



# Board of Supervisors Committee Meeting Packet

## Monday, June 7, 2021

Personnel Committee 9:30 am

Work Session 10:00 am

Finance Committee Immediately follows  
Work Session



## Personnel Committee Items

Berryville/Clarke County Government Center, 2<sup>nd</sup> Floor  
101 Chalmers Court, Berryville, Virginia 22611

Monday, June 7, 2021 9:30 am

<i>Item No.</i>	<i>Description</i>	<i>Page</i>
A.	Expiration of Term for appointments expiring through August 2021	3
B.	Draft Collective Bargaining Resolution	16

# Appointments by Expiration Through August 2021

			<i>Appt Date</i>	<i>Exp Date</i>	<i>Orig Appt Date:</i>
<i>December 2020</i>					
Board of Zoning Appeals			5 Yr		
Brumback	Clay	White Post District	4/1/2019	12/15/2020	12/20/2017
BoS Recommendation Alternate moved to full member 12/15/2020, term exp 2/15/2024					
Appointed by Circuit Court; BOS letter of recommendation to Clerk. Oath of Office Required - Clerk of Circuit Court; 5 total members: 1 member may be on the Planning Commission Pg 1114 Supv Manual; other 4 have been generally 1 from each magisterial district, although not required.; Section 7-A-1 of the Zoning Ord states: "The Board shall consist of 5 residents of Clarke Co. Members of the Board shall hold no other public office in the locality except that 1 may be a member of the Clarke Co Planning Commission."					
Community Policy and Management Team			3 Yr		
Goshen	Lisa	Parent Representative	11/21/2017	12/31/2020	11/21/2017
Complete unexpired term of Audrey Brown					
2.2-5205 shall include, at a minimum, at least one elected official or appointed official or his designee from the governing body of a locality that is a member of the team, & the local agency heads or their designees of the following community agencies: community services board established pursuant to § 37.2-501, juvenile court services unit, dept of health, dss, & the local school div. The team shall also include a rep of a private org or assoc of providers for children's or family services if such organizations or associations are located within the locality, & a parent representative. Parent representatives who are employed by a public or private program that receives funds pursuant to this chapter or agencies represented on a community policy and management team may serve as a parent representative provided that they do not, as a part of their employment, interact directly on a regular and daily basis with children or supervise employees who interact directly on a daily basis with children. Notwithstanding this provision, foster parents may serve as parent representatives. Those persons appointed to represent community agencies shall be authorized to make policy and funding decisions for their agencies. COI - Parent & Private - SOEI file at time of original appointment only					
Northwestern Community Services Board					
Brown	Audrey	White Post District	11/21/2017	12/31/2020	11/17/2015
1st full term 12/31/2017 thru 12/31/2020					
2 Clarke County Members; 3 Term Limit [AKA Chapter 10 Board; 37.2-501(A)]					
<i>May 2021</i>					
Economic Development Advisory Committee			4 Yr		
Mackintosh	Lori	Russell District, Agriculture	2/18/2020	5/1/2021	2/18/2020
Resigned 05/01/2021, term expires 12/31/2021					
Members of the committee should include one or more people from all key government and business groups such as planning commission, board of supervisors, school board, industrial development authority, town of Berryville, chamber of commerce, and key business sectors such as agriculture, banking, realty, light industry, retail and tourism. Membership not limited. 4 year term.					

## *July 2021*

			<i>Appt Date</i>	<i>Exp Date</i>	<i>Orig Appt Date:</i>
Agricultural & Forestal District Advisory Committee			6 Yr		
Haynes	Carole	Landowner	9/15/2015	7/15/2021	9/15/2015

15.2-4304. Agricultural and forestal districts advisory committee.

A. Upon receipt of the first agricultural and forestal districts application, the local governing body shall establish an advisory committee which shall consist of four landowners who are engaged in agricultural or forestal production, four other landowners of the locality, the COR or the local government's chief property assessment officer, and a member of the local governing body. The members of the committee shall be appointed by and serve at the pleasure of the local governing body. The advisory committee shall elect a chairman and a vice-chairman and elect or appoint a secretary who need not be a member of the committee. The advisory committee shall serve without pay but the locality may reimburse each member for actual and necessary expenses incurred in the performance of his duties. Any expenditures of the committee shall be within the amounts appropriated for such purpose by the local governing body. The committee shall advise the local planning commission and the local governing body and assist in creating, reviewing, modifying, continuing or terminating districts within the locality. In particular, the committee shall render expert advice as to the nature of farming and forestry and agricultural and forestal resources within the district and their relation to the entire locality.

B. The local governing body may designate the planning commission to act for and in lieu of an agricultural and forestal districts advisory committee if the membership of the planning commission includes at least four landowners who are

Buckley	Samuel	Landowner/Producer	8/18/2015	7/15/2021	11/1/1986
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Norman	Debbie	Landowner/Producer	8/18/2015	7/15/2021	12/16/2003
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			<i>Appt Date</i>	<i>Exp Date</i>	<i>Orig Appt Date:</i>
Agricultural & Forestal District Advisory Committee			6 Yr		
Day	Emily	Landowner/Producer	8/18/2015	7/15/2021	12/16/2003

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Dorsey	Tupper	Landowner/Producer	8/18/2015	7/15/2021	7/21/2009
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Gordon	Carolyn	Landowner	8/18/2015	7/15/2021	7/21/2009
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Agricultural & Forestal District Advisory Committee			6 Yr		
Shenk	Philip	Landowner/Producer	8/18/2015	7/15/2021	11/1/1986

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Childs	Corey	Landowner	8/18/2015	7/15/2021	8/18/2015
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B. The local governing body may designate the planning commission to act for and in lieu of an agricultural and forestal districts advisory committee if the membership of the planning commission includes at least four landowners who are

Peake	Donna	Commissioner of the Revenue	8/18/2015	7/15/2021	8/18/2015
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Board of Social Services			4 Yr		
Smith	James	Berryville District	8/15/2017	7/15/2021	8/15/2017
Appointed by BOS; 2 Term Limit - eligible for reappointment 2 years after expiration of second term; Oath of Office Required - Clerk of Circuit Court; BOS appoints 3 qualified citizens of the county, 1 of whom may be a member of the BOS ; § 15.2-412.					

*August 2021*

			<i>Appt Date</i>	<i>Exp Date</i>	<i>Orig Appt Date:</i>
Fire & EMS Commission			1 Yr		
Hoff	Matt	Boyce VFRC Rep	7/21/2020	8/31/2021	8/19/2014

The Commission shall consist of eight (8) members including:  
 -1 member of the Board of Supervisors; The Clarke County Sheri; 1 representative from each of the volunteer fire and EMS companies; 3 citizens-at-large representing consumers of fire and EMS services. The 3 volunteer fire and EMS company representatives shall serve one-year terms and shall be appointed by the Board of Supervisors with recommendation to be provided by the volunteer companies. The 3 citizens-at-large shall be appointed for 4 year terms. The Sheriff shall serve a term coterminous with the term of office.  
 The Board of Supervisors shall appoint a representative annually at or shortly after its annual organizational meeting to serve a one-year term

			4 Yr		
Harrison	Diane	Citizen-at-large	6/20/2017	8/31/2021	6/20/2017

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			1 Yr		
Beatty	David	Blue Ridge VFRC Rep	7/21/2020	8/31/2021	12/17/2019

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Veler	Keith	John H. Enders VFRC Rep	7/21/2020	8/31/2021	1/21/2020
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Term expires 08-31-2020  
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# Clarke County Public Body Listing

			<i>Appt Date</i>	<i>Exp Date</i>
<i>Agricultural &amp; Forestal District Advisory Committee</i>				6 Yr
Buckley	Samuel	Landowner/Producer	8/18/2015	7/15/2021
Childs	Corey	Landowner	8/18/2015	7/15/2021
Day	Emily	Landowner/Producer	8/18/2015	7/15/2021
Dorsey	Tupper	Landowner/Producer	8/18/2015	7/15/2021
Gordon	Carolyn	Landowner	8/18/2015	7/15/2021
Haynes	Carole	Landowner	9/15/2015	7/15/2021
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Peake	Donna	Commissioner of the Revenue	8/18/2015	7/15/2021
<i>Barns of Rose Hill Board of Directors</i>				3 Yr
Cook	Peter		4/20/2021	12/31/2021
<i>BCCGC Joint Building Committee</i>				Open-End
Arnold, Jr.	Harry Lee	Berryville Town Council Representative	1/11/2018	
Boies	Chris	County Administrator	12/2/2019	
Dalton	Keith	Berryville Town Manager		
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Taylor	Brianna R.	Clerk	12/2/2019	
<i>Berryville Area Development Authority</i>				3 Yr
Ohrstrom, II	George	Russell District	4/16/2019	3/31/2022
Smart	Kathy	White Post District	4/21/2020	3/31/2023
Weiss	David S.	Buckmarsh/Blue Ridge District	4/16/2019	3/31/2022
<i>Berryville/Clarke County Joint Committee for Economic Development and Tourism</i>				Ongoing
Arnold, Jr.	Harry Lee	BTC - Appointed Member		
Boies	Chris	County Administrator	12/2/2019	
Dalton	Keith	Town Manager		
Dunkle	Christy	Staff Representative - Town - Alternate		
Hart	Felicia	Director of Economic Development	3/23/2020	
Kemp	Tiffany	Clerk		
Lawrence	Doug	BoS - Appointed Member	1/19/2021	12/31/2021
Rodriguez	Kara	BTC - Appointed Member		
Weiss	David S.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Board of Equalization</i>				
Blatz	Joseph	White Post District	1/1/2020	
Cammack	Thomas	Millwood District	1/1/2020	
Hope	Lindsay	Russell District	1/1/2020	

Wednesday, May 26, 2021

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			<i>Appt Date</i>	<i>Exp Date</i>
MacKay-Smith	Justin	White Post District	1/1/2020	
McFillen	Thomas	Berryville District	1/1/2020	
<i>Board of Septic &amp; Well Appeals</i>				<i>1 Yr</i>
Bass	Matthew	BoS - Appointed Member	1/19/2021	12/31/2021
Blatz	Joseph	White Post District; Citizen Member	2/18/2020	2/15/2024
Buckley	Randy	White Post District; Planning Commission Vice-Chair	1/8/2021	12/31/2021
McKay	Beverly B.	BoS - Alternate	1/19/2021	12/31/2021
Ohrstrom, II	George	Russell District; Planning Commission Chair	1/8/2021	12/31/2021
Teetor	Alison	Staff Representative		
<i>Board of Social Services</i>				<i>4 Yr</i>
Byrd	Barbara J.	Russell District	1/1/2020	12/31/2023
Dabinett	Laura	Russell District	4/20/2021	7/15/2022
Dodson	Gerald	Berryville District	6/16/2020	7/15/2024
Lawrence	Doug	BoS - Appointed Member	1/19/2021	12/31/2021
Legard	Margaret	Berryville District	1/1/2019	12/31/2023
Parker	Jennifer	Staff Representative		
Smith	James	Berryville District	8/15/2017	7/15/2021
York	Robert	White Post District	9/15/2020	7/15/2022
<i>Board of Supervisors</i>				
Bass	Matthew	Berryville District	11/3/2020	12/31/2023
Boies	Chris	Clerk	12/2/2019	
Catlett	Terri T.	Millwood/Pinegrove Districts	1/1/2020	12/31/2023
Lawrence	Doug	Russell District	1/1/2020	12/31/2023
McKay	Beverly B.	White Post District, Vice Chair	1/1/2020	12/31/2023
Taylor	Brianna R.	Deputy Clerk	12/2/2019	
Weiss	David S.	Buckmarsh/Blue Ridge Districts; Chair	1/1/2020	12/31/2023
<i>Board of Supervisors Finance Committee</i>				<i>1 Yr</i>
Catlett	Terri T.	BoS - Appointed Member	1/19/2021	12/31/2021
McKay	Beverly B.	BoS - Alternate	1/19/2021	12/31/2021
Weiss	David S.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Board of Supervisors Personnel Committee</i>				<i>1 Yr</i>
Catlett	Terri T.	BOS - Alternate	1/19/2021	12/31/2021
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Weiss	David S.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Board of Zoning Appeals</i>				<i>5 Yr</i>
Borel	Alain F.	White Post District	4/1/2019	2/15/2024

*Wednesday, May 26, 2021*

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			<i>Appt Date</i>	<i>Exp Date</i>
Brumback	Clay	White Post District	12/15/2020	2/12/2023
Brumback	Clay	White Post District	4/1/2019	12/15/2020
Caldwell	Anne	Millwood District	2/26/2020	2/15/2025
Camp	Jeremy	Staff Representative		
Means	Howard	Millwood District	1/19/2021	2/15/2026
Volk	Laurie	White Post District	7/15/2019	2/15/2024

*Broadband Implementation Committee*

Dunning	Buster	White Post District	6/8/2020	
Houck	William	Citizen Representative	7/1/2020	6/30/2022
Kruhm	Doug	Buckmarsh / Battletown District	9/18/2018	
Lawrence	Doug	Russell District	1/19/2021	12/31/2021
McKay	Beverly B.	White Post District	1/19/2021	12/31/2021

*Building and Grounds*

McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Weiss	David S.	BoS - Alternate	1/19/2021	12/31/2021

*Career and Technical Education Advisory Committee*

Catlett	Terri T.	BoS - Appointed Member	1/19/2021	12/31/2021
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*Clarke County Historic Preservation Commission*

Arnett	Betsy	Berryville District	4/21/2020	5/31/2024
Berger	Katherine	Buckmarsh District	5/21/2019	5/31/2023
Camp	Jeremy	Staff Representative		
Carter	Paige	White Post District	4/21/2020	5/31/2024
Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
Kruhm	Doug	Planning Commission Representative	2/18/2020	12/31/2023
Stieg, Jr.	Robert	Millwood District	6/17/2014	5/31/2022
Thompson	Billy	White Post District	4/20/2021	5/31/2025
York	Robert	White Post District	4/20/2021	5/31/2025

*Clarke County Humane Foundation*

Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
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*Clarke County Library Advisory Council*

Al-Khalili	Adeela	Buckmarsh District	4/16/2019	4/15/2022
Bass	Matthew	BoS - Liaison	1/19/2021	12/31/2021
Bogert	Aubrey	White Post District	4/17/2018	4/15/2022
Brondstater	Bette	Berryville District	4/16/2019	4/15/2022
Curran	Christopher	Buckmarsh District	4/20/2021	4/15/2025
Daisley	Shelley	Russell District	4/21/2020	4/15/2024
Foster	Nancy	Russell District	4/21/2020	4/15/2024

