

Estimated State and Local Allocation Spreadsheet Reference Guide

How fast will state and local governments receive the aid?

States, Tribal governments, territories, counties, and metropolitan cities (which generally have **over** 50,000 inhabitants) would receive their allocations within 60 days of submitting their certification of need to the Department of Treasury.

Because it could take a full year for the Department of Treasury to calculate and disburse the allocations for smaller local governments (generally those with **under** 50,000 inhabitants, comprising over 33,000 entities), the Department of Treasury is instead required to send those funds to the states within 60 days of the law's enactment. States would then have 30 days to disburse the funds to the local governments (called "nonentitlement units of local government") based on population. A state could ask Treasury for an extension for distributing one or more of those allocations if necessary, but it would need to justify why the extension is warranted. States would have **no** discretionary authority to change the amount of, or attach additional requirements to, the payments allocated to local governments.

What's the difference between a "CDBG City" and a "Nonentitlement"?

These terms are used on tabs 3 and 4 of the spreadsheet. "CDBG City" generally refers to cities of over 50,000, which would receive their allocation from the Department of Treasury based on a modified Community Development Block Grant (CDBG) formula.

"Nonentitlement" is short for "nonentitlement unit of local government," which is the term used for cities, townships, villages, and small municipalities that generally have fewer than 50,000 inhabitants. Those allocations would be made proportionate to population and are subject to a cap of 75% of the locality's most recent budget as of January 27, 2020.

How reliable are the estimates on the "Nonentitlement Rough Calcs" tab?

The spreadsheet estimates were calculated using public Census data, which poses four obstacles to getting precise nonentitlement assistance estimates:

1. Analysts must manually remove all "metro city" governments and underlying areas located within those areas. As users review the spreadsheets and point out oversights, updated spreadsheets are being released.
2. The Census data does not identify cases where local governments overlap (for example, an area with both a town government and a township government). This not only leads to issues in allocating payments in these areas, as they will likely split their payment across such governments, but also affects ALL nonentitlement governments because it affects the total population base used to distribute nonentitlement payments nationwide. Acknowledging the significant effects that overlap could have on nonentitlement estimates, the tab includes two estimates:

- The estimates in the **“No Overlap” Allocation (Column D)** are at one end of the extreme, and assume that whenever unclear, the overlap between governments is as small as possible. This means the nationwide population is as large as possible, and thus the payments to all governments are smaller because they cover more people.
 - The estimates in the **“All Overlap” Allocation (Column E)** are at the other extreme, assuming maximum overlap when presented with an unclear case. This minimizes the nationwide population eligible for funding, thereby resulting in greater payments to all nonentitlement governments.
3. Local governments may have unique structures (for example, if a city and county are consolidated) that mean they are left off the spreadsheet despite being eligible for funding.
 4. The data does not contain local budget information, so it **does not** reflect instances where a government would reach its cap of 75% of its most recent budget as of January 27, 2020. This cap may put a local government significantly below the “No Overlap” allocation estimate.

Why are the nonentitlement estimates for a state different on the Nonentitlement tab compared to the State and CDBG tabs?

On the “State and Level” tab, the “to Local Govts” column uses a “top down” simplifying estimate for nonentitlement allocations, assuming that the percentage of people eligible for nonentitlement assistance is constant across states.

On the “CDBG City” tab, each state has a line called [State, State]. This amount is the total amount the state is estimated to receive for its nonentitlement units of local government (those listed on the “Nonentitlement” tab), and also uses the “top down” simplifying assumption. For example, the entry for “Idaho, Idaho” is the estimated amount that would be distributed across all of Idaho’s nonentitlement units of local government listed on the “Nonentitlement” tab. However, these figures present the following concerns:

1. Some states have larger shares of people in nonentitlement governments than others, even if those shares can’t be calibrated precisely with the publicly available Census data; and
2. Knowing the total amount of nonentitlement assistance flowing to a state isn’t helpful to local government officials who need more specific information about what their unit of government would receive.

With that in mind, the “Nonentitlement Rough Calcs: tab uses a “bottom up” estimate that attempts to better describe the amounts flowing to individual towns using the Census data, understanding that those estimates will be inherently flawed.

These two different approaches (top down versus bottom up) mean that the [State, State] line of the “CDBG Cities” tab will not match up with the sum of the state’s entries on the “Nonentitlement Rough Calcs” tab.