# **Capital Projects Fund**

The Coronavirus Capital Projects Fund (Capital Projects Fund) will address many challenges laid bare by the pandemic, especially in rural America, Tribal communities, and low- and moderate-income communities, helping to ensure that all communities have access to the high-quality modern infrastructure, including broadband, needed to access critical services.

The American Rescue Plan provides \$10 billion for payments to eligible governments to carry out critical capital projects that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency.

### **FUNDING OBJECTIVES**

The COVID-19 public health emergency revealed and continues to reinforce our understanding that communities without access to high-quality modern infrastructure, including broadband, face impediments to fully participating in aspects of daily life, such as remote work, telehealth, and distance learning. Treasury is launching the Capital Projects Fund to allow recipients to invest in capital assets that meet communities' critical needs in the short- and long-term, with a key emphasis on making funding available for broadband infrastructure. The Capital Projects Fund aims to:

- Directly support recovery from the COVID-19 public health emergency by strengthening and improving the infrastructure necessary for participation in work, education, and health monitoring that will last beyond the pandemic.
- Enable investments in capital assets designed to address inequities in access to critical services.
- Contribute to the Administration's goal of providing every American with the modern infrastructure necessary to access critical services, including a high-quality and affordable broadband internet connection.

A key priority of this program is to make funding available for reliable, affordable broadband infrastructure and other digital connectivity technology projects. Recipients may also use funds for certain other capital projects, such as multi-purpose community facilities, that enable work, education, and healthcare monitoring, including remote options. The program encourages recipients to focus on economically distressed areas, support community empowerment, and adopt strong labor practices.

Capital Projects Fund applicants should review the detailed information provided in *Section I* of the Capital Projects Fund Guidance:

- Capital Projects Fund Guidance for States, Territories, and Freely Associated States
- Capital Projects Fund Guidance for Tribal Governments

## **HOW TO REQUEST FUNDING**

Eligible states, territories, freely associated states, and Tribal governments will be able to apply for their allocation of the Capital Projects Fund through the Treasury Submission Portal.

Туре	Application Portal Launch Date	Deadline to Request Funding	Deadline to Submit Grant Plan
States, Territories & Freely Associated States	September 24, 2021	December 27, 2021	September 24, 2022
Tribal Governments	October 1, 2021	June 1, 2022	Not Applicable

Additional information about how to apply for Capital Projects Fund grant funding can be found in *Section II* of the Capital Projects Fund Guidance:

- Capital Projects Fund Guidance for States, Territories, and Freely Associated States
- Capital Projects Fund Guidance for Tribal Government

All eligible applicants must carefully read the Capital Projects Fund Guidance regarding the process for requesting funding. Tribal Governments may also visit the <u>Capital Projects Fund Tribal Government page</u> for additional details.

### **FUNDING AMOUNTS**

Congress has allocated funding from the Capital Projects Fund to states, the District of Columbia, and Puerto Rico; territories and freely associated states; and Tribal governments and the State of Hawaii (for Native Hawaiian Programs). These allocations include:

Туре	Amount
States, District of Columbia, and Puerto Rico	\$9.8 billion
Territories & Freely Associated States	\$100 million
Tribal Governments	\$100 million

### **ALLOCATION INFORMATION**

Treasury has published detailed allocation information for the Capital Projects Fund:

States, Territories & Freely Associated States

- Allocation for States
- Allocations for Territories & Freely Associated States
- Allocation Methodology for States, Territories & Freely Associated States

*Tribal Governments & the State of Hawaii (for Native Hawaiian Programs)* 

Each Tribal government and the State of Hawaii (for Native Hawaiian Programs) are allocated an equal amount of approximately \$167,504 in line with the statute's requirements to allocate funds to these governments in "equal shares."