*Wednesday, May 26, 2021*

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			<i>Appt Date</i>	<i>Exp Date</i>
Kalbian	Maral	Millwood District	4/16/2019	4/15/2022
Mitchell	Jessica	Berryville District	4/20/2021	4/15/2025
Payne	Lisa	Berryville District	4/20/2021	4/15/2025
<i>Clarke County Planning Commission</i>				<i>1 Yr.</i>
Bass	Matthew	BoS - Appointed Member	1/19/2021	12/31/2021
Buckley	Randy	White Post District	4/17/2018	4/30/2022
Caldwell	Anne	Millwood / Chapel District	3/21/2017	4/30/2025
Dunning	Buster	White Post / Greenway District	4/21/2020	4/30/2024
Glover	Robert	Millwood District	4/16/2019	4/30/2023
Hunt	Pearce	Russell District	5/19/2020	4/30/2025
Kreider	Scott	Buckmarsh / Battletown District	4/21/2020	4/30/2024
Kruhm	Doug	Buckmarsh / Battletown District	4/17/2018	4/30/2022
Lawrence	Doug	BoS - Alternate	1/19/2021	12/31/2021
Lee	Francis	Berryville District	4/17/2018	4/30/2022
Malone	Gwendolyn	Berryville District	4/21/2020	4/30/2024
Ohrstrom, II	George	Russell District	4/16/2019	4/30/2023
Stidham	Brandon	Staff Representative	4/30/2012	
<i>Clarke County Sanitary Authority</i>				<i>4 Yr</i>
Armbrust	Wayne	White Post District	11/17/2020	6/30/2024
Bauhan	Tom	White Post District	5/21/2019	1/5/2022
DeArment	Roderick	White Post District	12/15/2020	1/5/2025
Mackay-Smith, Jr.	Alexander	White Post District	11/17/2020	1/5/2025
McKay	Beverly B.	BoS - Liaison	1/19/2021	12/31/2021
Meredith	Mary	Staff Representative	1/2/2018	
Myer	Joseph	Town of Boyce	2/18/2020	2/15/2024
<i>Community Policy and Management Team</i>				<i>3 Yr</i>
Acker	Denise	Northwestern Community Services	12/18/2018	12/31/2021
Austin	Michael	Alternate- Department of Social Services	3/17/2020	12/31/2022
Catlett	Terri T.	BoS - Appointed Member	1/19/2021	12/31/2021
Goshen	Lisa	Parent Representative	11/21/2017	12/31/2020
Greene	Colin	VDH Representative	12/18/2018	12/31/2021
Legrys	Mark	Court Services Unit Supervisor	12/17/2019	12/31/2022
Moore	Frank	CCPS Representative	10/15/2019	12/31/2022
Opoku-Achampon	Kista	Alternate- 26th District Court Svcs Unit	3/17/2020	12/31/2022
Parker	Jennifer	Director Clarke County DSS	1/19/2021	12/31/2020
Samad	Abdus	Private Provider - Grafton School	12/17/2019	12/31/2022
Shirley	Leea	Alternate- VDH Representative	3/17/2020	12/31/2021
<i>Conservation Easement Authority</i>				<i>3 Yr</i>

*Wednesday, May 26, 2021*

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			<i>Appt Date</i>	<i>Exp Date</i>
Bacon	Rives	White Post District	12/17/2019	12/31/2022
Buckley	Randy	White Post District	12/17/2019	12/31/2022
Catlett	Terri T.	BoS - Appointed Member	1/19/2021	12/31/2021
Engel	Peter	White Post District	12/18/2018	12/31/2021
Jones	Michelle	Millwood / Pine Grove District	12/17/2019	12/31/2022
Ohrstrom, II	George	Russell District; Planning Commission Representative	4/16/2019	4/30/2022
Teetor	Alison	Staff Representative		
Thomas	Walker	Buckmarsh District	12/18/2018	12/31/2021
<i>Constitutional Officer</i>				<i>4 Yr</i>
Keeler	Sharon	Treasurer	1/1/2020	12/31/2023
Peake	Donna	Commissioner of the Revenue	1/1/2020	12/31/2023
Roper	Anthony	Sheriff	1/1/2020	12/31/2023
Wilkerson	April	Clerk of the Circuit Court	11/3/2020	12/31/2023
Williams	Anne	Commonwealth Attorney	1/1/2020	12/31/2023
<i>County Administrator</i>				<i>Open-End</i>
Boies	Chris	County Administrator	12/2/2019	
<i>Director of Economic Development</i>				
Hart	Felicia	Director of Economic Development	3/23/2020	
<i>Economic Development Advisory Committee</i>				<i>4 Yr</i>
Bates	Chris	Agriculture, Equine, Transportation	2/19/2019	12/31/2022
Dunkle	Christy	Town of Berryville Representative	2/18/2020	12/31/2023
Hart	Felicia	Director of Economic Development	3/23/2020	
Kemp	Tiffany	Clerk		
Kraybill	Christina	Berryville District, Business Owner	12/19/2017	12/31/2021
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Milleson	John R.	Banking, Finance	1/15/2019	12/31/2022
Pritchard	Betsy	Hospitality Industry, agriculture	7/21/2020	8/31/2024
Sheaffer	Lee	Russell District, tourism	3/19/2019	12/31/2022
<i>Fire &amp; EMS Commission</i>				<i>1 Yr</i>
Beatty	David	Blue Ridge VFRC Rep	7/21/2020	8/31/2021
Buckley	Randy	Citizen-at-Large	10/15/2019	8/31/2023
Harrison	Diane	Citizen-at-large	6/20/2017	8/31/2021
Hoff	Matt	Boyce VFRC Rep	7/21/2020	8/31/2021
Lawrence	Doug	BoS - Alternate	1/19/2021	12/31/2021
Lichty	Brian	Staff Representative	11/14/2016	
Loker	Randall	Citizen-at-large	7/21/2020	8/31/2024
Roper	Anthony	Sheriff	1/1/2020	12/31/2023

*Wednesday, May 26, 2021*

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			<i>Appt Date</i>	<i>Exp Date</i>
Veler	Keith	John H. Enders VFRC Rep	7/21/2020	8/31/2021
Weiss	David S.	BoS - Representative	1/19/2021	12/31/2021
<i>Handley Regional Library Board</i>				4 Yr
Bacon	Rives		11/17/2020	11/30/2021
<i>Industrial Development Authority of the Clarke County, Virginia</i>				4 Yr
Cochran	Ben	Buckmarsh District	11/19/2019	10/30/2021
Ferrell	Brian	Buckmarsh District	10/15/2019	10/30/2023
Hart	Felicia	Director of Economic Development	3/23/2020	
Kemp	Tiffany	Clerk		
Koontz	English	Buckmarsh District	10/16/2018	10/30/2022
Pierce	Rodney	Buckmarsh District	9/15/2020	10/30/2024
Preston	Isreal	Berryville District	2/19/2019	10/30/2022
Waite	William	Millwood District	10/31/2017	10/30/2021
Weiss	David S.	BoS - Liaison	1/19/2021	12/31/2021
Wolfe	William	Millwood District	10/15/2019	10/30/2023
<i>Joint Administrative Services Board</i>				Open-End
Bennett	Brenda	Staff Representative	7/1/2020	
Bishop	Chuck	School Superintendent	7/1/2014	
Boies	Chris	County Administrator	12/2/2019	
Keeler	Sharon	Treasurer	3/12/2005	
McKay	Beverly B.	BoS - Alternate	1/19/2021	12/31/2021
Schutte	Charles	School Board Representative	1/8/2012	
Taylor	Brianna R.	Recording Clerk		
Weiss	David S.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Josephine School Community Museum Board</i>				1 Yr
Bass	Matthew	BoS - Liaison	1/19/2021	12/31/2021
<i>Legislative Liaison and High Growth Coalition</i>				1 Yr
Bass	Matthew	BoS - Liaison	1/19/2021	12/31/2021
<i>Lord Fairfax Community College Board</i>				4 Yr
Tabatabai	Maryam	Russell District	7/21/2020	6/30/2024
<i>Lord Fairfax Emergency Medical Services Council</i>				1 Yr
Conrad	Bryan H.	Volunteer Representative; White Post District	6/16/2020	3/15/2022
Trent	Carolyn	Medical Professional	6/16/2020	3/15/2022
Wilson	Wade	Career Representative	6/16/2020	3/15/2022
<i>Lord Fairfax Soil &amp; Water Conservation District</i>				Elected

*Wednesday, May 26, 2021*

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			<i>Appt Date</i>	<i>Exp Date</i>
Mackay-Smith	Justin	Soil and Water Conservation Director Lord Fairfax District	1/1/2019	12/31/2023
Webb	Wayne	Soil and Water Conservation Director Lord Fairfax District	1/1/2019	12/31/2023
<i>Northern Shenandoah Valley Regional Commission</i>				<i>1 Yr</i>
Bass	Matthew	BoS - Alternate	1/19/2021	12/31/2021
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
Stidham	Brandon	Citizen Representative [Planning Director]	1/15/2019	1/31/2022
<i>Northwest Regional Adult Drug Treatment Court Advisory Committee</i>				<i>1 Yr.</i>
Bass	Matthew	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Northwestern Community Services Board</i>				<i>3 Yr</i>
Brown	Audrey	White Post District	11/21/2017	12/31/2020
Harris	Celie	Millwood District	2/19/2019	12/31/2021
McKay	Beverly B.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Northwestern Regional Jail Authority</i>				<i>1 Yr</i>
Boies	Chris	BoS - Appointed Member	11/17/2020	12/31/2021
Lawrence	Doug	BoS - Liaison - Alternate	1/19/2021	12/31/2021
Roper	Anthony	Sheriff	1/1/2020	12/31/2023
Wyatt	Jimmy	Millwood District	12/17/2019	12/31/2023
<i>Northwestern Regional Juvenile Detention Center Commission</i>				<i>1 Yr</i>
Bass	Matthew	BoS - Liaison	1/19/2021	12/31/2021
Wyatt	Jimmy	Millwood District	11/17/2020	12/20/2024
<i>Old Dominion Alcohol Safety Action Policy Board &amp; Division of Court Services</i>				<i>3 Yr</i>
Roper	Anthony	Sheriff	12/17/2019	12/31/2022
<i>Old Dominion Community Criminal Justice Board</i>				<i>3 Yr</i>
Roper	Anthony	Sheriff	12/17/2019	12/31/2022
<i>Our Health</i>				<i>3 Yr</i>
Shipe	Diane	Buckmarsh District	4/16/2019	3/15/2022
<i>Parks &amp; Recreation Advisory Board</i>				<i>4 Yr</i>
Bacci	Stephen	Appointed by Town of Boyce	11/17/2020	12/31/2023
Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
Heflin	Dennis	White Post District	12/17/2019	12/31/2023
Huff	Ronnie	Town of Berryville Representative	2/18/2020	12/31/2023
Lichliter	Gary	Russell District	12/17/2019	12/31/2023
Rhodes	Emily	Buckmarsh District	12/17/2019	12/31/2023
Sheetz	Daniel A.	Berryville District	12/19/2017	12/31/2021

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			<i>Appt Date</i>	<i>Exp Date</i>
Smith	Tracy	Millwood District	12/19/2017	12/31/2021
Trenary	Randy	School Superintendent Designee	10/24/2013	
Wisecarver	Steve	Berryville District, At Large	10/20/2020	12/31/2022
<i>Regional Airport Authority</i>				1 Yr
Boies	Chris	BoS - Alternate	1/21/2020	12/31/2020
McKay	Beverly B.	BoS - Alternate	1/19/2021	12/31/2021
Melanson	Leslie	Russell District	5/19/2020	6/30/2024
<i>Shenandoah Area Agency on Aging, Inc.</i>				4 Yr
Pritchard	Betsy		9/30/2018	9/30/2022
<i>Shenandoah Valley Chief Local Elected Officials Consortium</i>				
Seal	Cathy	Alternate	2/18/2020	12/31/2023
<i>Strategic Planning Committee</i>				1 Yr
Catlett	Terri T.	BoS - Appointed Member	1/19/2021	12/31/2021
<i>Towns and Villages: Berryville</i>				1 Yr
Bass	Matthew	BoS - Liaison - Alternate	1/19/2021	12/31/2021
McKay	Beverly B.	BoS - Liaison	1/21/2020	12/31/2020
<i>Towns and Villages: Boyce</i>				1 Yr
Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
McKay	Beverly B.	BoS - Liaison	1/19/2021	12/31/2021
<i>Towns and Villages: Millwood</i>				1 Yr
Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
<i>Towns and Villages: Pine Grove</i>				1 Yr
Catlett	Terri T.	BoS - Liaison	1/19/2021	12/31/2021
Weiss	David S.	BoS - Liaison	1/19/2021	12/31/2021
<i>Towns and Villages: White Post</i>				1 Yr
McKay	Beverly B.	BoS - Liaison	1/19/2021	12/31/2021

# Clarke County Board of Supervisors



**Berryville Voting District**  
Matthew E. Bass  
(540) 955-5175

**Millwood Voting District**  
Terri T. Catlett  
(540) 837-2328

**Russell Voting District**  
Doug Lawrence  
(540) 955-2144

**Buckmarsh Voting District**  
David S. Weiss – Chair  
(540) 955-2151

**White Post Voting District**  
Bev B. McKay – Vice Chair  
(540) 837-1331

**County Administrator**  
Chris Boies  
(540) 955-5175

## Collective Bargaining Resolution 2021-09R

**WHEREAS**, effective May 1, 2021, the Code of Virginia §40.1-57.2 allows certain local government employees to pursue collective bargaining agreements with the County; and

**WHEREAS**, the Code of Virginia §40.1-57.2 provides the local governing body the authority to determine whether to allow exclusive bargaining agents and the use of collective bargaining agreements; and

**WHEREAS**, the County has a long history of working with its employees on issues such as working conditions, pay, benefits, and other matters; and

**WHEREAS**, the Board of Supervisors wishes to maintain its ability to work directly with employees on these issues.

**NOW, THEREFORE, BE IT RESOLVED** the County Administrator and employees of the County of Clarke are prohibited from engaging in collective bargaining or recognizing any individual, employee organization, labor organization, association, or other entity as the exclusive employee representative or bargaining agent of any County employees with respect to any matter relating to employment or service with the County.

**APPROVED AND ORDERED ENTERED** in the official records by the unanimous vote of the Clarke County Board of Supervisors' members assembled on the 15<sup>th</sup> day of June 2021.

ATTEST 2021-09R

\_\_\_\_\_  
David S. Weiss, Chair





Board of Supervisors Work Session Agenda  
Berryville/Clarke County Government Center, 2<sup>nd</sup> Floor  
101 Chalmers Court, Berryville, Virginia 22611

June 7, 2021, 10:00 AM, Meeting Room AB

<i>Item No.</i>	<i>Description</i>	<i>Page</i>
A.	Coronavirus State and Local Fiscal Recovery Funds Discussion	18

# Clarke County Board of Supervisors



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**Bev B. McKay – Vice Chair**  
**(540) 837-1331**

**County Administrator**  
**Chris Boies**  
**(540) 955-5175**

To: Board of Supervisors

From: Chris Boies & Brenda Bennett

Re: June Work Session: American Rescue Funds

Date: June 1, 2021

As the Board is aware, Clarke County is eligible to receive directly from the U.S. Department of Treasury, two payments of funds totaling \$2,839,569 as part of the Coronavirus State and Local Fiscal Recovery Funds. As part of this packet, you will find (in this order) an overview provided by the National Association of Counties, a Fact Sheet and FAQ's developed by Treasury, stated goals from the Commonwealth of Virginia for the use of their funds, and the proposed Interim Final Rule from Treasury. These documents provide regulatory guidance on how the funds Clarke County is eligible to receive could be utilized.

Clarke County's \$2.8 million is part of approximately \$2.7 billion allocated to Virginia cities and counties. The Commonwealth of Virginia is receiving an additional \$4.3 billion. The Governor and leaders of the General Assembly have publicly stated their goals for using the \$4.3 billion and will formalize these plans during a special session this summer. This information is included in the packet as there might be opportunities to leverage state funding in areas like broadband but we may also want to avoid replicating programs the state intends to administer (like assistance to small businesses or the unemployed). In addition, the towns of Boyce and Berryville are expected to receive funds from the Commonwealth.

At the work session, staff will explain the five major categories of eligible expenses and how Clarke may utilize these funds. If the Board wishes to move forward with receiving and expending these funds, staff will first need to register and request the funds using the Treasury portal. The next step will be scheduling a public hearing for an amendment to the approved FY 22 operating budget in order to allow for the appropriation and expenditure of these funds. Unless a special meeting is scheduled, the July 20<sup>th</sup> Board meeting would be the soonest a public hearing could be scheduled.

