Temporary Assistance for Needy Families Program Instruction

U.S. Department of Health and Human Services Administration for Children and Families Office of Family Assistance Washington, DC 20201

No. TANF-ACF-PI-2021-04

Date: April 15, 2021

TO: Tribes and tribal consortia that are approved to integrate TANF in a P.L. 102-477 plan.

SUBJECT: The Pandemic Emergency Assistance Fund.

REFERENCES: The American Rescue Plan Act, Public Law 117-2; section 403(c) of the Social Security

Act.

PURPOSE: To provide supplemental guidance to 477 tribes regarding the newly

established Pandemic Emergency Assistance Fund.

BACKGROUND:

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 into law. Now Public Law 117-2, it establishes the Pandemic Emergency Assistance Fund (PEAF) in section 403(c) of the Social Security Act (the Act).

On March 19, 2021, the Administration for Children and Families (ACF) issued a "Dear Tribal Leader" letter and invited tribes to a consultation for the Pandemic Emergency Assistance Funds (PEAF) authorized by the American Rescue Plan Act of 2021. In the letter, OFA expressed the viewpoint that PEAF was not eligible for inclusion in 477, and that OFA would be awarding allotments directly to tribes. A consultation webinar was held on March 26, 2021 and written comments were due by April 2, 2021.

During the consultation process, strong and repeated concerns were expressed about OFA's proposal to not include PEAF funds in 477 plans and engage tribes and tribal consortia that integrate TANF under P.L. 102-477 (477 tribes) directly rather than transferring funds through the Bureau of Indian Affairs (BIA).

As a result of consultation, OFA has reconsidered its approach and agrees that because TANF is already a program approved for inclusion in a 477 plan, PEAF funds under section 403(c) of Title IV-A may also be transferred to BIA for tribes who are currently approved to integrate their TANF programs in a 477 plan. However, requirements of the PEAF law, such as funds needing to be spent on non-recurrent, short term benefits, and grantees needing to request allotments and reallotments, continue to apply. During the consultation process, 477 tribes provided assurances that including funds in 477 would not interfere with 477 tribes complying with the requirements of the PEAF law.

GUIDANCE:

The law sets forth specific requirements for requesting initial allotments and subsequently reallotted funds. OFA will work with 477 tribes to ensure that the requirements of the law are met while also taking steps to ease administrative burden to the extent possible.

Requesting Funds

A grantee must make a **one-time** election of the amount of its allotment it wishes to receive. Under the law, tribes must inform HHS of its expenditure commitment within 90 days of the enactment of the American Rescue Plan Act of 2021. That date is June 9, 2021. OFA has created and distributed a <u>form</u> that allows each grantee to make this election. If a grantee does not submit a request for an allotment or

submits one after the due date, the grantee will lose any claim to the allotment.

OFA published tables showing the full allotment of each grantee and included that table as an appendix to Program Instruction TANF-ACF-PI-2021-02. While each grantee must decide whether or not it intends to use its full allotment, it is important to understand that **if a grantee elects to receive an amount less than the full allotment, it will lose its claim to the remainder of that allotment**. Any such unallotted funds will be reallotted, as discussed below. For example, suppose a grantee's full allotment were \$2,876,380. If the grantee elected to accept \$2,000,000 of that allotment, the remaining \$876,380 would no longer be set aside for that grantee and would be reallotted to all grantees eligible for reallotment.

In order to expedite the process of requesting funds, 477 tribes may submit the form to BIA, the lead agency for 477. BIA will process and subsequently transmit the requests to HHS. Alternatively, to help 477 tribes receive their PEAF funding as expeditiously as possible, 477 tribes may submit the form directly to OFA at PEAF@acf.hhs.gov and copy BIA. Funding will be transferred to BIA on a rolling basis, once-a-week, as OFA receives funding request forms, either directly from 477 tribes, or indirectly through BIA.

Reporting

Further consideration will be given to the frequency, forms, and mechanism for reporting to ensure that statutory requirements are fulfilled while also taking into account tribes' participation in 477. The most pressing are the initial steps of requesting and transferring the allotted funds to tribes so that they can begin spending the funds. After that, there will be time for thoughtful consideration with respect to the expenditure reporting that is necessary to determine the reallotments.

For the purposes of spending plans and tracking expenditures, tribes should keep in mind the following PEAF requirements:

- Funds may only be used for non-recurrent, short term benefits as provided in section 403(c)(6)(A) of the Act and in Program Instruction (PI) <u>TANF-ACF-PI-2021-02</u>.
- Grantees must use funds to supplement, and not supplant, other federal, state, tribal, territorial, or local funds. § 403(c)(6)(C) of the Act.
- The same cap will apply to administrative costs in the PEAF that a tribe negotiated for administrative costs in its approved 477 plan. § 403(c)(6)(B) of the Act and PI TANF-ACF-PI-2021-02.
- A grantee has from April 1, 2021, to September 30, 2022, the end of fiscal year 2022, to expend its initial award. § 403(c)(6)(D)(i) of the Act. Any unspent funds will be made available for reallotment. § 403(c)(4)(B) of the Act.
- The funds spent for NRST benefits and administrative costs associated with PEAF must be tracked. See § 403(c)(4)(B) & (6) of the Act. In addition, OFA will use the expenditure data that grantees report to determine the amount of funds remaining for reallotment. See id.

INQUIRIES:

Please direct inquiries to your BIA Awarding Official Technical Representative (AOTR) who may work with the TANF Program Manager in your region.

Susan J. Golonka Acting Director Office of Family Assistance