

ECONOMIC RELIEF FOR AIRPORTS AND TOURISM AND DELAY ON REAL ID ENFORCEMENT

The CARES Act provides critical funding to States, local governments and airports, which can be used for a variety of purposes—including support for the tourism sector. The law also mandates a delay in the implementation of the REAL ID Act, until at least October 1, 2021, ensuring it doesn't add to the harm already inflicted on the travel industry and become an impediment to economic recovery.

AIRPORT IMPROVEMENT PROGRAM GRANTS

Overview: The CARES Act provides an additional \$10 billion in federal grants by the FAA to help airports impacted by the coronavirus. Funds will remain available until used. The federal share for these grants is 100%.

WHO QUALIFIES?

- Funding is available for public or private owners of public-use airports.
- At least \$7.4 billion in funding will be distributed according to the following formula:
 - 50 percent will be allocated among all commercial airports based on an airport's 2018 enplanements.
 - 50 percent will be targeted to help airports with larger debt based on an airport's FY 2018 debt service and its unrestricted capital reserves.

ADDITIONAL CONSIDERATIONS:

- At least \$100 million will be reserved for general aviation airports.
- Hub airports receiving funds must continue to employ at least 90 percent of workers employed from the date of enactment until the end of 2020.
- Funds are only to be used for purposes directly related to the airport.

COMMUNITY DEVELOPMENT BLOCK GRANTS

Overview: The CARES Act provides \$5 billion in additional funding for the Department of Housing and Urban Development's Community Development Block Grant (CDBG) program to help states and local governments respond to the coronavirus outbreak. The funds are available until September 30, 2022.

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COMMUNITY DEVELOPMENT BLOCK GRANTS

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- Up to \$2 million will be allocated to FY 2020 CDBG grant recipients. Allocations will be based on the same formula used to award those grants. These funds will be disbursed within 30 days of the law's enactment.
- \$1 million will be granted to states based on the public health impact and economic disruption caused by the coronavirus outbreak compared to the national average. These funds will be disbursed within 45 days of enactment.
- The remaining funds will be distributed on a rolling basis at HUD's discretion based on the severity of the coronavirus outbreak in individual areas. States and localities may use funds to cover coronavirus-related costs regardless of when those costs were incurred.

WHO QUALIFIES?

- Eligible CDGB areas include:
 - The largest city in a Metropolitan Statistical Area;
 - Other metropolitan cities with populations of at least 50,000;
 - Qualified urban counties with populations of at least 200,000 (excluding the population of otherwise entitled cities).
- Individuals, businesses, and non-profits are not eligible for direct CDBG grants, but may receive subgrants through States, cities or counties.

ADDITIONAL CONSIDERATIONS:

- [CDBG funds may be used](#) for a variety of activities including acquisition of property; demolition and rehabilitation of residential and non-residential structures; construction of public facilities; and assistance to businesses to carry out economic development and job creation or retention activities.
- Each activity must benefit low- and moderate-income people or address urgent community development needs where existing conditions pose a serious and immediate threat to the health or welfare of the community.
- At least 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income people.

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ECONOMIC DEVELOPMENT ADMINISTRATION GRANTS

Overview: The CARES Act provides \$1.5 billion to the Economic Development Administration (EDA) to provide grants to state and local governments to respond to the coronavirus outbreak. Grants can support economic revitalization of tourism businesses impacted by the outbreak. Funding will remain available until September 30, 2022.

WHO QUALIFIES?

- State and local governments can apply to the EDA for grants.
- Check with your individual state or local government to determine how you can access funds.

ADDITIONAL CONSIDERATIONS:

- EDA funding generally leverages additional private sector financing.
- EDA funding may be used in Opportunity Zones, which are low-income urban and rural communities identified by the Treasury Department as eligible for tax-advantaged long-term investments.

REAL ID RELIEF

At U.S. Travel's urging, the CARES Act directed DHS to delay enforcement of REAL ID Act requirements until at least October 1, 2021. U.S. Travel will closely monitor this provision and work to secure further delays if needed.