# OVERVIEW FOR AMERICA'S COUNTIES: U.S. TREASURY INTERIM FINAL RULE & GUIDANCE FOR STATE AND LOCAL FISCAL RECOVERY FUNDS



On May 10, the U.S. Department of Treasury (Treasury) released an [Interim Final Rule](#), [FAQs](#) and a [fact sheet](#) for a significant portion of the \$362 billion Coronavirus State and Local Fiscal Recovery Fund, established under the [American Rescue Plan Act](#) (ARP) signed into law on March 11 by President Biden.

This specific Interim Rule and related guidance covers the [\\$61.5 billion in direct federal aid to America's counties](#). Later this year, Treasury will release separate guidance for the \$1.5 billion in additional federal aid for public lands counties under Sec. 605 of ARP.

## THIS ANALYSIS PROVIDES AN IN-DEPTH OVERVIEW OF THE KEY PROVISIONS WITHIN THE INTERIM FINAL RULE, WITH A SPECIFIC FOCUS ON HOW EACH OF THESE ITEMS MAY IMPACT COUNTY GOVERNMENTS.

This analysis provides an in-depth overview of the key provisions within the Interim Final Rule, with a specific focus on how each of these items may impact county governments. The analysis covers eligibility criteria for the use of funds, compliance and financial reporting, and

key dates for county actions. This report also highlights several key differences between the ARP county aid and the previous county aid under the CARES Act's Coronavirus Relief Fund (CRF), ***especially related to payroll support for public health, public safety and other related staff.***

## KEY DATES

- **NOW:** [Treasury portal](#) is now open for counties to register and request Recovery Funds
- **JULY 9, 2021:** Deadline to submit comments on U.S. Treasury's [Interim Final Rule](#)
- **AUGUST 31, 2021:** Deadline for counties to submit first Interim Report to U.S. Treasury
- **OCTOBER 31, 2021:** Deadline for counties to submit first *Quarterly Project and Expenditure Report*
- **DECEMBER 31, 2024:** Funds must be *incurred* and obligated
- **DECEMBER 31, 2026:** Funds must be *expended* to cover obligations and all work must be completed

THIS SPECIFIC INTERIM RULE AND RELATED GUIDANCE COVERS THE \$61.5 BILLION IN DIRECT FEDERAL AID TO AMERICA'S COUNTIES. LATER THIS YEAR, TREASURY WILL RELEASE SEPARATE GUIDANCE FOR THE \$1.5 BILLION IN ADDITIONAL FEDERAL AID FOR PUBLIC LANDS COUNTIES UNDER SEC. 605 OF ARP.

## EXECUTIVE SUMMARY: QUICK GUIDE FOR COUNTY OFFICIALS

### 1. THE FISCAL RECOVERY FUND WAS ESTABLISHED TO HELP TURN THE TIDE ON THE PANDEMIC, ADDRESS ITS ECONOMIC FALLOUT AND LAY THE FOUNDATION FOR A STRONG AND EQUITABLE RECOVERY.

There are five primary ways – outside of the “lost revenue allowance” – that counties may invest Funds:

- ❑ **Support public health response:** Fund COVID-19 mitigation efforts, medical expenses, behavioral health care and certain county public health, public safety, human services and other related staff
- ❑ **Address negative economic impacts:** Respond to economic harms to workers, families, small businesses, impacted industries and rehiring of public sector workers (including county staff)
- ❑ **Replace public sector revenue loss:** Use funds to provide government services to the extent of the reduction in revenue experienced during the pandemic – *this provision allows a much broader use of Funds*
- ❑ **Premium pay for essential workers:** Offer additional compensation, up to \$13 per hour in additional wages, to those – both county employees and other essential workers in the community – who have faced and continue to face the greatest health risks due to their service. Counties should prioritize low- and moderate-income persons, with additional written justification needed for workers above 150 percent of the residing state’s average annual wage for all occupations or their residing county’s average annual wage, whichever is higher.  
**Funds can be used retroactively back to January 27, 2020**
- ❑ **Water, sewer and broadband infrastructure:** Make necessary investments to improve access to clean drinking water, invest in wastewater and stormwater infrastructure and provide unserved or underserved locations with new or expanded broadband access

COUNTIES HAVE BROAD FLEXIBILITY SO LONG AS THEY CAN DEMONSTRATE THAT THESE ACTIVITIES SUPPORT THE PUBLIC HEALTH RESPONSE OR THAT RECIPIENTS OF THE RECOVERY FUNDS HAVE EXPERIENCED ECONOMIC HARM FROM THE PANDEMIC

### 2. FUNDS MAY COVER COSTS FROM MARCH 3, 2021 THROUGH DECEMBER 24, 2024

The covered period begins March 3, 2021 and ends on December 31, 2024, with **a few important distinctions and exceptions to the covered period:**

- ❑ Funds must be **INCURRED** (i.e. obligated) by December 31, 2024
- ❑ Funds must be **EXPENDED** with all WORK PERFORMED and COMPLETED by December 31, 2026
- ❑ **Counties may provide premium pay retroactively**, dating back to the start of the public health emergency on January 27, 2020

3. **BROAD FLEXIBILITY TO HELP THOSE DISPROPORTIONATELY IMPACTED BY THE COVID-19 PANDEMIC**

The Interim Rule states under its first eligible use category – ***responding to public health needs and negative economic impacts from the pandemic*** – that funds must respond to “the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency.”

- ❑ Whether it be public health expenses or economic investments, counties have broad flexibility if the county can demonstrate that these activities support the public health response or that recipients of the Recovery Funds have experienced economic harm from the pandemic
- ❑ Additionally, the Interim Rule provides even greater flexibility for Qualified Census Tracts (QCTs) and other communities, households and businesses disproportionately impacted by the pandemic

4. **UNDERSTAND THE IMPORTANT DIFFERENCES BETWEEN CARES ACT CORONAVIRUS RELIEF FUND (CRF) AND ARP FISCAL RECOVERY FUND, ESPECIALLY FOR COUNTY EMPLOYEE PAYROLL SUPPORT**

Eligible expenses under the CRF are also eligible under the Recovery Fund, ***with two major exceptions:***

- ❑ **New, more restrictive allowance with county payroll support for public health and public safety employees** (See page 13 of this analysis for more information). The CARES Act CRF allows a much broader allowance for county employee payroll support. More narrowly defined, ARP Recovery Funds may be used for “payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, to the extent that their services are devoted to mitigating or responding to COVID-19.” Counties may consider public health and public safety employees to be entirely devoted to mitigating/responding to COVID-19, and are fully recovered, if the employee, or his/her operating unit or division, is primarily dedicated to responding to the COVID-19 public health emergency
- ❑ Expenses related to issuing tax-anticipation notes are ***not an eligible expense***

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RECOVERY FUNDS ARE MORE RESTRICTIVE THAN THE CARES ACT’S CRF DOLLARS FOR COUNTY PAYROLL SUPPORT. THE INTERIM RULE PLACES NEW, MORE RESTRICTIVE LANGUAGE RELATED TO COUNTY PAYROLL SUPPORT FOR ***PUBLIC HEALTH AND PUBLIC SAFETY EMPLOYEES***

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5. **USE OF RECOUPED “LOST REVENUE” IS MORE FLEXIBLE THAN OTHER RECOVERY FUND ELIGIBILITY**

Counties may use Recovery Funds for the provision of “government services” to the extent of the reduction in revenue experienced due to the COVID-19 public health emergency. The **term “government services” outlines very broad and flexible uses of revenue recoupment funds** outside the standard eligibility requirements outlined in other categories (Public Health Response, Negative Economic Impacts, Premium Pay and Water, Sewer and Broadband Infrastructure) of the Interim Rule. For example, while general infrastructure and economic development investments are not generally eligible under the Fund,

counties may use an amount up to their “lost revenue” amount for these activities. **However, lost revenue recoupment shall not be used for rainy day or reserve funds, or debt service payments**

**6. RECOVERY FUNDS MAY NOT BE USED AS NON-FEDERAL MATCH, UNLESS SPECIFICALLY AUTHORIZED**

Recovery Funds shall not be used as the local match for other federal programs (i.e. Medicaid, EDA, EPA Drinking Water and Clear Water State Revolving Funds), unless specifically allowed by the underlying/source federal program. **It is important to note that counties may use their Funds to match other state and local government allocations of Treasury ARP Recovery Funds, if used within the county**

- ❑ **Under a February 3, 2021 presidential directive, FEMA is authorized to provide 100 percent federal funding for the cost of COVID-related activities** previously determined as eligible, from the beginning of the pandemic (January 27, 2020) to September 30, 2021. In addition, the directive allows FEMA to expand activities eligible for reimbursement from January 21, 2021 until September 30, 2021. Specifically, costs to support the safe opening and operation of eligible schools, child care facilities, health care facilities, non-congregate shelters, domestic violence shelters, and transit systems are now eligible

**7. COUNTIES MAY USE RECOVERY FUNDS FOR ROUTINE PENSION COSTS OF EMPLOYEES**

Recovery Funds cannot be used for *deposits* into defined benefit pension funds. **HOWEVER**, Treasury defines a “deposit” as an extraordinary contribution to a defined benefit pension fund for the purpose of reducing an accrued, unfunded liability. **Counties may use funds for routine payroll contributions to pensions of employees whose wages and salaries are an eligible use**

**8. REHIRING LOCAL GOVERNMENT STAFF TO PRE-PANDEMIC LEVELS**

The Interim Final Rule permits the rehiring of public sector staff, including county employees, up to the pre-pandemic staffing level, which is measured based on employment as of January 27, 2020. Furthermore, counties may use Recovery Funds toward payroll, covered benefits, and other costs associated with rehiring public sector staff

**9. COUNTIES MAY USE RECOVERY FUNDS TO INVEST IN CERTAIN CRITICAL INFRASTRUCTURE PROJECTS**

The Interim Rule specifically states that Recovery Funds may support necessary investments in drinking water, waste and stormwater, and high-quality broadband services

- ❑ **For water, stormwater and sewer investments**, the Interim Rule aligns eligible projects with the listing of activities allowed under the Environment Protection Agency’s (EPA) [Clean Water State Revolving Fund](#) and [Drinking Water State Revolving Fund](#)
- ❑ **For broadband investments**, eligible projects **are intended** to provide services that meet at least 100 megabits per second upload and download, wherever practicable
- ❑ **General economic development and infrastructure projects**, such as road construction or bridge repair, unrelated to COVID-19 are **not** an eligible expense, **unless funded through a county’s “lost revenue” replacement allowance**

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# ELIGIBLE EXPENSES

## 1. SUPPORT PUBLIC HEALTH RESPONSE

INTERIM FINAL RULE: REFERENCES P. 12-23 | RULE DEFINITIONS P. 138-140

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*The Interim Final Rule outlines that the Recovery Fund provides resources to “**meet and address these emergent public health needs**, including through measures to counter the spread of COVID-19, through the provision of care for those impacted by the virus, and through programs or services that address disparities in public health that have been exacerbated by the pandemic.”*

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Among the potential uses of funds, the Interim Final Rule outlines:

- **PREVENT AND MITIGATE COVID-19**

Funding a broad range of services and programming for prevention and response to COVID-19, such as:

- ❑ Vaccination programs, including staffing, equipment, supplies, facilities and administrative expenses
- ❑ Testing, monitoring and contact tracing
- ❑ Supporting isolation and quarantine
- ❑ Paid sick and paid family and medical leave to public employees related to COVID-19 compliance
- ❑ Public health surveillance and data system enhancement
  - Case monitoring
  - Vaccination uptake tracking
- ❑ Enforcing public health orders
- ❑ Emergency medical response expenses, including emergency medical transportation related to COVID-19
- ❑ Communication efforts related to COVID-19 vaccination programs and public health orders
- ❑ Purchase PPE and disinfection of public areas and other facilities
- ❑ Prevention and mitigation in congregate living facilities, such as:
  - Nursing homes and skilled nursing facilities
  - Jails and incarceration settings
  - Group living facilities including residential foster care and behavioral health treatment facilities
  - Other key settings like homeless shelters and schools
- ❑ Ventilation improvements in congregate settings, public health facilities or other public facilities
- ❑ Capital investments or adaptations to public facilities such as hospitals or health clinics

### QUICK TIP

Under the sections related to responding to the **public health emergency or its negative economic impacts**, it is important to:

- Identify a need or a negative impact of the COVID-19 public health emergency
  - Identify how the county investment would address the identified need or impact
  - Explain how the investment would help the county respond to the disease itself or the harmful economic consequences of the economic disruptions
-

- **COVID-19 TREATMENT AND MEDICAL SERVICES**

Funding to enhance health care capacity to treat and provide care and services for near and long-term medical needs for COVID-19 patients as well as genomic surveillance for COVID-19 variants. This also includes treatment expenses of the long-term symptoms or effects of COVID-19, including post-intensive care syndrome

- **ENHANCE BEHAVIORAL AND MENTAL HEALTH SERVICES**

Funding new or enhanced services that meet behavioral health needs exacerbated by the pandemic, as well as related public health needs, such as:

- Mental health treatment
- Substance misuse treatment
- Hotlines and/or warmlines
- Crisis intervention services
- Overdose prevention
- Infectious disease prevention
- Behavioral/physical health primary care services

- **SUPPORT LOCAL HEALTH AND SAFETY WORKFORCE**

Funding payroll and covered benefit expenses for the following segments of county workers who, primarily or partially work regularly to mitigate or respond to the COVID-19 emergency:

- Public safety
- Public health
- Health care
- Human services
- Other similar employees

- **IMPROVING THE DESIGN AND EXECUTION OF HEALTH AND PUBLIC HEALTH PROGRAMS**

Funding efforts to improve programs addressing the COVID-19 public health emergency through planning and analysis, which includes, **but is not limited to:**

- Targeted consumer outreach
- Improvements to data or technology infrastructure
- Impact evaluation
- Data analysis

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*While the CARES Act’s Coronavirus Relief Fund (CRF) had much broader allowances for county employee payroll support, ARP Recovery Funds may be used for “payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, to the extent that their services are devoted to mitigating or responding to the COVID-19 public health emergency.”*

*For administrative convenience, counties may consider public health and public safety employees to be entirely devoted to mitigating or responding to the COVID-19 public health emergency, and therefore fully covered, if the employee and their operating unit or division, “**is primarily dedicated to responding to the COVID-19 public health emergency.**”*

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- **ADDRESS DISPARITIES IN PUBLIC HEALTH OUTCOMES**

In recognition of the disproportionate impacts of the COVID-19 pandemic on health outcomes in low-income and Native American communities and the importance of mitigating these effects, **the Interim Final Rule identifies a broader range of services and programs that will be presumed to be responding to the public health emergency when provided in these communities.** Specifically, Treasury will presume that certain types of services are eligible uses when provided in a Qualified Census Tract (QCT), to families and populations living in a QCT, or other households, businesses or populations disproportionately impacted by the COVID-19 public health emergency

- **These services include:**

- **Community health workers** who will help residents access health services and resources that address the social determinants of health
- **Public benefits navigators** that help residents navigate and apply for federal, state and local public benefits or services
- **Housing services** that support healthy living environments and neighborhoods that are conducive to mental and physical wellness
- **Lead Paint remediation** or remediation of other lead hazards to reduce elevated blood lead levels in children
- **Evidence-based community violence intervention programs** that will prevent violence and mitigate the increase of violence during the pandemic

- This section **also covers program and service** activities that address:

- **Housing insecurity**, lack of affordable housing or homelessness
- **Impacts of COVID-19 on education**, including new or expanded learning services, assistance to high-poverty school districts, needs of students
- **Childhood health or welfare**, including childcare, home visits by health professionals, parent educators and social service professionals, and services for child welfare-involved families and youth

**SPECIFICALLY, TREASURY WILL PRESUME THAT CERTAIN TYPES OF SERVICES ARE ELIGIBLE USES WHEN PROVIDED IN A QUALIFIED CENSUS TRACT (QCT), TO FAMILIES AND POPULATIONS LIVING IN A QCT OR OTHER HOUSEHOLDS, BUSINESSES OR POPULATIONS DISPROPORTIONATELY IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY**

## 2. ADDRESS NEGATIVE ECONOMIC IMPACTS

INTERIM FINAL RULE: REFERENCES P. 23-44 | RULE DEFINITIONS P. 140-143

*ARP provides that funds may be used to respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.*

- **ASSISTANCE TO HOUSEHOLDS**

Funds may be used to assist households or populations, *preferably* those most disproportionately impacted, by the negative economic impacts of the COVID-19 public health emergency, such as:

- ❑ **Food** assistance
- ❑ **Rent, mortgage or utility** assistance
- ❑ **Counseling and legal aid** to prevent eviction or homelessness
- ❑ **Cash** assistance
- ❑ Emergency **assistance for burials**
- ❑ **Home repairs**, weatherization or other needs
- ❑ **Internet access** or digital literacy assistance
- ❑ **Job training** related to a worker's occupation or level of training impacted by COVID

### QUICK TIP

Under this section, the general focus of investments must be to address an economic harm resulting from or exacerbated by the COVID-19 public health emergency.

