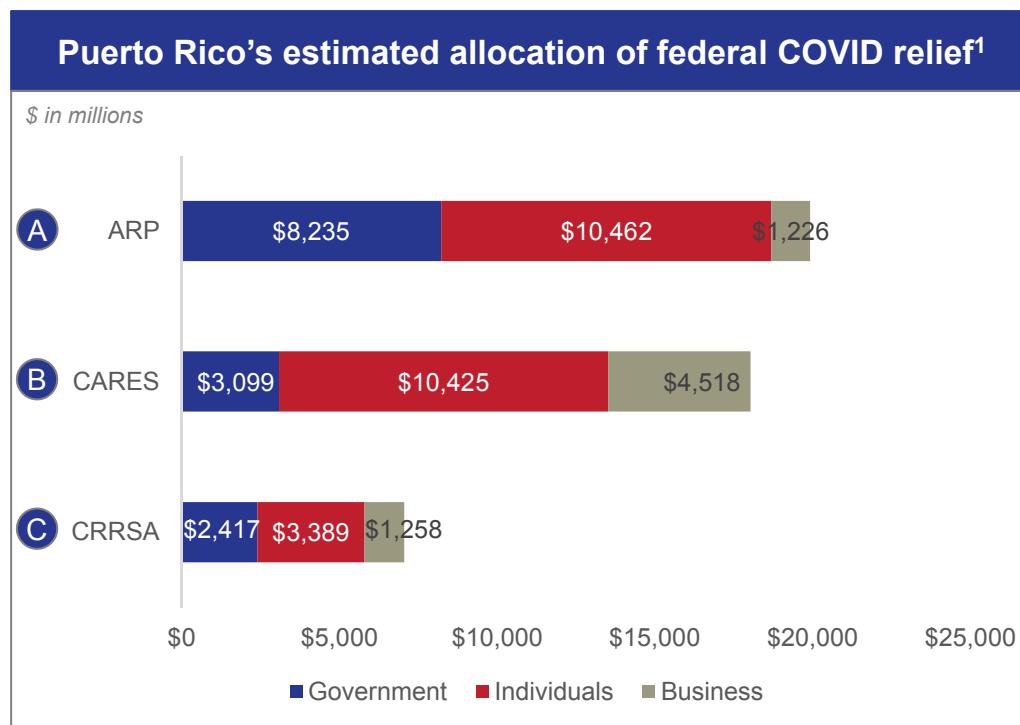


# Total estimated federal COVID-19 relief to Puerto Rico



- **\$45 billion** in estimated federal COVID relief/stimulus to Puerto Rico's individuals, businesses and government.
- Total US relief is estimated at **\$5.7 trillion**
- Relief has come in 3 waves:
  - **CARES: \$18.0 billion** allocation. Includes 4 phases of federal funding passed March – August 2020. Of this amount, an estimated \$15.2 billion has been disbursed
  - **CRRSA: \$7.0 billion** allocation passed in December 2020
  - **ARP: \$19.9 billion** allocation passed in March 2021
- Key relief programs include:
  - Stimulus checks
  - Increased unemployment insurance
  - Small business support (PPP and EIDL loans, etc.)
  - State and local aid
  - COVID-19 testing
  - Education funding



## Notes:

1. Estimate of Puerto Rico's share of federal COVID funding. Represents estimated maximum allocation (not received/dispensed/awarded) and subject to review and material change.

ARP: American Rescue Plan Act of 2021

CRRSA: Division N and M of Consolidated Appropriations Act of 2021

CARES: Includes: Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020, Families First Coronavirus Response Act of 2020, Presidential Declaration for Lost Wages Assistance, Coronavirus Aid, Relief, and Economic Security Act of 2020; and Paycheck Protection Program and Health Care Enhancement Act of 2020

