

A SUMMARY OF THE AMERICAN RESCUE PLAN ACT

As of April 26, 2021

We will continue to monitor developments and guidance that comes out with respect to the American Rescue Plan Act. This is a summary of funding provisions included in the American Rescue Plan Act that may be used by state and local governments, Indian tribes and territories (along with other brief references to provisions that provide funding to address problems that contribute to childhood trauma, such as child poverty, or which help to prevent such trauma, such as paid sick leave. This summary elevates provisions that may offer financing opportunities to create trauma-informed approaches, programs, and environments.

The statements in the discussion below that it appears that a certain pot of funds may be used for trauma-informed programs is not intended as legal advice. Also, the determination that it may be used for this purpose may be affected by subsequent guidance issued by the cognizant agency. Therefore, each organization needs to make its own independent determination whether its intended use of the funds is permissible under the Act.

We are continuing to monitor developments and as we learn new information, we will update this document to reflect the latest information and guidance.

EDUCATION

SECTION 2001—ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND

(a) Appropriates \$122,774,800,000. Of that amount:

- \$800 million is provided to address the needs of homeless children created by the Pandemic
- \$122, 774, 000, 000 shall be used to make grants to states, no less than 90% of which is to be subgranted to Local Educational Agencies based on the allocation formula for Title I of ESEA. The LEAs are to use the funds for a broad range of purposes, including:
 - Any activity authorized by the ESEA
 - Activities to address the needs of low-income children and racial and ethnic minorities
 - **Providing mental health services and supports**, including through the implementation of evidence-based full-service community schools [this permits a portion of the funds to be used to implement trauma-informed programs to address the increased trauma caused by the pandemic that students will be bringing to school with them when schools reopen
 - Implementing evidence-based activities to meet the comprehensive needs of students

(f) For the 10% retained by the states, not less than 1% each is to be used to fund after-school and summer programs that among other things respond to the students' "academic, social and emotional needs.

(g) The states have one year to award the funds. The Act does not say how long the LEAs have to spend it.

Section 2002: EMERGENCY ASSISTANCE TO NON-PUBLIC SCHOOLS – Appropriates \$2,750,000,000 to be allocated to the Governors to make allocations to non-public schools that enroll a significant percentage of low-income students and are most impacted by the pandemic. These funds remain available through September 30, 2023,

Section 2003 HIGHER EDUCATION EMERGENCY RELIEF ACT –Provides \$39, 584,570,000 to institutions of higher education in accordance with the same terms as the December 2020 COVID19 Response and Relief Act. These funds remain available until September 30, 2023.

Section 2202 — Child Care Stabilization Fund — Provides a one-time \$23.9 billion grant program for State agencies to distribute through sub-grants to qualified child care providers to support the stability of the child care sector. Sub-grantees must spend the funds on at least one of six needs, including: personnel costs, rent, facility maintenance and improvements, personal protective equipment, COVID-related supplies, goods and services, and mental health supports for children and employees.

Section 2203 HEADSTART – Provides \$1 billion to carry out the Head Start Act, to be used to make one-time grants to Head Start agencies. The funds must be spent by September 30, 2022. (The Rescue Act does not specify what the funds may be used for so presumably they can be used by Head Start programs to implement trauma-informed programs including providing trauma-informed training to staff.)

Section 2205-- CHILD ABUSE AND PREVENTION AND TREATMENT – Provides \$250 million for Section 201 OF CAPTA AND \$100 million for Section 106. The funds remain available until September 30, 2023.

MENTAL HEALTH AND SUBSTANCE USE DISORDER [Funds provided under all of the programs below in this category may be used to implement trauma-informed programs.]

SECTION 2701 – COMMUNITY MENTAL HEALTH BLOCK GRANTS – Provides \$1.5 billion in additional funding for Community Mental Health Block Grants. The funds shall be expended by September 30, 2025. (These funds may be used to implement trauma-informed prevention, resilience and treatment programs given the high correlation between childhood trauma and mental health problems later in life.)

Section2702 – SUBSTANCE ABUSE BLOCK GRANTS –Provides \$1.5 billion in additional funding for the Substance Abuse Prevention and Treatment Block Grants. The funds shall be expended by September 30, 2025. [These funds may be used to implement trauma-informed prevention, resilience and treatment programs given the high correlation between childhood trauma and substance use disorder later in life.]