- **SMALL BUSINESS AND NON-PROFIT SUPPORT**

State, local and Tribal governments may provide assistance to small businesses to adopt safer operating procedures, weather periods of closure or mitigate financial hardship resulting from the COVID-19 public health emergency, including:

- ❑ **Loans or grants** to mitigate financial hardship, such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs
- ❑ **Loans, grants, or in-kind assistance** to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs
- ❑ **Technical assistance**, counseling, or other services to assist with business planning needs

**FUNDS MAY BE USED TO ASSIST HOUSEHOLDS OR POPULATIONS, PREFERABLY THOSE MOST DISPROPORTIONATELY IMPACTED, BY THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY**

- **AID TO IMPACTED INDUSTRIES**

Funds may be used to aid tourism, travel, hospitality, *and other impacted industries* that responds to the negative economic impacts of the COVID-19 public health emergency, such as:

- ❑ Implement COVID-19 mitigation and infection prevention measures to enable safe resumption
- ❑ Improvement to ventilation, physical barriers or partition
- ❑ Signage to facilitate social distancing
- ❑ Provision of masks or PPE
- ❑ Consultation with infection prevention professionals to develop safe reopening plans
- ❑ Activities that support safe reopening of businesses in the tourism, travel and hospitality industries and business districts that were closed during the COVID-19 public health emergency
- ❑ Planned expansion or upgrade of tourism, travel and hospitality facilities delayed due to the pandemic
- ❑ Aid may be considered responsive to the negative economic impacts of the pandemic if it supports businesses, attractions, business districts and tribal development districts operating prior to the pandemic and affected by required closure and other efforts to contain the pandemic

- **REHIRING STATE AND LOCAL GOVERNMENT STAFF, INCLUDING COUNTY EMPLOYEES**

The Interim Final Rule permits coverage of payroll and benefits costs of public health and safety staff primarily dedicated to COVID-19 response, as well as rehiring of public sector staff up to pre-pandemic levels as of January 27, 2020

**COUNTIES MAY USE RECOVERY FUNDS TO INCREASE THE NUMBER OF ITS EMPLOYEES UP TO THE NUMBER OF EMPLOYEES, AS OF JANUARY 27, 2020, INCLUDING PAYROLL, COVERED BENEFITS AND OTHER RELATED COSTS**

- **ASSISTANCE TO UNEMPLOYED WORKERS**

This includes services like:

- ❑ **Job training** to accelerate rehiring of unemployed workers
- ❑ **Workers unemployed due to the pandemic** or the resulting recession
- ❑ **Workers who were already unemployed** when the pandemic began and remain so due to the negative economic impacts of the pandemic
- ❑ **Individuals who want and are available for work**, including those who have looked for work sometime in the past 12 months or who are employed part time but who want and are available for full-time work

**FUNDS MAY BE USED TO AID TOURISM, TRAVEL, HOSPITALITY AND OTHER IMPACTED INDUSTRIES THAT RESPONDS TO THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PUBLIC HEALTH EMERGENCY**

- **EXPENSES TO IMPROVE EFFICACY OF ECONOMIC RELIEF PROGRAMS**

Counties may also use Fiscal Recovery Funds to improve efficacy of programs addressing negative economic impacts, including through:

- ❑ Use of **data analysis**
- ❑ Targeted **consumer outreach**
- ❑ Improvements to **data or technology infrastructure**
- ❑ Impact **evaluations**

- **SERVICES FOR QUALIFIED CENSUS TRACT AND OTHER DISPROPORTIONATELY IMPACTED COMMUNITIES**

In addition to specific services to address health disparities in a QCT (pg. 7 of this analysis), the Interim Rule outlines additional ways Recovery Funds may be used. Funds may be used for certain services when provided in a Qualified Census Tract (QCT), to families and individuals living in QCTs, by a Tribal government, or to other households, businesses or populations disproportionately impacted by the COVID-19 public health emergency. These services include, *but are not limited to*, the following:

- ❑ **Investments in Housing and Neighborhoods:** Funds may be used to assist households or populations facing negative economic impacts due to COVID-19, such as:
  - **Services to address homelessness** such as supportive housing, and to improve access to stable, affordable housing among unhoused individuals
  - **Affordable housing development** to increase supply of affordable and high-quality living units
  - **Housing vouchers, residential counseling, or housing navigation assistance** to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity

**TREASURY HAS IDENTIFIED A BROAD RANGE OF SERVICES THAT ARE ELIGIBLE USES WHEN PROVIDED IN A QUALIFIED CENSUS TRACT (QCT), TO FAMILIES AND POPULATIONS LIVING IN A QCT OR OTHER HOUSEHOLDS, BUSINESSES OR POPULATIONS DISPROPORTIONATELY IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY**

- ❑ **Addressing Educational Disparities:** Funds may also enhance educational supports to help mitigate impacts on students, such as:
  - **New, expanded, or enhanced early learning services**, including pre-kindergarten programs and Head Start
  - **Assistance to high-poverty school districts** to advance equitable funding across districts
  - **Evidence-based educational services** and practices that address the academic needs of students and/or their social, emotional and mental health
  - Services that support **students’ social, emotional and mental health**
  
- ❑ **Promoting Healthy Childhood Environments:** Funds may be used to mitigate increases in economic hardship, material insecurity, and parental stress and behavioral health challenges in families with children, such as:
  - New or expanded **high-quality childcare**
  - **Home visiting programs** to provide structured visits from health, parent educators, and social service professionals to pregnant women or families with young children to offer education and assistance navigating resources for economic support, health needs, or child development
  - **Enhanced services for child welfare-involved families and foster youth** to provide support and training on child development, positive parenting, coping skills or recovery for mental health and substance use challenges


## FUNDS MAY BE USED TO MITIGATE INCREASES IN ECONOMIC HARDSHIP, MATERIAL INSECURITY, AND PARENTAL STRESS AND BEHAVIORAL HEALTH CHALLENGES IN FAMILIES WITH CHILDREN

[State and Local Coronavirus Fiscal Recovery Funds \(naco.org\)](https://naco.org)

### NACo RESOURCES & MEMBER SUPPORT

**COVID-19 RECOVERY CLEARINGHOUSE**

In a major victory for America's counties, the State and Local Coronavirus Fiscal Recovery Funds legislation, part of the American Rescue Plan Act, was signed into law by President Biden on March 11. The legislation includes \$55.1 billion in direct, flexible aid to every county in America, as well as other crucial investments in local communities.



**State & Local Fiscal Recovery Funds**

Find your county's estimated allocation, NACo's legislative analysis and more.

LEARN MORE

**American Rescue Plan Act Funding Breakdown**

This interactive tool helps navigate the roughly \$1.5 trillion in county-related funding from the American Rescue Plan Act of 2021.

LEARN MORE

**COVID-19 Vaccine Distribution**

Explore key considerations for counties in COVID-19 vaccine distribution plans.

LEARN MORE

**How Can We Help?**

Use the form below to ask a question, and NACo staff will respond via email. Please also explore our curated resources, including guidance, FAQs and more.

- Latest Resources
- NACo Recovery Fund FAQs
- Your County's ARP Allocation
- NACo ARPA Analysis

ASK A QUESTION

**Share Your Story**

How is your county responding to the coronavirus pandemic and driving the recovery in your community. Use the form below to share how your county is using federal relief funds with NACo.

For resources to share your story with local media [click here](#).

SHARE YOUR STORY

### 3. PREMIUM PAY FOR ESSENTIAL WORKERS

INTERIM FINAL RULE: REFERENCES P. 40-46, 106 | RULE DEFINITIONS P. 119, 127

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*Funds may be used by counties to provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency or to provide grants to third-party employers within the county to compensate eligible workers for performing essential work.*

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Recovery Funds may be used by recipients, including counties, to provide premium pay to eligible county workers performing essential work during the COVID-19 public health emergency or to provide grants to third-party employers within the county to compensate those eligible workers who perform essential work.

- **DEFINING THE CONCEPT OF PREMIUM PAY AND ESSENTIAL WORKERS:** To ensure that premium pay is targeted to workers that faced or face heightened risks due to the character of their work, the Interim Final Rule defines essential work *as work involving regular in-person interactions or regular physical handling of items that were also handled by others. **An individual who teleworked from a residence may not receive premium pay***
- **PREMIUM PAY MAY BE PROVIDED RETROACTIVELY FOR WORK PERFORMED AT ANY TIME SINCE THE START OF THE COVID-19** public health emergency (January 27, 2020), where those workers have yet to be compensated adequately for work previously performed
- **WORKERS THAT ARE ELIGIBLE FOR PREMIUM PAY** include:
  - ❑ **Any work performed by an employee of the state, local or tribal government**
  - ❑ Staff at nursing homes, hospitals, and home care settings
  - ❑ Workers at farms, food production facilities, grocery stores, and restaurants
  - ❑ Janitors and sanitation workers
  - ❑ Truck drivers, transit staff and warehouse workers
  - ❑ Public health and safety staff
  - ❑ Childcare workers, educators and other school staff
  - ❑ Social service and human services staff
- **PREMIUM PAY DEFINITION:** Premium pay means an amount up to \$13 per hour in addition to wages or remuneration the worker otherwise receives and in an aggregate amount not to exceed \$25,000 per eligible worker
- **TREASURY URGES COUNTIES TO PRIORITIZE PREMIUM PAY FOR LOW- AND MODERATE-INCOME PERSONS:** Counties should prioritize low- and moderate-income persons, with additional written justification needed for essential workers above 150 percent of the residing state’s average annual wage for all occupations or their residing county’s average annual wage, whichever is higher

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**PREMIUM PAY MAY BE PROVIDED RETROSPECTIVELY FOR WORK PERFORMED AT ANY TIME SINCE THE START OF THE COVID-19 PUBLIC HEALTH EMERGENCY – JANUARY 27, 2020**

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#### 4. PAYROLL EXPENSES FOR PUBLIC HEALTH & PUBLIC SAFETY EMPLOYEES

INTERIM FINAL RULE: REFERENCES P. 20-21 | RULE DEFINITIONS P. 140

*Covering payroll and benefits for public safety and public health employees is more restrictive than what was allowed under the CARES Act’s Coronavirus Relief Fund.*

As stated in the Interim Rule, Recovery Funds may be used for payroll and covered benefits as follows:

- **PAYROLL AND COVERED BENEFITS EXPENSES** for county public safety, public health, health care, human services and similar employees *to the extent that their services are devoted to mitigating or responding to the COVID-19 public health emergency*
- Support the payroll and covered benefits for the portion of the **EMPLOYEE’S TIME THAT IS DEDICATED TO RESPONDING TO THE COVID-19 PUBLIC HEALTH EMERGENCY**
- **FOR ADMINISTRATIVE CONVENIENCE**, counties may consider public health and safety employees to be entirely devoted to mitigating or responding to the COVID-19 public health emergency, and therefore fully covered, if the employee, or his/her operating unit or division, is primarily dedicated to responding to the COVID-19 public health emergency
- Recipients may reconsider and assess the **EXTENT AN EMPLOYEE, DIVISION OR OPERATING UNIT IS ENGAGED IN ACTIVITIES THAT RESPOND TO COVID-19**. A recipient can provide payroll records, attestations from supervisors/staff or regular work product or correspondence demonstrating work on COVID-19 response. **Counties DO NOT need to routinely track staff hours at the employee level**

The table below highlights the key differences between ARP and CARES Act guidance as it relates to **payroll and covered benefits for public health and public safety employees**:

ARP FISCAL RECOVERY FUND GUIDANCE	CARES ACT CRF GUIDANCE
<ul style="list-style-type: none"> <li>• Funds may be used for payroll/benefits for public, safety, public health, health care, human services and similar employees</li> <li>• Funds can be used to support the payroll/benefits <b>for the portion of the employee’s time that is dedicated to responding to COVID-19</b></li> <li>• Counties may consider public health/safety employees to be entirely devoted to mitigating/responding to COVID-19, and are fully recovered, <b>if the employee, or his/her operating unit or division, is primarily dedicated to responding</b> to the COVID-19 public health emergency.</li> </ul>	<ul style="list-style-type: none"> <li>• As a matter of administrative convenience in light of the emergency nature of this program, <b>a state, territorial, local or tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency</b>, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise</li> <li>• <b>All costs of such employee may be covered</b> using payments from the Fund</li> </ul>

## 5. REPLACE PUBLIC SECTOR REVENUE LOSS

INTERIM FINAL RULE: REFERENCES P. 51-60, 118-119 | RULE DEFINITIONS P. 135, 143-144

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*Counties may use Fiscal Recovery Funds for the provision of “government services” to the extent of the reduction in revenue experienced due to the COVID-19 public health emergency.*

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Counties may use Recovery Funds for the provision of “government services” to the **extent of the reduction in revenue experienced due to the COVID-19 public health emergency**. This means that the amount determined as “lost revenue” may be used for most regular government purposes, **except for activities such as rainy day or reserve funds and for debt service payments**.

The Interim Final Rule implements these provisions by establishing a definition of “general revenue” for purposes of calculating a loss in revenue and by providing a methodology for calculating revenue lost due to the COVID-19 public health emergency.