# A Preliminary estimate of ARP funding for Puerto Rico

\$ in millions

Category	Total Federal Estimate <sup>1</sup>	PR Portion Estimate <sup>2</sup>	Government	Individuals	Businesses
Stimulus Rebates	465,035	1 3,609		3,609	
State & Other Gvt funding	231,850	2 3,259	3,259		
Municipality Direct funding	130,200	3 950	950		
Education	169,274	4 3,857	2,975	30	852
Unemployment Insurance	352,008	5 2,745	10	2,735	
Individual Tax Incentives	127,520	6 2,120	1	2,119	
Hospital & Health	155,182	1,352	700	637	15
Nutrition Assistance	4,526	7 973		973	
Housing Assistance	41,770	346	21	325	
Small Business Support	54,100	271			271
Transportation	86,159	184	184		
Business Tax Incentives	10,222	66			66
Disaster Relief Fund <sup>3</sup>	50,000	0			
Other	59,577	191	134	35	22
<b>Total</b>	<b>\$1,937,423</b>	<b>\$19,923</b>	<b>\$8,235</b>	<b>\$10,462</b>	<b>\$1,226</b>

- ARP was signed into law by President Biden on March 11, 2021
- Passed through Congress via the reconciliation process
- The Puerto Rico impact of some provisions of the law are still being estimated<sup>4</sup>

## Notes

- Based on H.R.1319 appropriations, internal estimates, FFIS, Congress data, Congressional Budget Office data and Joint Committee on Taxation data. Impacts varying time periods, represents annual estimate.
  - Based on H.R.1319 appropriations, internal estimates, formula calculations based on Census Bureau population data, FFIS data, Congress data, CARES Act and CRRSA appropriations, American Recovery and Reinvestment Act of 2009 appropriations and other estimates that are subject to review and material change. Impacts varying time periods, represents annual estimate. Some funds subject to US Treasury discretion.
  - Will be updated based on obligations under Public Assistance through the COVID Major Disaster declaration for PR
  - Key provisions which are still being estimated include: insurance for child vaccines, premium tax credits and family leave.
- All amounts are preliminary estimates that are subject to material change. Estimates included within fiscal plan may vary.

- \$1,400 checks (\$2,800 for joint filers and \$1,400 per dependent)
- State funds to remain available through 12/31/2024. Includes new capital projects funding.
- Funds directed to 27 metropolitan cities and 52 non-metropolitan cities as defined by population size and HUD data.
- Includes relief fund for K-12, non-public schools & higher education
- Includes extension of unemployment benefits until September 6, 2021, at \$300/week
- Includes \$1.5b Child Tax Credit and \$601m in EITC impacting FY22 (CTC estimate declines to \$0.5b in year 2). CTC and EITC have ongoing impacts
- Includes est. \$953m in funding to PR's Nutrition Assistance Program

# A ARP Uses of State and Local Government Funding

Estimated \$3B to Commonwealth and \$950M to municipalities

Topic:	Description:
<b>Permitted Uses of State and Local Funds</b>	<ul style="list-style-type: none"> <li>• To respond 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;</li> <li>• To respond to workers performing essential work during COVID–19 by providing premium pay to eligible government workers, or by providing grants to eligible employers that have eligible workers;</li> <li>• For the provision of government services to the extent of the reduction in revenue of government due to COVID–19 relative to revenues collected in the most recent full fiscal year of the government prior to the emergency; or</li> <li>• To make necessary investments in water, sewer, or broadband infrastructure.</li> <li>• Incurred by December 31, 2024.</li> </ul>
<b>Prohibited Uses</b>	<ul style="list-style-type: none"> <li>• Cannot deposit into pension fund.</li> <li>• Cannot use funds to offset a reduction in net tax revenue due to change in law, regulation or interpretation made since March 3, 2021. Restriction only applies to State funds.</li> </ul>
<b>Transfer Authority</b>	<ul style="list-style-type: none"> <li>• Funds may be transferred to a private nonprofit organization, a Tribal organization, a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.</li> </ul>
<b>Timing</b>	<ul style="list-style-type: none"> <li>• State: within 60 days of certification. Secretary may pay in 2 tranches (2nd tranche 1 year later) based on unemployment rate.</li> <li>• Municipalities and counties: 50% within 60 days of ARP, 50% 12 months after ARP</li> </ul>

