

HOW THE COVID-19 FEDERAL FINANCIAL RELIEF PACKAGES AFFECT The Northern Mariana Islands

The United States Congress has passed three aid packages in response to the COVID-19 pandemic.

- The **Coronavirus Preparedness and Response Supplemental Appropriations Act** (H.R. 6074) provides \$8.3 billion in emergency funding for federal agencies to respond to the coronavirus outbreak.
- The **Families First Coronavirus Response Act** (FFCRA) (H.R. 6201) provides free COVID-19 testing, expanded food assistance, increased Medicaid allotments for territories, and additional protections for health care workers.
- The **Coronavirus Aid, Relief, and Economic Security Act, or “CARES Act,”** (H.R. 748) provides over \$2 trillion in aid to schools, hospitals, laid-off workers, small businesses, and territory governments.

Direct Assistance to Impacted Individuals and Families in U.S. Territories

Cash Payments: To address unforeseen financial challenges, the CARES Act authorized direct payments of \$1,200 (\$2,400 for couples) to all individuals in the U.S. territories making less than \$75,000 (\$150,000 for couples). Above that threshold, benefits will be reduced by \$5 for every \$100 of income and phased out entirely for those making \$99,000 or more (\$198,000 for couples). Families are also eligible for an additional \$500 per child (under age 17). These are the same “recovery rebates” provided nationwide. Individuals and families in the territories, however, will receive a direct payment or a check through their territorial government with funds provided by the U.S. Treasury.

Expanded Unemployment Assistance: The CARES Act takes care of those who have lost their jobs through no fault of their own as a result of COVID-19. The Act includes a dramatic expansion and reform of the unemployment insurance program in territories with existing systems and a new Pandemic Unemployment Assistance program in territories currently without unemployment insurance. Eligibility includes full-time and part-time employees, the self-employed, and gig economy workers. An additional 13 weeks of unemployment benefits is added in territories with existing programs. In territories without unemployment insurance, benefits are available for up to 39 weeks, but not beyond the end of 2020; and the weekly Pandemic Unemployment Assistance will be a national average of unemployment benefits. In addition, persons receiving unemployment benefits in all the territories will get the same \$600 per week in Federal Pandemic Unemployment Compensation offered to the unemployed nationwide through July 30, 2020. These programs will be administered by the territorial governments. All new funding is provided by the U.S. Treasury.

Supporting our Front Line Healthcare Workers

Helping Hospitals and Healthcare Providers: Our economy cannot be healed until we stop the spread of COVID-19. The three new COVID-19 laws provide funding for hospitals and medical facilities in the U.S. territories, as in the rest of the U.S. This includes: \$100 billion for hospitals and medical facilities to cover

unreimbursed healthcare related expenses or lost revenues attributable to the coronavirus and \$950 million to support territories and states public health activities to address the COVID-19 pandemic via the Centers for Disease Control and Prevention (CDC).

Protecting Healthcare Workers: Healthcare professionals need all the equipment we can provide to protect themselves. The COVID-19 laws Congress has enacted aim to increase our domestic supply of masks, gloves, gowns, and other essential Personal Protective Equipment (PPE) and include \$16 billion for the Strategic National Stockpile, \$4.3 billion for the CDC, and \$1 billion for health agencies for this purpose.

Supporting Small Businesses

Payment Protection Program: The Paycheck Protection Program (PPP) through the Small Business Administration (SBA) includes \$350 billion in funding for zero-fee loans to employers who keep their workers on the payroll during this emergency.

Emergency Economic Injury Loans: To address immediate cash flow concerns, the CARES Act includes \$10 billion for advances of \$10,000 to small businesses and nonprofits that apply for an SBA Economic Injury Disaster Loan (EIDL). These low interest loans, up to \$2 million, may be used to pay for expenses that could have been met had the coronavirus crisis not occurred, including payroll and other operating expenses.

Funding for Territory Governments

Coronavirus Relief Fund: The CARES Act includes \$3 billion for U.S. territory and the District of Columbia governments. The U.S. Treasury will automatically award each territory its share, based proportionally on population, within 30 days.

Additional Medicaid Funding: The FFCRA lowers the local Medicaid match for territories for the duration of the COVID-19 emergency. FFCRA, also, increases the amount of federal Medicaid funding available to the territories for 2020 and 2021. These changes help ensure territorial Medicaid programs will have the funds necessary to address the coronavirus.

Nutrition/Food Assistance: Additional nutrition assistance is available through the existing supplemental nutrition assistance program (SNAP) for the U.S. Virgin Islands and Guam. American Samoa, the Northern Mariana Islands, and Puerto Rico will share an additional \$300 million for their nutrition assistance programs so individuals and families receive the food they need.

Additional Funding for Schools: The CARES Act provides a special set-aside of up to \$153 million to be distributed by the Secretary of Education based on educational needs in the Northern Mariana Islands, Guam, U.S. Virgin Islands and American Samoa.

Individuals, families, and businesses in the Northern Mariana Islands may direct questions to the local agency responsible for implementing the programs above:

Cash Payments - CNMI Department of Finance (670-664-1000)

Unemployment Assistance – CNMI Department of Labor (670-664-3196)

Health Care Assistance – Commonwealth Healthcare Corporation (670-234-8950)

Nutrition/Food Assistance – CNMI Nutrition Assistance Program (670-237-2801)

Small Business Assistance – CNMI Small Business Development Center (670-664-3018)

SBA Guam Branch Office (671-472-7419)

***DISCLAIMER:** This document is intended to provide preliminary guidance based on Congressional intent and does not constitute legal advice. It also does not replace official implementation guidance from the relevant territory and federal agencies.*