- **DEFINITION OF GENERAL REVENUE**

Based on Census Bureau’s definition and includes revenue from taxes, current charges, miscellaneous general revenue, and intergovernmental transfers between state and local governments (*Note: definition excludes federal intergovernmental transfers to counties including CARES Act funding*)

- ❑ Excludes other correction transactions proceeds from issuance of debt or the sale of investments, agency or private trust transactions and revenue generated by utilities, intergovernmental transfers from the federal government (federal transfers made to a state/locality)

- **DEFINITION OF GOVERNMENT SERVICES**

Government Services included, **but are not limited to:**

- ❑ Maintenance or pay-go pay-go funded building of **infrastructure, including roads**
- ❑ Modernization of **cybersecurity**, including hardware, software, and protection of critical infrastructure
- ❑ **Health** services
- ❑ **Environmental** remediation
- ❑ **School or educational** services
- ❑ Provision of **police, fire, and other public safety services**

RECOVERY FUNDS USED TO REPLACE “REVENUE LOSS” ARE FLEXIBLE AND MAY BE USED FOR A BROAD RANGE OF GOVERNMENT SERVICES, PROGRAMS AND PROJECTS OUTSIDE OF TYPICAL ELIGIBLE USES OF RECOVERY FUNDS UNDER THE INTERIM RULE. **HOWEVER, REVENUE RECOUPMENT CANNOT BE USED FOR RAINY DAY FUNDS OR DEBT SERVICE PAYMENTS**



- **REQUIREMENTS WHEN CALCULATING REVENUE LOSS**

When calculating revenue loss, a county must adhere to the following guidelines:

- ❑ Recipients should calculate revenue on an **entity-wide basis** (*i.e. county government-wide basis*)
- ❑ Recipients **cannot use pre-pandemic projections** as a basis to estimate the reduction in revenue
- ❑ Recipients should (*i.e. may*) calculate the extent of the reduction in revenue as of four points in time:
  - December 31, 2020
  - December 31, 2021
  - December 31, 2022, and
  - December 31, 2023

- **STEPS FOR CALCULATING LOST REVENUE**

1. Identify revenues collected in the **most recent full fiscal year prior to the public health emergency (i.e. January 27, 2020), called the base year revenue**. In calculating revenue, recipients should sum across all revenue streams covered as general revenue

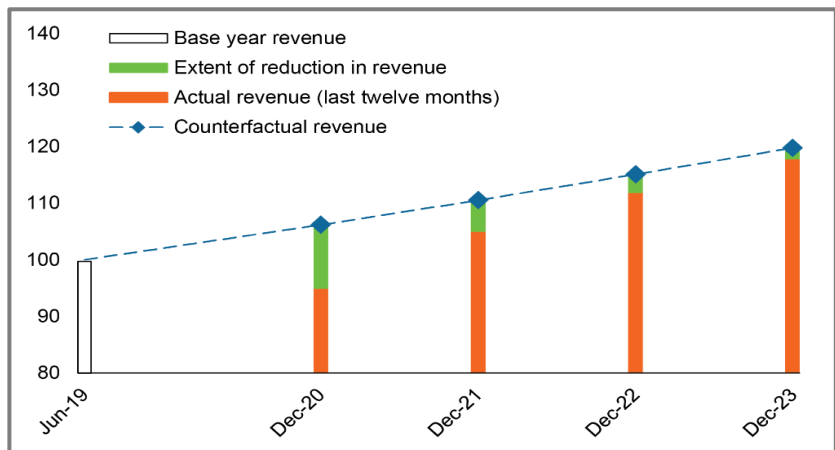
2. **Estimated counterfactual revenue**, which is equal to base year revenue:

$[(1 + \text{growth adjustment})^{(n/12)}]$ , where *n* is the number of months elapsed since the end of the base year to the calculation date, and *growth adjustment* is the greater of 4.1 percent and the recipient’s average annual revenue growth in the three full fiscal years prior to the COVID-19 public health emergency

3. **Identify actual revenue**, which equals revenues collected over the past 12 months of the calculation date

4. The extent of the reduction in revenue is equal to *counterfactual revenue* less than *actual revenue*. If actual revenue exceeds counterfactual revenue, **the extent of the reduction in revenue is set to zero for that calculation date**

THE OVERALL METHODOLOGY FOR CALCULATING THE REDUCTION IN REVENUE IS ILLUSTRATED IN THE FIGURE, AT RIGHT:



## 6. WATER & SEWER INFRASTRUCTURE

INTERIM FINAL RULE: REFERENCES P. 62-68 | RULE DEFINITIONS P. 144

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*To assist in meeting the critical need for investments and improvements to existing infrastructure in water and sewer, counties can invest Recovery Funds in these sectors. The Interim Final Rule outlines eligible uses within each category, allowing for a broad range of necessary investments in projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems.*

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To assist in meeting the critical need for investments and improvements to existing infrastructure in water and sewer, counties can invest Recovery Funds in these sectors. The Interim Final Rule outlines eligible uses within each category, allowing for a broad range of necessary investments in projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems.

The Interim Final Rule does this by aligning eligible uses of the Recovery Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environment Protection Agency's (EPA) [Clean Water State Revolving Fund](#) and [Drinking Water State Revolving Fund](#).

- **CLEAN WATER (SRF) PROJECTS**

The CWSRF provides financial assistance for a wide range of water infrastructure projects to **improve water quality and address water pollution** in a way that enables each state (or county) to address and prioritize the needs of their populations

- The types of projects eligible for **Clean Water SRF assistance** include:

- Projects to construct, improve and repair **wastewater treatment plants**
- Control **non-point sources** of pollution
- **Improve resilience** of infrastructure to severe weather events
- Create **green infrastructure**
- **Protect waterbodies** from pollution

- Under the Clean Water SRF, each of the 51 State programs normally have the flexibility to direct funding to their particular environmental needs, and each state may also have its own statutes, rules and regulations that guide project eligibility. ***With the Recovery Fund, the intent of the Interim Final Rule is outline the list of eligible projects that a county may consider for investment***

THE INTERIM RULE ALIGNS ELIGIBLE  
USES OF RECOVERY FUNDS FOR WATER  
& SEWER INFRASTRUCTURE WITH  
PROJECTS THAT ARE ELIGIBLE TO  
RECEIVE FINANCIAL ASSISTANCE  
NORMALLY THROUGH EPA'S CLEAN  
WATER SRF & DRINKING WATER SRF

- **DRINKING WATER (SRF) PROJECTS**

The primary use of DWSRF funds is to assist communities in making **water infrastructure capital improvements**, including the installation and replacement of failing treatment and distribution systems. In administering these programs, counties must give priority to projects that:

- ❑ Ensure compliance with applicable health and environmental safety requirements
- ❑ Address the most serious risks to human health
- ❑ Assist systems most in need on a per household basis according to State affordability criteria

- **OTHER ELIGIBLE USES OF RECOVERY FUNDS**

include projects related to:

- ❑ Stormwater runoff
- ❑ Water pollution
- ❑ Flood control
- ❑ Green infrastructure that support stormwater resiliency, including rain gardens and green streets

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- **As stated in Treasury’s Recovery Fund FAQ document, the National Environmental Policy Act (NEPA) does not apply to Treasury’s administration of funds.**

However, projects supported with payments from the Fund may still be subject to NEPA review ***if they are also funded by other federal financial assistance programs***

- The Interim Rule “**encourages**” counties to ensure that water, sewer, and broadband projects **use strong labor standards**, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions
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## HOW COUNTIES INVEST IN AMERICA’S INFRASTRUCTURE SYSTEM

**\$22.6 BILLION**

in sewage and waste management



**\$134 BILLION**

in infrastructure, including maintaining and operating public works

## 7. BROADBAND INFRASTRUCTURE

INTERIM FINAL RULE: REFERENCES P. 69-77 | RULE DEFINITIONS P. 145

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*Recognizing the need for such connectivity, Recovery Funds may be used by state, territorial, local and tribal governments to make necessary investments in broadband infrastructure.*

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The COVID-19 public health emergency has underscored the importance of universally available, high-speed, reliable and affordable broadband coverage as millions of Americans rely on the internet to participate in, among critical activities, remote school, healthcare and work. Recognizing the need for such connectivity, the ARPA provides funds to state, territorial, local and tribal governments to make necessary investments in broadband infrastructure.

Additional guidance and requirements around use of Recovery Funds for broadband infrastructure are as follows:

- ❑ **Unserved and underserved households:** Funds may be used to make necessary investments in broadband infrastructure aimed at “unserved or underserved” communities. Treasury defines unserved and underserved at speeds below 25 Mbps download and 3 Mbps upload
- ❑ **Eligible projects are expected to meet or exceed symmetrical upload and download speeds of 100 Mbps.** However, in instances where required speeds cannot be achieved (due of the geography, topography, or excessive costs), the affected project would be expected to meet or exceed 100 Mbps download with a minimum of 20 Mbps upload with scalability to a symmetrical minimum of 100 Mbps
- ❑ **U.S. Treasury used the [Federal Communication Commission’s \(FCC\) Broadband Speed Guide](#) to determine appropriate speed requirements for all eligible projects**

THE INTERIM FINAL RULE PROVIDES THAT ELIGIBLE INVESTMENTS IN BROADBAND ARE THOSE THAT ARE DESIGNED TO PROVIDE SERVICES MEETING ADEQUATE SPEEDS AND ARE PROVIDED TO UNSERVED AND UNDERSERVED HOUSEHOLDS AND BUSINESSES

## 8. INELIGIBLE EXPENSES

INTERIM FINAL RULE: REFERENCES P. 78-97 | RULE DEFINITIONS P.134-135, 145-147

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*Treasury defines a “deposit” as an extraordinary contribution to a defined benefit pension fund for the purpose of reducing an accrued, unfunded liability. Recipients may use funds for routine payroll contributions to pensions of employees whose wages and salaries are otherwise an eligible use.*

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The Interim Final Rule outlines identifies **several ineligible uses of Recovery Funds**, including:

- **PENSION FUNDS**

Funds shall not be used for **“extraordinary” deposits** into a defined pension fund

- ❑ **HOWEVER**, Treasury defines a “deposit” as an *extraordinary contribution* to a pension fund for the purpose of reducing an accrued, unfunded liability. **Recipients may use funds for routine payroll contributions to pensions of employees whose wages and salaries are otherwise an eligible use**

- **NET REDUCTION IN TAX REVENUE (LIMITED TO STATES AND TERRITORIES)**

If a state or territory has a reduction in net tax revenue, they must demonstrate how they paid for the tax cuts from a source(s) other than the Recovery Fund (**Note: This provision does not apply to counties**)

- **OTHER RESTRICTIONS** include:

- ❑ **Using funds for non-federal match** when barred by another federal regulation or statute, including EPA’s Clean Water SRF, Drinking Water SRF, Economic Development Administration or Medicaid
  - **See note on page 4 related to presidential order on FEMA’s state and local cost-share waiver**
- ❑ **Funding debt service**, including costs associated with tax anticipation notes (TANs) or issuing short-term revenue (**Note: This is different than the CARES Act CRF, which allowed use of funds for TANs**)
- ❑ **Legal settlement** or judgements
- ❑ **Deposits to rainy day funds** or financial reserves
- ❑ **General infrastructure** spending outside of water, sewer and broadband investments or above the amount allocated under “revenue loss” recoupment provision
- ❑ **General economic development or workforce development activities**, unless they directly address negative economic impacts of the public health emergency or related to the “revenue loss” provision

OUTSIDE OF WATER, SEWER, BROADBAND AND FACILITY UPGRADES RELATED TO COVID-19 RESPONSE AND MITIGATION, GENERAL INFRASTRUCTURE AND ECONOMIC DEVELOPMENT PROJECTS, SUCH AS NEW JAILS, ROADS AND BRIDGES AND BUSINESS PARKS, ARE PROHIBITED. **HOWEVER, COUNTIES MAY USE THE PORTION OF THEIR “REVENUE LOSS” RECOUPMENT FOR THESE TYPES OF INVESTMENTS**

## 9. REPORTING REQUIREMENTS

INTERIM FINAL RULE: REFERENCES P. 110-112 | RULE DEFINITIONS P. 137

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*Counties are required to submit an Interim Report, Quarterly Project and Expenditure Reports, and Annual Recovery Plan Performance Reports as specified below, regarding their utilization of Coronavirus State and Local Fiscal Recovery Funds.*

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- **INTERIM REPORTS**

Counties are required to submit one Interim Report, which will include the county's expenditures by category at the summary level

- ❑ The Interim Report will cover spending from the date the county receives Funds to July 31, 2021
- ❑ **The Interim Report is due by August 31, 2021**
- ❑ This report will be similar to that of the CARES Act Coronavirus Relief Fund
- ❑ *Treasury will release additional guidance on this report in the coming weeks*

- **QUARTERLY PROJECT AND EXPENDITURE REPORTS**

Counties are required to submit quarterly project and expenditure reports, including financial data, information on contracts and subawards over \$50,000 and other information regarding utilization of funds

- ❑ First report will cover spending from the date the county receives Funds to September 30, 2021
- ❑ **First report is due by October 31, 2021**
- ❑ These reports will be similar to CARES Act Coronavirus Relief Fund

- **RECOVERY PLAN PERFORMANCE REPORTS**

**Counties above 250,000 population are required to submit an Annual Recovery Plan Performance Report**, including descriptions of projects funded and information on performance indicators and objectives of each award

- ❑ Initial recovery plan will cover activity from the date the county receives Recovery Funds to July 31, 2021
- ❑ Local governments *(including counties)* **with less than 250,000 residents are not required** to develop a Recovery Plan Performance Report
- ❑ *Recovery performance plan is due by August 31, 2021 for counties above 250,000 population*

**COUNTIES BELOW 250,000  
POPULATION ARE NOT  
REQUIRED TO SUBMIT AN  
ANNUAL RECOVERY PLAN  
PERFORMANCE REPORT**

## 10. KEY DEFINITIONS

INTERIM FINAL RULE: RULE DEFINITIONS P. 130-151

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*Treasury provides a list of definitions in the Interim Final Rule, which are essential to understand and comply with the eligible uses and requirements of Recovery Funds.*

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1. **COUNTY:** County, parish or other equivalent county division (i.e. Borough in Alaska)
2. **COVERED BENEFITS:** The costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers' compensation insurance, and Federal Insurance Contributions Act taxes (which includes Social Security and Medicare taxes). *(NOTE: This is an important definition linked to the exemption for pensions related to county payroll support for their employees)*
3. **COVERED PERIOD:** Begins on March 3, 2021 and ends on December 31, 2024. Counties must adhere to the parameters of the covered period just as States and territorial governments. However, there are exceptions to the covered period:
  - Funds must be **INCURRED** (i.e. obligated) by December 31, 2024
  - Funds must be **EXPENDED** with all **WORK PERFORMED** and **COMPLETED** by December 31, 2026
  - Counties may provide premium pay retroactively**, dating back to the start of the public health emergency on January 27, 2020
4. **DEPOSIT:** Extraordinary payment of an accrued, unfunded liability. The term *deposit* does not refer to routine contributions made by an employer to pension funds as part of the employer's obligations related to payroll, such as either a pension contribution consisting of a normal cost component related to current employees or a component addressing the amortization of unfunded liabilities calculated by reference to the employer's payroll costs
5. **ELIGIBLE EMPLOYER:** An employer of an eligible worker who performs essential work
6. **ELIGIBLE WORKER:** Workers needed to maintain continuity of operations of essential critical infrastructure sectors, including health care; emergency response; sanitation, disinfection, and cleaning work; maintenance work; grocery stores, restaurants, food production, and food delivery; pharmacy; biomedical research; behavioral health work; medical testing and diagnostics; home- and community-based health care or assistance with activities of daily living; family or child care; social services work; public health work; vital services to Tribes; **any work performed by an employee of a State, local, or Tribal government**; educational work, school nutrition work, and other work required to operate a school facility; laundry work; elections work; solid waste or hazardous materials management, response, and cleanup

work; work requiring physical interaction with patients; dental care work; transportation and warehousing; work at hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment; work in a mortuary; work in critical clinical research, development, and testing necessary for COVID-19 response

- ❑ **With respect to a county recipient,** workers in any additional sectors as **each chief executive officer** of such recipient (*i.e. county government*) may designate as critical to protect the health and well-being of the residents of their county

