimates.
<u>3/</u>	Actual figure rounds to \$0.

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