• Allocation Methodology for Tribal Governments & State of Hawaii (for Native Hawaiian Programs)

### **ELIGIBLE PROJECTS**

For a capital project to be an eligible use of Capital Projects Fund grant funds, it must meet all of the following criteria:

- 1. The capital project invests in capital assets designed to directly enable work, education, and health monitoring.
- 2. The capital project is designed to address a critical need that resulted from or was made apparent or exacerbated by the COVID-19 public health emergency.
- 3. The capital project is designed to address a critical need of the community to be served by it.

The following capital projects are identified in the Capital Projects Fund Guidance as being eligible uses of Capital Projects Fund grant funding:

- **Broadband Infrastructure Projects**: the construction and deployment of broadband infrastructure designed to deliver service that reliably meets or exceeds symmetrical speeds of 100Mbps so that communities have future-proof infrastructure to serve their long-term needs.
- **Digital Connectivity Technology Projects**: the purchase or installation of devices and equipment, such as laptops, tablets, desktop personal computers, and public Wi-Fi equipment, to facilitate broadband internet access for communities where affordability is a barrier to broadband adoption and use.
- Multi-Purpose Community Facility Projects: the construction or improvement of buildings designed to jointly and directly enable work, education, and health monitoring located in communities with critical need for the project.

**Case-by-Case Review**: In addition to the eligible Capital Projects identified above, recipients may propose a different use of funds. Such uses must meet the statutory criteria, and recipients will be required to demonstrate that any such projects satisfy the eligibility criteria identified in the Capital Projects Fund Guidance.

Capital Projects Fund grant funding can also be used for the ancillary costs related to eligible capital projects that are necessary to put the asset to full use. For example, if an applicant plans for Digital Connectivity Technology Projects, Capital Projects Fund awards can be used to provide digital literacy training to community members so that they gain the knowledge and skills necessary to make full use of the devices in order to conduct activities related to education, work, and health monitoring.

### RECIPIENT COMPLIANCE AND REPORTING

Capital Projects Fund recipients are required to meet certain compliance and reporting requirements. Recipient reporting requirements vary by eligible use and project type.

More information about reporting requirements will be released in the coming weeks.

### FOR MORE INFORMATION

### Informational Webinars

Treasury plans to host webinars to provide additional information about the Capital Projects Fund for eligible applicants. Slides from the webinars will be posted to this website after the sessions.

Webinar Audience	Webinar Date and Time	
States, Territories & Freely Associated States	Thursday, September 30 at 3PM ET	
Tribal Governments (co-hosted by Treasury and NTIA)	Wednesday, October 6 at 3PM ET	

Applicants should continue to check this website for additional webinar opportunities.

### General Inquiries

For general questions about the Capital Projects Fund, please email Capital Projects Fund@treasury.gov

## **Capital Projects Fund for Tribal Governments**

The Capital Projects Fund will deliver \$100 million in funding for Tribal governments.

The Coronavirus Capital Projects Fund (Capital Projects Fund) will address many challenges laid bare by the pandemic, especially in rural America, Tribal communities, and low- and moderate-income communities, helping to ensure that all communities have access to the high-quality modern infrastructure, including broadband, needed to access critical services.

Tribal governments will be able to request their Capital Projects Fund allocation using the Capital Projects Fund Portal beginning October 1, 2021.

### ELIGIBLE USES FOR CAPITAL PROJECTS FUND GRANT FUNDING

### Eligibility Criteria

The Capital Projects Fund provides Tribal governments with funding to allow recipients to invest in capital assets that meet communities' critical needs in the short- and long-term, with a key emphasis on making funds available to recipients that wish to invest in broadband infrastructure. For a capital project to be an eligible use of Capital Projects Fund grant funds, it must meet all of the following criteria:

- 1. The capital project invests in capital assets designed to directly enable work, education, and health monitoring.
- 2. The capital project is designed to address a critical need that resulted from or was made apparent or exacerbated by the COVID-19 public health emergency.
- 3. The capital project is designed to address a critical need of the community to be served by it.