Section 2703 – TRAINING FOR HEALTH CARE PROFESSIONALS –Provides \$80 million for grants to governments, educational institutions and non-profit organizations to provide training to health professionals to reduce and address suicide, burnout, mental health conditions, and substance abuse disorders among health care professionals.

Section 2704 --Provides \$20 million for a national campaign to promote primary prevention of mental health conditions and substance use disorders among health care professionals by encouraging them to seek treatment.

Section 2705 – Grants to Health Care Providers to Promote Mental Health Among Their Professional Workforce – Provides \$40 million for grants to establish, enhance, or expand programs to health care entities to promote mental health among their providers, other personnel and members.

[The funds provided in the three provisions above may be used to provide programs to prevent secondary trauma among health care workers.] All of the remain available until expended.

Section 2706 and 2707 – Community-Based Funding for Local Behavioral Health Needs – Provides \$50 million for grants to local governments, non-profits, and primary care and behavioral health organizations to address behavioral health needs worsened by the Pandemic. The funds remain available until expended. [Since it is well-established that disasters such as the Pandemic increase trauma, these funds may be used to implement trauma-informed programs.]

Section 2708 National Child Traumatic Stress Network – Provides NCTSN with an additional \$10 million that remains available until expended. [NCTSN, operating through SAMHSA, provides funding to community entities to implement trauma-informed programs

Section 2709 PROJECT AWARE – Provides an additional \$30 million to SAMHSA for Project AWARE for programs to promote resiliency and wellness in education. The funds remain available until expended.

Section 2710 –YOUTH SUICIDE PREVENTION – Provides \$20 million for youth suicide prevention programs under Sections 520E and 520E-2 if the Public Health Services Act. The funds remain available until expended.

Section 2711 – Behavioral Health Workforce Education and Training—Provides \$100 million for behavioral health workforce education and training under Section 756 of the Public Health Service Act. The funds remain available until expended.

Section 2712 — Pediatric Mental Health Care Access—Provides \$80 million for pediatric mental health care access pursuant to Section 330M of the Public Health Services Act. The funds remain available until expended.

Section 2713 — Community Behavioral Health Clinics – Provides \$420 million for expansion grants for Certified Community Behavioral Health Clinics. The funds remain available until expended.

HOME VISITING PROGRAMS AND EMERGENCY ASSISTANCE

Section 9101 -EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING PROGRAMS –Provide \$150 million for home visiting programs, including virtual home visits and providing families with the technological means to conduct virtual home visits. The funds remain available until September 30, 2022. [Home visits are an effective tool for preventing ACEs, particularly when staff uses trauma-informed approaches.]

Section 9201 – Pandemic Emergency Assistance to Children and Families –Provide \$1 billion to states and tribes for non-recurrent short-term benefits, such as cash payments. The funds remain available until expended.

Section 9601 – Rebates to Taxpayers – Provides for payment of \$1,400 to an individual taxpayer or \$2800 to joint filers plus \$1,400 times the number of dependents.

CHILD TAX CREDIT

Section 9611 –Child Tax Credit—Provides a reimbursable tax credit of \$3000 per child (\$3600 for a child who has not yet attained the age of six). The credit is only authorized for calendar 2021. The credit is to be paid in advance.

Section 3131 – Credit for Paid Sick and Family Leave – Provides employers a 100% credit for payment of qualified sick leave wages up to ten days per calendar year, with the credit paid to the employer in advance, for sick leave caused by COVID19. There are also provisions providing for

tax credits for paid sick leave to self-employed individuals, (Sections 9642) and for family leave (9643).

Section 9801 – Child Care Assistance – Provides \$3.5 billion for grants to states, tribes and territories for child care assistance pursuant to Section 418(a)(3) of the Social Security Act (the Child Care Block Grant program). The section does not specify when the funds need to be spent.

Section 9813 – State Option under Medicaid to Provide Community-Based Mobile Crisis Intervention Services – Permits a State to bill Medicaid for 85% of the cost of services provided by a multidisciplinary mobile crisis team for, among other things, persons experiencing a mental health or substance abuse crisis where the team includes health care professionals who “are training in trauma-informed care, de-escalation strategies and harm reduction”. This option becomes available for five years beginning in the first fiscal quarter following a year from the enactment of the Rescue Act. The section also provides \$15 million for state planning grants to develop the mobile crisis intervention services.