7. **ESSENTIAL WORK:** Work that is not performed while teleworking from a residence and involves regular in-person interactions with patients, the public or coworkers of the individual that is performing the work **OR** regular physical handling of items that were handled by, or are to be handled by patients, the public, or coworkers of the individual that is performing the work
8. **GENERAL REVENUE:** Money that is received from tax revenue, current charges, and miscellaneous general revenue, excluding refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and intergovernmental transfers from the federal government, including transfers made pursuant to section 9901 of the American Rescue Plan Act. General revenue does not include revenues from utilities. Revenue from Tribal business enterprises must be included in general revenue
9. **NON-PROFIT:** Non-profit organization that is exempt from Federal income taxation and that is described in section 501(c)(3) of the Internal Revenue Code
10. **PREMIUM PAY:** An amount of up to \$13 per hour that is paid to an eligible worker, in addition to wages or remuneration the eligible worker otherwise receives, for all work performed by the eligible worker during the COVID-19 public health emergency (*i.e.* since January 27, 2020). Such amount may not exceed \$25,000 with respect to any single eligible worker. Premium pay will be considered to be in addition to wages or remuneration the eligible worker otherwise receives if, as measured on an hourly rate, the premium pay is:
  1. With regard to work that the eligible worker previously performed, pay and remuneration equal to the sum of all wages and remuneration previously received plus up to \$13 per hour with no reduction, substitution, offset or other diminishment of the eligible worker’s previous, current or prospective wages or remuneration, **or**
  2. With regard to work that the eligible worker continues to perform, pay of up to \$13 that is in addition to the eligible worker’s regular rate of wages or remuneration, with no reduction, substitution, offset or other diminishment of the workers’ current and prospective wages or remuneration
11. **SMALL BUSINESS:** A business concern or other organization that: (1) Has no more than 500 employees, or if applicable, the size standard in number of employees established by the Administrator of the Small



Business Administration for the industry in which the business concern or organization operates, and (2) Is a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632)

12. **PENSION FUND:** Defined benefit plan and does not include a defined contribution plan
13. **RECIPIENT:** A state, territory, tribal government, metropolitan city, nonentitlement unit of local government, county, or unite of general local government that receives a payment made under section 602(b) of the Social Security Act or transfer pursuant to section 603(c)(4) of the Social Security Act
14. **REPORTING YEAR:** The Interim Final Rule defines “reporting year” as a single year within the covered period, aligned to the current fiscal year of the recipient government during the covered period, for which a recipient government reports the value of covered changes and any sources of offsetting revenue increases (“in-year” value), regardless of when those changes were enacted. For the fiscal years ending in 2021 or 2025 (partial years), the term “reporting year” refers to the portion of the year falling within the covered period. For example, the reporting year for a fiscal year beginning July 2020 and ending June 2021 would be from March 3, 2021 to July 2021
15. **UNSERVED AND UNDERSERVED HOUSEHOLD OR BUSINESS:** One or more households or businesses that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed

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[CLICK HERE TO SUBMIT QUESTIONS TO THE NACO STAFF](#)  
[CLICK HERE TO SUBMIT YOUR COUNTY INVESTMENT EXAMPLES](#)

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### How Can We Help?

Use the form below to ask a question, and NACo staff will respond via email. Please also explore our curated resources, including guidance, FAQs and more.

- Latest Resources
- NACo Recovery Fund FAQs
- Your County's ARP Allocation
- NACo ARPA Analysis

ASK A QUESTION

### Share Your Story

How is your county responding to the coronavirus pandemic and driving the recovery in your community. Use the form below to share how your county is using federal relief funds with NACo.

For resources to share your story with local media [click here](#).

SHARE YOUR STORY

## 10. APPENDIX: EXAMPLES OF ELIGIBLE USES OF RECOVERY FUNDS

PUBLIC HEALTH		
<p><b>COVID-19 response</b></p> <ul style="list-style-type: none"> <li>• Vaccination programs</li> <li>• Medical care</li> <li>• Testing</li> <li>• Contact tracing</li> <li>• Isolation and quarantine</li> <li>• Medical or public health access for vulnerable populations</li> <li>• Public health surveillance</li> <li>• Public health order enforcement</li> <li>• Public communication</li> <li>• Health care capacity enhancement</li> <li>• Capital investments in mitigation tactics in public facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Personal protective equipment (PPE) purchases</li> <li>• Prevention and mitigation in congregate living facilities and schools</li> <li>• Ventilation improvements in congregate and health care settings</li> <li>• Public health data system enhancements</li> </ul>	<p><b>Behavioral health</b></p> <ul style="list-style-type: none"> <li>• Mental health treatment</li> <li>• Substance misuse treatment</li> <li>• Crisis intervention</li> <li>• Outreach to promote access to health and social services</li> </ul> <p><b>Payroll</b></p> <ul style="list-style-type: none"> <li>• Public health, health care, human services, public safety, and others who work on COVID-19 response</li> <li>• Payroll and benefit costs for employees or units/divisions primarily dedicated to COVID-19 response</li> </ul>

ECONOMIC IMPACTS	
<p><b>Households</b></p> <ul style="list-style-type: none"> <li>• Food assistance, rent, mortgage, utilities</li> <li>• Counseling and legal aid to prevent eviction or homelessness</li> <li>• Cash assistance</li> <li>• Burial assistance</li> <li>• Survivor’s benefits</li> <li>• Home repairs and weatherization</li> <li>• Internet access or digital literacy assistance</li> <li>• Job training to address negative economic or public health impacts</li> </ul> <p><b>Public Sector</b></p> <ul style="list-style-type: none"> <li>• Rehiring public sector staff up to pre-pandemic levels</li> <li>• Replenishing unemployment insurance (UI) trust funds up to pre-pandemic levels</li> <li>• Building internal capacity to implement economic relief programs, with investments in data analysis, targeted outreach,</li> </ul>	<p><b>Hardest-hit Communities</b></p> <ul style="list-style-type: none"> <li>• Limited to spending within a Qualified Census Tract, families living in Qualified Census Tracts, other populations, households, or geographic areas disproportionately impacted by the pandemic</li> <li>• Community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs</li> <li>• Services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity</li> <li>• New or expanded early learning services, additional resources for high-poverty school districts, educational services like tutoring or afterschool programs and services to address social, emotional, and mental health needs</li> <li>• New or expanded high quality child care, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth</li> </ul>

<p>technology infrastructure, and impact evaluations</p>	<p><b>Small Businesses &amp; Nonprofits</b></p> <ul style="list-style-type: none"> <li>• Loans or grants to mitigate revenue declines, closures (e.g., payroll and benefits support, employee retention, mortgage, rent, utilities, other operating costs)</li> <li>• Loans, grants, or in-kind assistance to implement prevention or mitigation tactics (e.g., social distancing, enhanced cleaning, barriers or partitions, vaccination, testing, contact tracing)</li> <li>• Technical assistance, counseling, or other services to assist business planning</li> <li>• Support for tourism, travel, and hospitality sectors</li> </ul>
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REVENUE LOSS
<ul style="list-style-type: none"> <li>• Broad latitude to support government services, up to the amount of the lost revenue</li> <li>• Includes revenue from taxes, current charges, and miscellaneous general revenue</li> <li>• Calculated at four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023</li> <li>• Upon receiving payments, recipients may immediately calculate revenue loss for the period ending December 31, 2020</li> <li>• Excludes refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and revenue generated by utilities and insurance trusts</li> <li>• Includes intergovernmental transfers between state and local governments, but excludes transfers from the federal government</li> <li>• Recipients must calculate revenue on an entity-wide basis rather than a source-by-source basis</li> <li>• Includes current charges that would be included in the Census Bureau's definition of state or local government general revenue from own sources, such as revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities</li> </ul>

PREMIUM PAY FOR ESSENTIAL WORKERS
<ul style="list-style-type: none"> <li>• <b>Any work performed by an employee of the state, local or tribal government</b></li> <li>• Staff at nursing homes, hospitals, and home-care settings</li> <li>• Workers at farms, food production facilities, grocery stores, and restaurants</li> <li>• Janitors and sanitation workers</li> <li>• Public health and safety staff</li> <li>• Truck drivers, transit staff, and warehouse workers</li> <li>• Child care workers, educators, and school staff</li> <li>• Social service and human services staff</li> <li>• Retrospective and prospective premium pay permissible</li> <li>• Staff working for third-party contractors in eligible sectors</li> </ul>

## WATER & SEWER INFRASTRUCTURE

- Drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines
- Wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works
- Projects that address the impacts of climate change
- Aligns eligible projects with the Clean Water State Revolving Fund and Drinking Water State Revolving Fund
- Encourages projects to use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions

## BROADBAND INFRASTRUCTURE

- Investments in areas that are currently unserved or underserved (i.e., lacking a wireline connection that reliably delivers minimum speeds of 25 Mbps download and 3 Mbps upload)
- Prioritize projects that achieve last-mile connections to households and businesses
- Projects that deliver services offering reliable 100 Mbps download and 100 Mbps upload speeds, *unless impracticable due to topography, geography, or cost*
- Fiber optic investments



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## **Coronavirus State and Local Fiscal Recovery Funds**

### **Frequently Asked Questions**

**AS OF MAY 25, 2021**

This document contains answers to frequently asked questions regarding the Coronavirus State and Local Fiscal Recovery Funds (CSFRF / CLFRF, or Fiscal Recovery Funds). Treasury will be updating this document periodically in response to questions received from stakeholders. Recipients and stakeholders should consult the [Interim Final Rule](#) for additional information.

- For overall information about the program, including information on requesting funding, please see <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments>
- For general questions about CSFRF / CLFRF, please email [SLFRP@treasury.gov](mailto:SLFRP@treasury.gov)
- Treasury is seeking comment on all aspects of the Interim Final Rule. Stakeholders are encouraged to submit comments electronically through the Federal eRulemaking Portal (<https://www.regulations.gov/document/TREAS-DO-2021-0008-0002>) on or before July 16, 2021. Please be advised that comments received will be part of the public record and subject to public disclosure. Do not disclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

### **Eligibility and Allocations**

#### **1. Which governments are eligible for funds?**

The following governments are eligible:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities
- Non-entitlement units, or smaller local governments

#### **2. Which governments receive funds directly from Treasury?**

Treasury will distribute funds directly to each eligible state, territory, metropolitan city, county, or Tribal government. Smaller local governments that are classified as non-entitlement units will receive funds through their applicable state government.

#### **3. Are special-purpose units of government eligible to receive funds?**

Special-purpose units of local government will not receive funding allocations; however, a state, territory, local, or Tribal government may transfer funds to a special-purpose unit

of government. Special-purpose districts perform specific functions in the community, such as fire, water, sewer or mosquito abatement districts.

**4. How are funds being allocated to Tribal governments, and how will Tribal governments find out their allocation amounts?**

\$20 billion of Fiscal Recovery Funds was reserved for Tribal governments. The American Rescue Plan Act specifies that \$1 billion will be allocated evenly to all eligible Tribal governments. The remaining \$19 billion will be distributed using an allocation methodology based on enrollment and employment.

There will be two payments to Tribal governments. Each Tribal government's first payment will include (i) an amount in respect of the \$1 billion allocation that is to be divided equally among eligible Tribal governments and (ii) each Tribal government's pro rata share of the Enrollment Allocation. Tribal governments will be notified of their allocation amount and delivery of payment 4-5 days after completing request for funds in the Treasury Submission Portal. The deadline to make the initial request for funds is June 7, 2021.

In late-May or shortly after completing the initial request for funds, Tribal governments will receive an email notification to re-enter the Treasury Submission Portal to confirm or amend their 2019 employment numbers that were submitted to the Department of the Treasury for the CARES Act's Coronavirus Relief Fund. The deadline to confirm employment numbers is June 21, 2021. Treasury will calculate each Tribal government's pro rata share of the Employment Allocation for those Tribal governments that confirmed or submitted amended employment numbers. In late-June, Treasury will communicate to Tribal governments the amount of their portion of the Employment Allocation and the anticipated date for the second payment.

**Eligible Uses – Responding to the Public Health Emergency / Negative Economic Impacts**

**5. What types of COVID-19 response, mitigation, and prevention activities are eligible?**

A broad range of services are needed to contain COVID-19 and are eligible uses, including vaccination programs; medical care; testing; contact tracing; support for isolation or quarantine; supports for vulnerable populations to access medical or public health services; public health surveillance (e.g., monitoring case trends, genomic sequencing for variants); enforcement of public health orders; public communication efforts; enhancement to health care capacity, including through alternative care facilities; purchases of personal protective equipment; support for prevention, mitigation, or other services in congregate living facilities (e.g., nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools; ventilation improvements in congregate settings, health care settings, or other key locations; enhancement of public health data systems; and other public health responses. Capital investments in public facilities to meet pandemic operational needs are also eligible, such

as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics.

**6. If a use of funds was allowable under the Coronavirus Relief Fund (CRF) to respond to the public health emergency, may recipients presume it is also allowable under CSFRF/CLFRF?**

Generally, funding uses eligible under CRF as a response to the direct public health impacts of COVID-19 will continue to be eligible under CSFRF/CLFRF, with the following two exceptions: (1) the standard for eligibility of public health and safety payrolls has been updated; and (2) expenses related to the issuance of tax-anticipation notes are not an eligible funding use.

**7. If a use of funds is not explicitly permitted in the Interim Final Rule as a response to the public health emergency and its negative economic impacts, does that mean it is prohibited?**

The Interim Final Rule contains a non-exclusive list of programs or services that may be funded as responding to COVID-19 or the negative economic impacts of the COVID-19 public health emergency, along with considerations for evaluating other potential uses of Fiscal Recovery Funds not explicitly listed. The Interim Final Rule also provides flexibility for recipients to use Fiscal Recovery Funds for programs or services that are not identified on these non-exclusive lists but which meet the objectives of section 602(c)(1)(A) or 603(c)(1)(A) by responding to the COVID-19 public health emergency with respect to COVID-19 or its negative economic impacts.

**8. May recipients use funds to respond to the public health emergency and its negative economic impacts by replenishing state unemployment funds?**

Consistent with the approach taken in the CRF, recipients may make deposits into the state account of the Unemployment Trust Fund up to the level needed to restore the pre-pandemic balances of such account as of January 27, 2020, or to pay back advances received for the payment of benefits between January 27, 2020 and the date when the Interim Final Rule is published in the Federal Register.

**9. What types of services are eligible as responses to the negative economic impacts of the pandemic?**

Eligible uses in this category include assistance to households; small businesses and non-profits; and aid to impacted industries.

Assistance to households includes, but is not limited to: food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative

economic or public health impacts experienced due to a worker's occupation or level of training.

Assistance to small business and non-profits includes, but is not limited to:

- loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;
- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs

**10. May recipients use funds to respond to the public health emergency and its negative economic impacts by providing direct cash transfers to households?**

Yes, provided the recipient considers whether, and the extent to which, the household has experienced a negative economic impact from the pandemic. Additionally, cash transfers must be reasonably proportional to the negative economic impact they are intended to address. Cash transfers grossly in excess of the amount needed to address the negative economic impact identified by the recipient would not be considered to be a response to the COVID-19 public health emergency or its negative impacts. In particular, when considering appropriate size of permissible cash transfers made in response to the COVID-19 public health emergency, state, local, territorial, and Tribal governments may consider and take guidance from the per person amounts previously provided by the federal government in response to the COVID crisis.

**11. May funds be used to reimburse recipients for costs incurred by state and local governments in responding to the public health emergency and its negative economic impacts prior to passage of the American Rescue Plan?**

Use of Fiscal Recovery Funds is generally forward looking. The Interim Final Rule permits funds to be used to cover costs incurred beginning on March 3, 2021.

**12. May recipients use funds for general economic development or workforce development?**

Generally, not. Recipients must demonstrate that funding uses directly address a negative economic impact of the COVID-19 public health emergency, including funds used for economic or workforce development. For example, job training for unemployed workers may be used to address negative economic impacts of the public health emergency and be eligible.



