

PUBLIC ASSISTANCE COVID-19 PRIVATE NON-PROFIT ORGANIZATIONS

BULLETIN #12 – 4/2/20

The following Fact Sheet was released by FEMA providing guidance on determining the eligibility of private non-profit (PNP) organization applicants.

All 50 states, the District of Columbia, five territories, and numerous tribes are working directly with FEMA under President Trump’s March 13, 2020, nationwide emergency declaration for COVID-19. Under this emergency declaration, and subsequent major disaster declarations, certain private non-profit (PNP) organizations are eligible to apply for funding through FEMA’s Public Assistance program. This fact sheet provides guidance for determining the eligibility of PNP applicants and work performed in accordance with the COVID-19 emergency and major disaster declarations.

PNP Applicant Eligibility

To be eligible for Public Assistance, a PNP applicant must show that it has:

- A ruling letter from the Internal Revenue Service granting tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code of 1954; or
- Documentation from the state substantiating that the non-revenue producing organization or entity is a nonprofit entity organized or doing business under state law.¹

Eligible PNPs must also own or operate an eligible facility.² For PNPs, an eligible facility is one that provides an eligible service, which includes education, utilities, emergency, medical, custodial care, and other essential social services.³

Private entities, including for profit hospitals or restaurants, are not eligible for assistance from FEMA under Public Assistance. However, state, local, tribal, and territorial government entities may contract with private entities to carry out eligible emergency protective measures. In these cases, FEMA will reimburse the eligible applicant for the cost of eligible work, and the applicant will then pay the private entity for the provision of services.

PNP Work Eligibility

In accordance with sections 403 and 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials may be eligible for reimbursement under category B of FEMA’s Public Assistance program.⁴ Emergency work is that which is necessary to save lives or protect public health and safety. To be eligible, work must be the legal responsibility of an eligible applicant.⁵

Measures to protect life, public health, and safety are generally the responsibility of state, local, tribal, and

territorial governments. In some cases, a government entity may be legally responsible to provide services and enter into an agreement with a PNP to provide those services (e.g., sheltering or food distribution). In these cases, Public Assistance funding is provided to the legally responsible government entity, which then pays the PNP for the cost of providing those services under the agreement.⁶

In limited circumstances, essential components of a facility are urgently needed to save lives or protect health and safety, such as an emergency room of a PNP hospital. In these cases, PNPs that own or operate an eligible facility and perform eligible work, such as providing emergency, medical or custodial care services for which they are legally responsible in response to the COVID-19 incident, may be eligible for reimbursement of costs as a Public Assistance applicant.

For PNPs, operating costs (such as patient care and administrative activities) are generally not eligible even if the services are emergency services, unless the PNP performs an emergency service at the request of and certified by the legally responsible government entity. In such case, FEMA provides Public Assistance funding through that government entity as the eligible applicant.

More Information

Further information about PNP eligibility can be found in the “Public Assistance Program and Policy Guide,” FP 104- 009-2, dated April 2018.

For more information, visit the following websites:

1. [FEMA Public Assistance Program and Policy Guide](#)
2. [U.S. Department of Health and Human Services Centers for Disease Control and Prevention Centers for Medicare & Medicaid Services](#)

¹ 44 C.F.R. 206.221(f)

² 44 C.F.R. 206.222(b), 206.223(b)

³ Stafford Act, Section 102(11); 44 C.F.R. 206.221(e). For non-critical PNP facilities, services must be provided to the general public.

⁴ For more information on eligible emergency protective measures see *Fact Sheet: Coronavirus (COVID-19) Pandemic: Eligible Emergency Protective Measures* (March 19, 2020), and the *Public Assistance Program and Policy Guide*, FP 104-009-2, (April 2018). FEMA will not duplicate assistance provided by the U.S. Department of Health and Human Services (HHS), to include the Centers for Disease Control and Prevention (CDC), or other federal agencies.

⁵ 44 C.F.R. 206.223(a)(3)

⁶ *Public Assistance Program and Policy Guide*, FP 104-009-2, at pg. 60 (April 2018)

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Thank you!