



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

September 2, 2020

The Honorable Martha McSally  
United States Senate  
Washington, DC 20510

Dear Senator McSally:

I write in reply to your August 20, 2020 letter inquiring about the \$150 billion Coronavirus Relief Fund (CRF) established under Title V of the Coronavirus Aid, Response, and Economic Security (CARES) Act. You asked the Department of the Treasury to explore additional ways to allow CRF funds to cover the necessary and basic services provided by state, local, and tribal governments.

In response to your request, we have updated our guidance and frequently asked questions (FAQ) to clarify that:

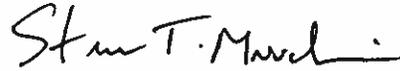
- CRF funds may be used to prevent layoffs of public health and public safety workers essential to assist with the government's response to the public health emergency;
- Public safety officers include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel;
- CRF funds may be used to pay for personal protective equipment and other items necessary to satisfy Centers for Disease Control guidelines for reopening schools, and to provide a presumption that up to \$500 per student may be allocated for this purpose;
- Upgrades to public health infrastructure, such as providing access to running water for individuals and families, are an allowable expense; and
- Necessary administrative compliance expenses, such as the costs of audit and recordkeeping expenses, to be incurred after December 30, 2020, may be paid with CRF funds.

Treasury guidance does not supersede other provisions of the CARES Act when determining the permissible use of CRF funds, including the statutory requirement that CRF proceeds be used in conformity to the Hyde amendment. Accordingly, we have not made any changes to existing guidance on this point.

Treasury stands ready to work with Congress in drafting legislation to address state and local government's financial needs due to the public health emergency. The guidance and FAQ

containing these changes can be found at [Treasury.gov/CARES](https://www.treasury.gov/CARES). If you have further questions, please direct your staff to contact the Office of Legislative Affairs.

Sincerely,

A handwritten signature in black ink that reads "Steven T. Mnuchin". The signature is written in a cursive style with a long horizontal flourish at the end.

Steven T. Mnuchin

cc: The Honorable Dan Sullivan  
The Honorable Kevin Cramer  
The Honorable Mike Crapo  
The Honorable Cindy Hyde-Smith  
The Honorable James Risch  
The Honorable John Barrasso  
The Honorable Marsha Blackburn  
The Honorable James Lankford  
The Honorable Marco Rubio