## B Status of initial COVID-19 federal relief programs (CARES)

Category (\$ in millions)		Estimated Allocation <sup>1</sup>	Estimated Disbursed <sup>2</sup>	Estimated Remaining	Est. Allocation <sup>1</sup>		
					Government	Individuals	Businesses
Preparedness & Response Supp. Appropriations Act		\$31	\$12	\$20	\$31		
Families First Coronavirus Response Act		377 <sup>3</sup>	146	231	191	186	
Presidential Declaration: Lost Wages Assistance		345	345	0		345	
CARES Act	Unemployment Related Funds <sup>4</sup>	5,892	5,892	0		5,892	
	Small Business Support	3,205	3,205	0			3,205
	Economic Impact Payments	2,736	2,736	0		2,736	
	Coronavirus Relief Fund	2,241	1,723	517	1,500	100	641
	Education	760	237	523	760		
	Hospitals & Healthcare	494	378	116	216	83	195
	Nutrition & Housing Assistance	428	405	23	74	342	13
	Business & Individual Tax Incentives <sup>5</sup>	335	N/A	N/A			335
	Transit & Infrastructure Funds	226	52	174	169		57
	Disaster Relief Fund <sup>6</sup>	738	0.3	738		738	
	Economic Stabilization Loans	73	73	0			73
	National Guard, Law Enforcement & Justice	16	4	12	16		
	Other <sup>7</sup>	144	26	118	142	2	
<b>Total<sup>1</sup></b>		<b>\$18,042</b>	<b>\$15,235</b>	<b>\$2,808</b>	<b>\$3,099</b>	<b>\$10,425</b>	<b>\$4,518</b>

## Notes:

- Includes the Coronavirus Preparedness and Response Supplemental Appropriations Act, Families First Coronavirus Response Act, CARES Act, Presidential Directive and the Paycheck Protection Program and Health Care Enhancement Act. Represents both published allocations to PR and estimated allocations to PR based on bill text wording.
  - Represents a mix of estimated distributions to PR and from PR as at March 2021. Sourced through publicly available data sources including (but not limited to) USDA, Federal Reserve, Pandemic Oversight, AAFAF, US Dept of Labor, US Dept of Education, COR3, US Dept of Health & Human Services, US Small Business Administration, Federal Transit Administration.
  - Includes \$190m in funds related to 6.2% increase in FMAP and \$65m in tax credits for paid sick, family and medical leave. Distribution data is still being evaluated.
  - Includes estimate of incremental PR unemployment insurance as a result COVID impact on unemployment.
  - Includes employee retention credit and OASDI tax deferrals. Disbursement data is still being evaluated.
  - FEMA estimate. Actual Public Assistance obligated is \$141m and disbursed to date is \$0.3m. Will be updated based on obligations under Public Assistance through the COVID Major Disaster declaration for Puerto Rico
  - "Other" includes a significant number of programs, with allocations that are different than the categories listed above
- All amounts are subject to material change. Estimates included within fiscal plan may vary.

## B Spending status of Coronavirus Relief Funds

\$ in millions

Revenue Stream	Allocated	Disbursed	Remaining
Business & Individual Tax Incentives	\$339	\$325	4.1%
Private Sector Payroll Protection	57	57	0.0%
Hospital & Healthcare	550	481	12.5%
COVID-19 Testing and Contact Tracing	150	71	52.8%
Unemployment-Related Funds	300	300	0.0%
Municipality Expenses	200	200	0.0%
Tourism Industry Assistance	100	82	18.3%
Remote Work Program	90	69	23.4%
Emergency Expenses in Prisons	10	10	4.3%
Student Technology Solutions	90	78	13.8%
Homeless Assistance	5	1	73.4%
FEMA Cost Share for COVID-19 Expenses	50	1	97.8%
Administrative Expenses	50	6	87.2%
Business Interruption Grant Program	65	25	61.9%
Reserve	185	18	90.2%
<b>Total</b>	<b>\$2,241</b>	<b>\$1,723</b>	<b>23.1%</b>