**13. How can recipients use funds to assist the travel, tourism, and hospitality industries?**

Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic. For example, a recipient may provide aid to support safe reopening of businesses in the tourism, travel and hospitality industries and to districts that were closed during the COVID-19 public health emergency, as well as aid a planned expansion or upgrade of tourism, travel and hospitality facilities delayed due to the pandemic.

Tribal development districts are considered the commercial centers for tribal hospitality, gaming, tourism and entertainment industries.

**14. May recipients use funds to assist impacted industries other than travel, tourism, and hospitality?**

Yes, provided that recipients consider the extent of the impact in such industries as compared to tourism, travel, and hospitality, the industries enumerated in the statute. For example, nationwide the leisure and hospitality industry has experienced an approximately 17 percent decline in employment and 24 percent decline in revenue, on net, due to the COVID-19 public health emergency. Recipients should also consider whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic.

Recipients should maintain records to support their assessment of how businesses or business districts receiving assistance were affected by the negative economic impacts of the pandemic and how the aid provided responds to these impacts.

**15. How does the Interim Final Rule help address the disparate impact of COVID-19 on certain populations and geographies?**

In recognition of the disproportionate impacts of the COVID-19 virus on health and economic outcomes in low-income and Native American communities, the Interim Final Rule identifies a broader range of services and programs that are considered to be in response to the public health emergency when provided in these communities. Specifically, Treasury will presume that certain types of services are eligible uses when provided in a Qualified Census Tract (QCT), to families living in QCTs, or when these services are provided by Tribal governments.

Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately-impacted communities, recipients should be able to support their determination for how the pandemic disproportionately impacted the populations, households, or geographic areas to be served.

Eligible services include:

- Addressing health disparities and the social determinants of health, including: community health workers, public benefits navigators, remediation of lead paint or other lead hazards, and community violence intervention programs;
- Building stronger neighborhoods and communities, including: supportive housing and other services for individuals experiencing homelessness, development of affordable housing, and housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity;
- Addressing educational disparities exacerbated by COVID-19, including: early learning services, increasing resources for high-poverty school districts, educational services like tutoring or afterschool programs, and supports for students’ social, emotional, and mental health needs; and
- Promoting healthy childhood environments, including: child care, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

**Eligible Uses – Revenue Loss**

**16. How is revenue defined for the purpose of this provision?**

The Interim Final Rule adopts a definition of “General Revenue” that is based on, but not identical, to the Census Bureau’s concept of “General Revenue from Own Sources” in the Annual Survey of State and Local Government Finances.

General Revenue includes revenue from taxes, current charges, and miscellaneous general revenue. It excludes refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and revenue generated by utilities and insurance trusts. General revenue also includes intergovernmental transfers between state and local governments, but excludes intergovernmental transfers from the Federal government, including Federal transfers made via a state to a locality pursuant to the CRF or the Fiscal Recovery Funds.

Tribal governments may include all revenue from Tribal enterprises and gaming operations in the definition of General Revenue.

**17. Will revenue be calculated on an entity-wide basis or on a source-by-source basis (e.g. property tax, income tax, sales tax, etc.)?**

Recipients should calculate revenue on an entity-wide basis. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID- 19 public health emergency on a recipient’s revenue, rather than relying on

financial reporting prepared by each recipient, which vary in methodology used and which generally aggregates revenue by purpose rather than by source.

**18. Does the definition of revenue include outside concessions that contract with a state or local government?**

Recipients should classify revenue sources as they would if responding to the U.S. Census Bureau’s Annual Survey of State and Local Government Finances. According to the Census Bureau’s [Government Finance and Employment Classification manual](#), the following is an example of current charges that would be included in a state or local government’s general revenue from own sources: “Gross revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities.”

**19. What is the time period for estimating revenue loss? Will revenue losses experienced prior to the passage of the Act be considered?**

Recipients are permitted to calculate the extent of reduction in revenue as of four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023. This approach recognizes that some recipients may experience lagged effects of the pandemic on revenues.

Upon receiving Fiscal Recovery Fund payments, recipients may immediately calculate revenue loss for the period ending December 31, 2020.

**20. What is the formula for calculating the reduction in revenue?**

A reduction in a recipient’s General Revenue equals:

$$\text{Max} \{ [\text{Base Year Revenue} * (1 + \text{Growth Adjustment})^{\left(\frac{n}{12}\right)} ] - \text{Actual General Revenue}_t ; 0 \}$$

Where:

*Base Year Revenue* is General Revenue collected in the most recent full fiscal year prior to the COVID-19 public health emergency.

*Growth Adjustment* is equal to the greater of 4.1 percent (or 0.041) and the recipient’s average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency.

*n* equals the number of months elapsed from the end of the base year to the calculation date.

*Actual General Revenue* is a recipient's actual general revenue collected during 12-month period ending on each calculation date.

Subscript  $t$  denotes the calculation date.

**21. Are recipients expected to demonstrate that reduction in revenue is due to the COVID-19 public health emergency?**

In the Interim Final Rule, any diminution in actual revenue calculated using the formula above would be presumed to have been "due to" the COVID-19 public health emergency. This presumption is made for administrative ease and in recognition of the broad-based economic damage that the pandemic has wrought.

**22. May recipients use pre-pandemic projections as a basis to estimate the reduction in revenue?**

No. Treasury is disallowing the use of projections to ensure consistency and comparability across recipients and to streamline verification. However, in estimating the revenue shortfall using the formula above, recipients may incorporate their average annual revenue growth rate in the three full fiscal years prior to the public health emergency.

**23. Once a recipient has identified a reduction in revenue, are there any restrictions on how recipients use funds up to the amount of the reduction?**

The Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. Government services can include, but are not limited to, maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.

However, paying interest or principal on outstanding debt, replenishing rainy day or other reserve funds, or paying settlements or judgments would not be considered provision of a government service, since these uses of funds do not entail direct provision of services to citizens. This restriction on paying interest or principal on any outstanding debt instrument, includes, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt. In addition, the overarching restrictions on all program funds (e.g., restriction on pension deposits, restriction on using funds for non-federal match where barred by regulation or statute) would apply.

**Eligible Uses – General**

**24. May recipients use funds to replenish a budget stabilization fund, rainy day fund, or similar reserve account?**

No. Funds made available to respond to the public health emergency and its negative economic impacts are intended to help meet pandemic response needs and provide immediate stabilization for households and businesses. Contributions to rainy day funds and similar reserves funds would not address these needs or respond to the COVID-19 public health emergency, but would rather be savings for future spending needs. Similarly, funds made available for the provision of governmental services (to the extent of reduction in revenue) are intended to support direct provision of services to citizens. Contributions to rainy day funds are not considered provision of government services, since such expenses do not directly relate to the provision of government services.

**25. May recipients use funds to invest in infrastructure other than water, sewer, and broadband projects (e.g. roads, public facilities)?**

Under 602(c)(1)(C) or 603(c)(1)(C), recipients may use funds for maintenance of infrastructure or pay-go spending for building of new infrastructure as part of the general provision of government services, to the extent of the estimated reduction in revenue due to the public health emergency.

Under 602(c)(1)(A) or 603(c)(1)(A), a general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

**26. May recipients use funds to pay interest or principal on outstanding debt?**

No. Expenses related to financing, including servicing or redeeming notes, would not address the needs of pandemic response or its negative economic impacts. Such expenses would also not be considered provision of government services, as these financing expenses do not directly provide services or aid to citizens.

This applies to paying interest or principal on any outstanding debt instrument, including, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt.

**27. May recipients use funds to satisfy nonfederal matching requirements under the Stafford Act? May recipients use funds to satisfy nonfederal matching requirements generally?**

Fiscal Recovery Funds are subject to pre-existing limitations in other federal statutes and regulations and may not be used as non-federal match for other Federal programs whose statute or regulations bar the use of Federal funds to meet matching requirements. For

example, expenses for the state share of Medicaid are not an eligible use. For information on FEMA programs, please [see here](#).

### **Eligible Uses – Premium Pay**

#### **28. What criteria should recipients use in identifying essential workers to receive premium pay?**

Essential workers are those in critical infrastructure sectors who regularly perform in-person work, interact with others at work, or physically handle items handled by others.

Critical infrastructure sectors include healthcare, education and childcare, transportation, sanitation, grocery and food production, and public health and safety, among others, as provided in the Interim Final Rule. Governments receiving Fiscal Recovery Funds have the discretion to add additional sectors to this list, so long as the sectors are considered critical to protect the health and well-being of residents.

The Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers.

#### **29. What criteria should recipients use in identifying third-party employers to receive grants for the purpose of providing premium pay to essential workers?**

Any third-party employers of essential workers are eligible. Third-party contractors who employ essential workers in eligible sectors are also eligible for grants to provide premium pay. Selection of third-party employers and contractors who receive grants is at the discretion of recipients.

To ensure any grants respond to the needs of essential workers and are made in a fair and transparent manner, the rule imposes some additional reporting requirements for grants to third-party employers, including the public disclosure of grants provided.

#### **30. May recipients provide premium pay retroactively for work already performed?**

Yes. Treasury encourages recipients to consider providing premium pay retroactively for work performed during the pandemic, recognizing that many essential workers have not yet received additional compensation for their service during the pandemic.

### **Eligible Uses – Water, Sewer, and Broadband Infrastructure**

#### **31. What types of water and sewer projects are eligible uses of funds?**

The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance

through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

Under the DWSRF, categories of [eligible projects](#) include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

Under the CWSRF, categories of [eligible projects](#) include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

As mentioned in the Interim Final Rule, eligible projects under the DWSRF and CWSRF support efforts to address climate change, as well as to meet cybersecurity needs to protect water and sewer infrastructure. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury also encourages recipients to consider projects to replace lead service lines.

**32. May construction on eligible water, sewer, or broadband infrastructure projects continue past December 31, 2024, assuming funds have been obligated prior to that date?**

Yes. Treasury is interpreting the requirement that costs be incurred by December 31, 2024 to only require that recipients have obligated the funds by such date. The period of performance will run until December 31, 2026, which will provide recipients a reasonable amount of time to complete projects funded with Fiscal Recovery Funds.

**33. May recipients use funds as a non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?**

Recipients may not use funds as a state match for the CWSRF and DWSRF due to prohibitions in utilizing federal funds as a state match in the authorizing statutes and regulations of the CWSRF and DWSRF.

**34. Does the National Environmental Policy Act (NEPA) apply to eligible infrastructure projects?**

NEPA does not apply to Treasury's administration of the Funds. Projects supported with payments from the Funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

**35. What types of broadband projects are eligible?**

The Interim Final Rule requires eligible projects to reliably deliver minimum speeds of 100 Mbps download and 100 Mbps upload. In cases where it is impracticable due to geography, topography, or financial cost to meet those standards, projects must reliably deliver at least 100 Mbps download speed, at least 20 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.

Projects must also be designed to serve unserved or underserved households and businesses, defined as those that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed.

**36. For broadband investments, may recipients use funds for related programs such as cybersecurity or digital literacy training?**

Yes. Recipients may use funds to provide assistance to households facing negative economic impacts due to Covid-19, including digital literacy training and other programs that promote access to the Internet. Recipients may also use funds for modernization of cybersecurity, including hardware, software, and protection of critical infrastructure, as part of provision of government services up to the amount of revenue lost due to the public health emergency.

**Non-Entitlement Units (NEUs)**

**37. Can states impose requirements or conditions on the transfer of funds to NEUs?**

As the statute requires states to make distributions based on population, states may not place additional conditions or requirements on distributions to NEUs, beyond those required by the ARPA and Treasury's implementing regulations and guidance.

For example, states may not impose stricter limitations than permitted by statute or Treasury regulations or guidance on an NEU's use of Fiscal Recovery Funds based on the NEU's proposed spending plan or other policies, nor permitted to offset any debt owed by the NEU against its payment. Further, states may not provide funding on a reimbursement basis (e.g., requiring NEUs to pay for project costs up front before being reimbursed with Fiscal Recovery Fund payments), because this approach would not comport with the statutory requirement that states make distributions to NEUs within the statutory timeframe.

**38. Can states transfer additional funds to local governments beyond amount allocated to NEUs?**

Yes. The Interim Final Rule permits states, territories, and Tribal governments to transfer Fiscal Recovery Funds to other constituent units of government or private entities beyond those specified in the statute, as long as the transferee abides by the transferor's eligible use and other requirements. Similarly, local governments are authorized to transfer Fiscal Recovery Funds to other constituent units of government (e.g., a county is able to transfer Fiscal Recovery Funds to a city, town or school district within it).



**39. What is the definition of “budget” for the purpose of the 75 percent cap on NEU payments, and who is responsible for enforcing this cap?**

States are responsible for enforcing the “75 percent cap” on NEU payments, which is a statutory requirement that distributions to NEUs not exceed 75 percent of the NEU’s most recent budget. Treasury interprets the most recent budget as the NEU’s most recent annual total operating budget, including its general fund and other funds, as of January 27, 2020. States may rely for this determination on a certified top-line budget total from the NEU. Funding amounts in excess of such cap must be returned to Treasury.

**40. May states use funds to pay for the administrative costs of allocating and distributing money to the NEUs?**

Yes. If necessary, states may use Fiscal Recovery Funds to support the administrative costs of allocating and distributing money to NEUs, as disbursing these funds itself is a response to the public health emergency and its negative economic impacts.

**41. When will states get their payments for NEUs? When will NEUs get their payments?**

States can find their state-level allocations for NEUs on the Treasury website. Treasury plans to issue further guidance on distributions and payments to NEUs in the coming days.

State governments that request their own funds under the Coronavirus State Fiscal Recovery Fund through Treasury’s Submission Portal will be considered by Treasury to have requested funding for their non-entitlement units as well.

**42. When will NEUs know if they are eligible for payment?**

Treasury plans to provide further guidance on distributions and payments to NEUs in the coming days.

**Ineligible Uses**

**43. What is meant by a pension “deposit”? Can governments use funds for routine pension contributions for employees whose payroll and covered benefits are eligible expenses?**

Treasury interprets “deposit” in this context to refer to an extraordinary payment into a pension fund for the purpose of reducing an accrued, unfunded liability. More specifically, the interim final rule does not permit this assistance to be used to make a payment into a pension fund if both: (1) the payment reduces a liability incurred prior to the start of the COVID-19 public health emergency, and (2) the payment occurs outside the recipient’s regular timing for making such payments.

Under this interpretation, a “deposit” is distinct from a “payroll contribution,” which occurs when employers make payments into pension funds on regular intervals, with contribution amounts based on a pre-determined percentage of employees’ wages and salaries. In general, if an employee’s wages and salaries are an eligible use of Fiscal Recovery Funds, recipients may treat the employee’s covered benefits as an eligible use of Fiscal Recovery Funds.

## Reporting

### 44. What records must be kept by governments receiving funds?

Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later. This includes those which demonstrate the award funds were used for eligible purposes in accordance with the ARPA, Treasury’s regulations implementing those sections, and Treasury’s guidance on eligible uses of funds.

### 45. What reporting will be required, and when will the first report be due?

Recipients will be required to submit an interim report, quarterly project and expenditure reports, and annual recovery plan performance reports as specified below, regarding their utilization of Coronavirus State and Local Fiscal Recovery Funds.

Interim reports: States (defined to include the District of Columbia), territories, metropolitan cities, counties, and Tribal governments will be required to submit one interim report. The interim report will include a recipient’s expenditures by category at the summary level and for states, information related to distributions to nonentitlement units of local government must also be included in the interim report. The interim report will cover activity from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Nonentitlement units of local government are not required to submit an interim report.

