

# PUBLICATION

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## UPDATED: President Biden Extends 100 Percent Cost Share for COVID-19 Public Assistance

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**On March 1, 2022, President Joe Biden extended the 100 percent federal cost share for Public Assistance through July 1, 2022. In a subsequent advisory announcement from FEMA, the agency announced that after that date, the Federal share of COVID-19 costs will change to 90 percent.**

Public Assistance from the Federal Emergency Management Agency (FEMA) is reimbursed via a cost share. This means that FEMA will reimburse a percentage of the total eligible costs and the applicant must pay the remainder. The amount of the federal share of the costs cannot be less than 75 percent. (42 U.S.C. §§ 5170b(b), 5172(b), 5173(d).) The most common cost share for Public Assistance is 75 percent from federal and 25 percent from non-federal sources, but different cost share rates do occur.

On August 17, the [President ordered FEMA](#) to pay a 100 percent federal cost share for COVID-19 emergency work through December 31, 2021. On November 9, 2021, [the President extended the period of the 100 percent federal share](#) through April 1, 2022. On March 1, 2022, [the President again extended the period of the 100 percent federal share](#) through July 1, 2022. Thus, FEMA will cover 100 percent of the cost of eligible Public Assistance projects performed between January 20, 2020 and July 1, 2022. In a subsequent FEMA Advisory circulated by FEMA on March 2, 2022, the agency announced that "Following July 1, the federal cost share will shift to 90 percent, rather than the statutory minimum 75 percent federal cost share."

Meanwhile, federal disaster declarations issued under the Stafford Act designate the "incident period," or the period of time during which a federally declared disaster is occurring. The disaster declarations for COVID-19 have established the incident period as "[beginning on January 20, 2020, and continuing.](#)"

Similarly, FEMA regulations and policy implementing the Stafford Act define "emergency work" that is eligible for Public Assistance from the agency. FEMA normally requires that all emergency work be completed within six months following the date of the disaster declaration (the period of performance, or PoP), unless either the recipient or FEMA Regional Administrator extends the deadline. Limited only to the COVID-19 declarations, [FEMA Headquarters extended the PoP indefinitely](#), stating, "For all COVID-19 declarations, FEMA has extended the deadline for completing emergency work indefinitely and will make notification of changes to this (i.e. establishing a deadline) no later than 30 days prior to the deadline."

Accordingly, the COVID-19 disaster currently has an open incident period and open period of performance. With the President's new action extending the 100 percent federal cost share through July 1, 2022, it can be reasonably expected that at least the period of performance will remain open through that date as well. However, eligible applicants should not delay in submitting Requests for Public Assistance or other required documentation for cost reimbursement, as agency review could be lengthy.

If you have questions or concerns related to Public Assistance procedures or eligibility, or would like to learn more about FEMA assistance, please contact [Erin Greten](#) or any member of the [Baker Donelson Disaster Recovery Group](#).