**Notes:** Funding must be incurred by December 31, 2021. Disbursed funds are as of March 22, 2021.

**Source:** AAFAF Strategic Disbursement Plan Funding Report, March 22, 2021.

### Summary of Funding Categories

- **Business & Individual Tax Incentives:** Assistance programs to small and medium businesses. Funds used for losses caused by interruption of operations caused by COVID-19 emergency and / or for necessary expenditures related to COVID-19
- **Private Sector Payroll Protection:** reimburse private employers, up to 50% of payroll they continued to pay to employees during COVID-19
- **Hospitals & Healthcare:**
  - Acquisition of Materials and PPE to be distributed in all gov't facilities
  - Emergency Assistance for Public and Private Hospitals: covers necessary expenditures related to COVID-19 emergency
  - Telemedicine Program in PR: ensures the citizens have access to health services with limiting in-person exposure
- **COVID-19 Testing and Contact Tracing:** funding to continue and expand the contact tracing program to track and isolate people infected with or suspected of being infected with the virus
- **UI Benefits:** allocation to the Unemployment Trust Fund of the Department of Labor and Human Resources to cover disbursements to people who have applied for state unemployment benefits due to the emergency of COVID-19
- **Municipality Expenses:** For COVID-19 expenses stated in CARES Act
- **Tourism Industry:** Assistance to hotels and "paradores" for necessary expenditures related to the COVID-19 emergency
- **Remote Work Program:** Implement the remote or distance work program for Government of Puerto Rico employees
- **Emergency Expenses in Prisons:** Non-budgeted expenses in prisons
- **Homeless Assistance:** Covers non-budgeted expenses for assistance and care programs for the homeless population
- **FEMA Cost Share:** Non-Federal Matching Funds Assistance Program for COVID related expenses (this is not for disaster aid response)
- **Administrative Expenses:** for Administering Puerto Rico's Coronavirus Relief Fund

# C Estimate of Coronavirus Responses and Relief Supp. Appropriations Act (“CRRSA”) funding for Puerto Rico

\$ in millions

Category	Total Federal Estimate <sup>1</sup>	PR Portion Estimate <sup>2</sup>	Government	Individuals	Businesses
Small business support	325,000	1 1,136			1,136
Stimulus Rebate	164,061	2 1,493		1,493	
Unemployment insurance	120,818	3 895		895	
Education	82,000	4 1,925	1,925		
Hospital & Health	65,750	395	329	35	30
Transportation	45,000	96	74		21
Other	33,850	100		30	70
Housing Assistance	25,000	325		325	
Nutrition Assistance	37,254	5 699	88	611	
FEMA	6 2,000	0			
<b>Total</b>	<b>\$900,733</b>	<b>\$7,063</b>	<b>\$2,417</b>	<b>\$3,389</b>	<b>\$1,258</b>

1 Includes extension of PPP and EIDL. Also includes support for shuttered venue operators

2 \$600 checks (\$1,200 for joint filers and \$600 per dependent)

3 Includes extension of unemployment benefits for 11 weeks, at \$300/week

4 Includes relief funds for K-12, higher education and the Governors Emergency Education Relief Fund

5 Includes \$590m in direct funding to PR's Nutrition Assistance Program

6 FEMA funds for funeral expenses, PR estimate is TBD. CRRSA also extends date to use Coronavirus Relief Funds from 12/30/20 to 12/31/21

## Background

- Consolidated Appropriations Act, 2021 (H.R.133) passed the House and Senate on December 21, 2020 and signed into law by the President on December 27, 2020.
- The COVID relief provisions were included within the year-end omnibus appropriations package

### Notes

1. Based on H.R.133 stated appropriations, estimates, Congressional Budget Office estimates and Joint Committee on Taxation estimates.

2. Based on H.R.133 stated appropriations, formula calculations based on Census Bureau population data, CARES Act appropriations, American Recovery and Reinvestment Act of 2009 appropriations, US Dept of Education, CDC, US Dept of Transport, US Treasury Dept and other estimates as at March 2021 that are subject to material change.

All amounts are preliminary estimates that are subject to material change. Estimates included within fiscal plan may vary.