### Presumptively Eligible Uses

The following are examples of presumptively eligible uses of Capital Projects Fund grant funding by Tribal governments:

- Purchasing digital connectivity devices, such as desktop computers, laptops, or tablets, to facilitate internet access
- Purchasing digital connectivity technologies, such as public Wi-Fi, to facilitate internet access
- Supplementing another federal government broadband program (e.g., Coronavirus State and Local Fiscal Recovery Funds, NTIA Tribal Broadband Connectivity Program, or other funds) that meet minimum service standards provided by the Capital Projects Fund Guidance

- Installing or enhancing broadband infrastructure to serve communities by meeting minimum service standards provided by the Capital Projects Fund Guidance
- Constructing or improving buildings, such as multi-purpose community centers, that are designed to jointly enable work, education, and health monitoring

Within these categories of eligible uses, Tribal governments have broad flexibility to decide how best to use this funding to meet the needs of their local communities.

Tribal governments will also have the opportunity to propose capital projects for case-by-case review. Treasury will review each proposed capital project against the criteria laid out in the <u>Capital Projects Fund Guidance for Tribal Governments</u> to determine eligibility.

### TRIBAL ALLOCATION METHODOLOGY

Treasury developed the Capital Projects Fund <u>Tribal Government Allocation Methodology</u>, which incorporates important feedback that Tribal leaders shared during a Treasury-hosted Tribal consultation in April of 2021. In this consultation, Treasury requested and received input from Tribal leaders regarding the allocation methodology, use of funds, and administrative activities such as reporting and compliance. <u>The summary of the Tribal Consultation can be</u> found here.

Pursuant to the statutory definition of Tribal government, Treasury has calculated the per-Tribe allocation based on the total number of federally recognized Tribal governments and separately listed component bands and reservations. **Treasury will allocate Tribal governments and the State of Hawaii approximately \$167,504 each under this provision.** These allocations are consistent with the dollar limits set in the statute, as each Tribal government will receive not less than \$50,000, and the State of Hawaii will receive not less than \$50,000 but not more than \$200,000 for the exclusive use of the Department of Hawaiian Home Lands and the Native Hawaiian Education Programs to assist Native Hawaiians.

### TRIBAL PAYMENTS

Tribal governments must submit an application via the Capital Projects Fund Application Portal to receive funding under the Capital Projects Fund program. Applicants must submit information to verify eligibility and indicate intended use of funds. Tribal governments selecting a presumptively eligible use of funds in their application will have access to their total requested grant amount immediately after executing a Grant Agreement. Tribal governments that propose a use of funds that is not presumptively eligible will have their proposed project information reviewed by Treasury prior to gaining access to funding. Proposed projects may need to be modified by applicants to meet Capital Projects Fund eligibility requirements.

Eligible Tribal governments must submit an application by the deadline to receive allocated funds. Treasury may re-allocate unclaimed funds after the Tribal application deadline. Tribal governments are therefore encouraged to submit applications well in advance of the deadline to allow time for remediation by the deadline, if needed.

The deadline to submit the Capital Projects Fund application is June 1, 2022.

## RECIPIENT COMPLIANCE AND REPORTING

Capital Projects Fund recipients are required to meet certain compliance and reporting requirements. Recipient reporting requirements vary by eligible use and project type.

More information about reporting requirements will be released in the coming weeks.

### RESOURCES AND CONTACT INFORMATION

Treasury is preparing a Capital Projects Fund Tribal Government Application Checklist which will be posted here in the coming weeks.

In addition, on October 6, 2021 at 3:00 PM ET, Treasury and NTIA will host a Capital Projects Fund information session for Tribal governments to provide an overview of the program, review all relevant materials, demonstrate the Capital Projects Fund Application Portal, and answer questions.

### **CONTACT US**

- If you have questions about the Capital Projects Fund Application Portal, need technical support, or have general questions about the Capital Projects Fund:

  CapitalProjectsFund@treasury.gov
- If you have questions about Tribal Affairs at Treasury, please email Tribal.Consult@treasury.gov