AID TO STATE AND LOCAL GOVERNMENTS

Section 9901 –Grants to States – Provides \$219,800,000,000 to States, Territories and Tribal Governments of which:

\$20 billion is to go to Tribal Governments,

\$4.5 billion to territories.

\$250 million is to be allocated equally among the states

\$1,250,000,000 to be allocated among the states based on percentage of unemployed persons in that state compared to the national percentage.

The money is to be used “to respond to the public health emergency with respect to COVID 19 or its negative economic impact. It must be used to cover costs incurred by December 31, 2024[Based on guidance provided for CARES Act funds, this includes addressing the mental health problems created by COVID 19, which would include addressing the increased trauma caused by COVID 19].

LOCAL GOVERNMENTS

SECTION 9901 also provides \$130 billion to metropolitan cities, nonentitlement units of local government, and counties to mitigate the fiscal effects stemming from COVID19. The funds remain available until December 31, 2024.

Section 9901 also creates a capital project fund that provides \$100,000,000 to each state and \$100,000,000 to be divided among tribes and the State of Hawaii for capital projects “directly enabling work education, and health monitoring, including remote options, in response to the public health emergency with respect to COVID 19, with no less than \$50,000 to each tribe and no less than \$50,000 nor more than \$200,000 to Hawaii for the exclusive use of the Department of Hawaiian Homelands and the Native Hawaiian Education Programs. The section does not say when the funds must be used by.

Section 9901 also create a Local Assistance and Tribal Consistency Fund of \$2 billion of which \$250,000,000 is paid to tribes each year in Fiscal Years 2022 and 2023 for any governmental purpose except lobbying. The funds remain available through September 30, 2023.[That means these funds can be used to implement a comprehensive community-wide trauma-informed initiative to begin to undo the harm that historical trauma caused and continues to cause Native American communities.]

NATIVE AMERICANS

SECTION 11001 – Indian Health Service – Provides IHS with \$6,094,000,000, to be available until expended, of which \$420 million is to be used for mental health and substance abuse prevention and treatment services. [which can be used to implement a trauma-informed behavioral health initiative to address the combination of historical trauma and the trauma caused by COVID 19, and thereby begin to prevent and build resilience against trauma, which is proven to be one of the major root causes of substance use disorder and many mental health problems, as well as being a contributor to a significant portion of the IHS caseload, including diabetes, obesity, heart problems, suicides, and domestic violence.]

The Act also provides that IHS is to use some of the \$5,484,000,000 as follows: \$140 million for information technology and telehealth infrastructure, \$500 million for additional contract care services, \$2 billion for lost reimbursements, \$85 million for urban Indian health care programs, and \$2 billion to address COVID19 related problems and to provide for vaccination.

It also provides IHS with \$600 million for improvement of health care facilities.

Section 11002 – Bureau of Indian Affairs –Provides the BIA with \$900,000,000, to be available until expended, of which: \$772,500,000 is for Tribal governmental services, public safety, social services, child welfare assistance, and for other related expenses. [The BIA could use a portion of these funds to implement trauma-informed programs, particularly adapting trauma-informed child welfare programs being implemented in many states that have successfully reduced the number of days children spend in foster care.]

Section 11003 Bureau of Indian Education—Provides \$850,000,000 for BIE for general purposes to be available until expended. [Given the success that schools in Native American, Alaska Native and Native Hawaiian that have adopted trauma-informed approaches have had in reducing discipline problems and drop-out rates, while improving academic performance, the BIE should consider using some of its Rescue Act funds to implement trauma-informed approaches in all of its schools, both to address the continuing effects of historical trauma and to be ready to address the increased trauma caused by the pandemic that the students will be bringing with them as they return to school.]

Section 11006 – American Indian, Native Hawaiian and Alaska Native Education -- This section provides the following amounts, to remain available until expended:

- Tribal education agencies with \$20 million-
- \$85 million for grants for Native Hawaiian education programs pursuant to Section 6205 of ESEA;
- \$85 million for education programs serving Alaska Native students pursuant to Section 6304(a)(1) of ESEA

All of these funds may be used to provide teachers with training on how to implement trauma-informed protocols in their classrooms.

Section 9815 -- 100% Federal Reimbursement for Urban Indian and Native Hawaiian Health Care Systems -- Extends for two more years the ability of Urban Indian and Native Hawaiian Health Care Systems to be reimbursed by the Federal government at 100% for services provided to Medicaid-eligible individuals.