Quarterly Project and Expenditure reports: State (defined to include the District of Columbia), territorial, metropolitan city, county, and Tribal governments will be required to submit quarterly project and expenditure reports. This report will include financial data, information on contracts and subawards over \$50,000, types of projects funded, and other information regarding a recipient’s utilization of award funds. Reports will be required quarterly with the exception of nonentitlement units, which will report annually. An interim report is due on August 31, 2021. The reports will include the same general data as those submitted by recipients of the Coronavirus Relief Fund, with some modifications to expenditure categories and the addition of data elements related to specific eligible uses. The initial quarterly Project and Expenditure report will cover two calendar quarters from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent quarterly reports will cover one calendar

quarter and must be submitted to Treasury within 30 days after the end of each calendar quarter.

Nonentitlement units of local government will be required to submit the project and expenditure report annually. The initial annual Project and Expenditure report for nonentitlement units of local government will cover activity from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

Recovery Plan Performance reports: States (defined to include the District of Columbia), territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to submit an annual recovery plan performance report to Treasury. This report will include descriptions of the projects funded and information on the performance indicators and objectives of each award, helping local residents understand how their governments are using the substantial resources provided by Coronavirus State and Local Fiscal Recovery Funds program. The initial recovery plan performance report will cover activity from date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the recovery plan performance reports will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period. The second Recovery Plan Performance report will cover the period from July 1, 2021 to June 30, 2022 and must be submitted to Treasury by July 31, 2022. Each annual recovery plan performance report must be posted on the public-facing website of the recipient. Local governments with fewer than 250,000 residents, Tribal governments, and nonentitlement units of local government are not required to develop a Recovery Plan Performance report.

Treasury will provide further guidance and instructions on the reporting requirements for program at a later date.

**46. What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply?**

Most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program, including the Cost Principles and Single Audit Act requirements. Recipients should refer to the Assistance Listing for detail on the specific provisions of the Uniform Guidance that do not apply to this program. The Assistance Listing will be available on beta.SAM.gov.

**Miscellaneous**

**47. May governments retain assets purchased with Fiscal Recovery Funds? If so, what rules apply to the proceeds of disposition or sale of such assets?**

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds. If such assets are disposed of prior to December 31, 2024, the proceeds would be subject to the restrictions on the eligible use of payments.

**48. Can recipients use funds for administrative purposes?**

Recipients may use funds to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID-19 public health emergency and its negative economic impacts. This includes, but is not limited to, costs related to disbursing payments of Fiscal Recovery Funds and managing new grant programs established using Fiscal Recovery Funds.

**Eligible Uses – Responding to the Public Health Emergency / Negative Economic Impacts**

**49. May recipients use funds to pay for vaccine incentive programs (e.g., cash or in-kind transfers, lottery programs, or other incentives for individuals who get vaccinated)?**

Yes. Under the Interim Final Rule, recipients may use Coronavirus State and Local Fiscal Recovery Funds to respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs. See forthcoming 31 CFR 35.6(b)(1)(i). Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit.

Stated Goals from the Governor’s office and General Assembly leadership on the use of Coronavirus State and Local Fiscal Recovery Funds.

- **Help public health.** The pandemic highlighted the need to upgrade state and local public health services, which have been long underfunded in Virginia, as well as the need to help people with the cost of housing and utilities.
- **Help small businesses.** Virginia’s small businesses need help—especially those that were first to close and last to re-open. We intend to fully fund the Rebuild Virginia small business recovery plan and augment relief dollars for the hardest-hit industries—restaurants, hotels, museums, gyms, and theaters. We will invest in Virginia Tourism’s work to recruit visitors back to Virginia, and help our Housing and Community Development team invest in Virginia’s main streets, small towns, and industrial revitalization.
- **Help workers.** The Unemployment Trust Fund needs a major infusion of new dollars to keep relief funds available for workers who lose their jobs—and avoid increased costs on Virginia businesses. The Virginia Employment Commission needs to continue upgrading its computer systems and hiring staff for a system that historically has been one of the lowest-funded unemployment systems in the country.
- **Help public schools.** The pandemic highlighted the need to modernize public school buildings across Virginia. This includes rehabilitating and upgrading existing facilities, improving air quality and HVAC systems, and improving safety. We expect that other federal dollars will enable additional future investments.
- **Fully deploy broadband across Virginia.** The pandemic highlighted a fundamental economic reality: People without broadband get left behind. This is a once-in-a-generation opportunity. Let’s accelerate a 10-year plan over the next 18 months—and bring broadband to all of Virginia’s cities and rural areas.

**DEPARTMENT OF THE TREASURY**

**31 CFR Part 35**

**RIN 1505-AC77**

**Coronavirus State and Local Fiscal Recovery Funds**

**AGENCY:** Department of the Treasury

**ACTION:** Interim Final Rule

**SUMMARY:** The Secretary of the Treasury (Treasury) is issuing this Interim Final Rule to implement the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act.

**DATES:** *Effective date:* The provisions in this Interim Final Rule are effective [\_\_\_\_], 2021.

*Comment date:* Comments must be received on or before [\_\_\_\_], 2021.

**ADDRESSES:** Please submit comments electronically through the Federal eRulemaking Portal:

<http://www.regulations.gov> [(if hard copy, preferably an original and two copies to the [Office of

the Undersecretary for Domestic Finance], Attention: [Name], Room [#####] MT, Department of

the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220. Because postal mail

may be subject to processing delay, it is recommended that comments be submitted

electronically.] All comments should be captions with “Coronavirus State and Local Fiscal

Recovery Funds Interim Final Rule Comments.” Please include your name, organization

affiliation, address, email address and telephone number in your comment. Where appropriate, a

comment should include a short executive summary (no more than [#] single-spaced pages).]

In general, comments received will be posted on <http://www.regulations.gov> without change,

including any business or personal information provided. Comments received, including

attachments and other supporting materials, will be part of the public record and subject to public

disclosure. Do not enclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

**FOR FURTHER INFORMATION CONTACT:**

[Name], [Title], [Office], 202-622-[#####], or [Name], [Title], [Office], 202-622-[#####].

**SUPPLEMENTARY INFORMATION:**

I. Background Information

A. Overview

Since the first case of coronavirus disease 2019 (COVID-19) was discovered in the United States in January 2020, the disease has infected over 32 million and killed over 575,000 Americans.<sup>1</sup> The disease has impacted every part of life: as social distancing became a necessity, businesses closed, schools transitioned to remote education, travel was sharply reduced, and millions of Americans lost their jobs. In April 2020, the national unemployment rate reached its highest level in over seventy years following the most severe month-over-month decline in employment on record.<sup>2</sup> As of April 2021, there were still 8.2 million fewer jobs than before the pandemic.<sup>3</sup> During this time, a significant share of households have faced food and housing insecurity.<sup>4</sup> Economic disruptions impaired the flow of credit to households, State and

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<sup>1</sup> Centers for Disease Control and Prevention, COVID Data Tracker, <http://www.covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited May 8, 2021).

<sup>2</sup> U.S. Bureau of Labor Statistics, Unemployment Rate [UNRATE], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/UNRATE>, May 3, 2021. U.S. Bureau of Labor Statistics, Employment Level [LNU02000000], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LNU02000000>, May 3, 2021.

<sup>3</sup> U.S. Bureau of Labor Statistics, All Employees, Total Nonfarm [PAYEMS], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PAYEMS>, May 7, 2021.

<sup>4</sup> Nirmita Panchal et al., The Implications of COVID-19 for Mental Health and Substance Abuse (Feb. 10, 2021), <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental->

local governments, and businesses of all sizes.<sup>5</sup> As businesses weathered closures and sharp declines in revenue, many were forced to shut down, especially small businesses.<sup>6</sup>

Amid this once-in-a-century crisis, State, territorial, Tribal, and local governments (State, local, and Tribal governments) have been called on to respond at an immense scale. Governments have faced myriad needs to prevent and address the spread of COVID-19, including testing, contact tracing, isolation and quarantine, public communications, issuance and enforcement of health orders, expansions to health system capacity like alternative care facilities, and in recent months, a massive nationwide mobilization around vaccinations. Governments also have supported major efforts to prevent COVID-19 spread through safety measures in settings like nursing homes, schools, congregate living settings, dense worksites, incarceration settings, and public facilities. The pandemic's impacts on behavioral health, including the toll of pandemic-related stress, have increased the need for behavioral health resources.

At the same time, State, local and Tribal governments launched major efforts to address the economic impacts of the pandemic. These efforts have been tailored to the needs of their communities and have included expanded assistance to unemployed workers; food assistance;

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health-and-substance-use/#:~:text=Older%20adults%20are%20also%20more,prior%20to%20the%20current%20crisis; U.S. Census Bureau, Household Pulse Survey: Measuring Social and Economic Impacts during the Coronavirus Pandemic, <https://www.census.gov/programs-surveys/household-pulse-survey.html> (last visited Apr. 26, 2021); Rebecca T. Leeb et al., Mental Health-Related Emergency Department Visits Among Children Aged <18 Years During the COVID Pandemic – United States, January 1 – October 17, 2020, *Morb. Mortal. Wkly. Rep.* 69(45):1675-80 (Nov. 13, 2020), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6945a3.htm>.

<sup>5</sup> Board of Governors of the Federal Reserve System, Monetary Policy Report (June 12, 2020), <https://www.federalreserve.gov/monetarypolicy/2020-06-mpr-summary.htm>.

<sup>6</sup> Joseph R. Biden, Remarks by President Biden on Helping Small Businesses (Feb. 22, 2021), <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/02/22/remarks-by-president-biden-on-helping-small-businesses/>.



rent, mortgage, and utility support; cash assistance; internet access programs; expanded services to support individuals experiencing homelessness; support for individuals with disabilities and older adults; and assistance to small businesses facing closures or revenue loss or implementing new safety measures.

In responding to the public health emergency and its negative economic impacts, State, local, and Tribal governments have seen substantial increases in costs to provide these services, often amid substantial declines in revenue due to the economic downturn and changing economic patterns during the pandemic.<sup>7</sup> Facing these budget challenges, many State, local, and Tribal governments have been forced to make cuts to services or their workforces, or delay critical investments. From February to May of 2020, State, local, and Tribal governments reduced their workforces by more than 1.5 million jobs and, in April of 2021, State, local, and Tribal government employment remained nearly 1.3 million jobs below pre-pandemic levels.<sup>8</sup> These cuts to State, local, and Tribal government workforces come at a time when demand for government services is high, with State, local, and Tribal governments on the frontlines of fighting the pandemic. Furthermore, State, local, and Tribal government austerity measures can hamper overall economic growth, as occurred in the recovery from the Great Recession.<sup>9</sup>

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<sup>7</sup> Michael Leachman, House Budget Bill Provides Needed Fiscal Aid for States, Localities, Tribal Nations, and Territories (Feb. 10, 2021), <https://www.cbpp.org/research/state-budget-and-tax/house-budget-bill-provides-needed-fiscal-aid-for-states-localities>.

<sup>8</sup> U.S. Bureau of Labor Statistics, All Employees, State Government [CES9092000001] and All Employees, Local Government [CES9093000001], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CES9092000001> and <https://fred.stlouisfed.org/series/CES9093000001> (last visited May 8, 2021).

<sup>9</sup> Tracy Gordon, State and Local Budgets and the Great Recession, Brookings Institution (Dec. 31, 2012), <http://www.brookings.edu/articles/state-and-local-budgets-and-the-great-recession>.

Finally, although the pandemic's impacts have been widespread, both the public health and economic impacts of the pandemic have fallen most severely on communities and populations disadvantaged before it began. Low-income communities, people of color, and Tribal communities have faced higher rates of infection, hospitalization, and death,<sup>10</sup> as well as higher rates of unemployment and lack of basic necessities like food and housing.<sup>11</sup> Pre-existing social vulnerabilities magnified the pandemic in these communities, where a reduced ability to work from home and, frequently, denser housing amplified the risk of infection. Higher rates of pre-existing health conditions also may have contributed to more severe COVID-19 health outcomes.<sup>12</sup> Similarly, communities or households facing economic insecurity before the pandemic were less able to weather business closures, job losses, or declines in earnings and were less able to participate in remote work or education due to the inequities in access to reliable and affordable broadband infrastructure.<sup>13</sup> Finally, though schools in all areas faced challenges, those in high poverty areas had fewer resources to adapt to remote and hybrid

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<sup>10</sup> Sebastian D. Romano et al., Trends in Racial and Ethnic Disparities in COVID-19 Hospitalizations, by Region – United States, March–December 2020, *MMWR Morb Mortal Wkly Rep* 2021, 70:560-565 (Apr. 16, 2021), [https://www.cdc.gov/mmwr/volumes/70/wr/mm7015e2.htm?s\\_cid=mm7015e2\\_w](https://www.cdc.gov/mmwr/volumes/70/wr/mm7015e2.htm?s_cid=mm7015e2_w).

<sup>11</sup> Center on Budget and Policy Priorities, Tracking the COVID-19 Recession's Effects on Food, Housing, and Employment Hardships, <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-housing-and> (last visited May 4, 2021).

<sup>12</sup> Lisa R. Fortuna et al., Inequity and the Disproportionate Impact of COVID-19 on Communities of Color in the United States: The Need for Trauma-Informed Social Justice Response, *Psychological Trauma* Vol. 12(5):443-45 (2020), available at <https://psycnet.apa.org/fulltext/2020-37320-001.pdf>.

<sup>13</sup> Emily Vogles et al., 53% of Americans Say the Internet Has Been Essential During the COVID-19 Outbreak (Apr. 30, 2020), <https://www.pewresearch.org/internet/2020/04/30/53-of-americans-say-the-internet-has-been-essential-during-the-covid-19-outbreak/>.

learning models.<sup>14</sup> Unfortunately, the pandemic also has reversed many gains made by communities of color in the prior economic expansion.<sup>15</sup>

#### B. The Statute and Interim Final Rule

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President.<sup>16</sup> Section 9901 of ARPA amended Title VI of the Social Security Act<sup>17</sup> (the Act) to add section 602, which establishes the Coronavirus State Fiscal Recovery Fund, and section 603, which establishes the Coronavirus Local Fiscal Recovery Fund (together, the Fiscal Recovery Funds).<sup>18</sup> The Fiscal Recovery Funds are intended to provide support to State, local, and Tribal governments (together, recipients) in responding to the impact of COVID-19 and in their efforts to contain COVID-19 on their communities, residents, and businesses. The Fiscal Recovery Funds build on and expand the support provided to these governments over the last year, including through the Coronavirus Relief Fund (CRF).<sup>19</sup>

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<sup>14</sup> Emma Dorn et al., COVID-19 and student learning in the United States: The hurt could last a lifetime (June 2020), [https://webtest.childrensinstitute.net/sites/default/files/documents/COVID-19-and-student-learning-in-the-United-States\\_FINAL.pdf](https://webtest.childrensinstitute.net/sites/default/files/documents/COVID-19-and-student-learning-in-the-United-States_FINAL.pdf); Andrew Bacher-Hicks et al., Inequality in Household Adaptation to Schooling Shocks: Covid-Induced Online Engagement in Real Time, *J. of Public Econ.* Vol. 193(C) (July 2020), *available at* <https://www.nber.org/papers/w27555>.

<sup>15</sup> *See, e.g.*, Tyler Atkinson & Alex Richter, Pandemic Disproportionately Affects Women, Minority Labor Force Participation, <https://www.dallasfed.org/research/economics/2020/1110> (last visited May 9, 2021); Jared Bernstein & Janelle Jones, The Impact of the COVID19 Recession on the Jobs and Incomes of Persons of Color, [https://www.cbpp.org/sites/default/files/atoms/files/6-2-20bud\\_0.pdf](https://www.cbpp.org/sites/default/files/atoms/files/6-2-20bud_0.pdf) (last visited May 9, 2021).

<sup>16</sup> American Rescue Plan Act of 2021 (ARPA) § 9901, Pub. L. No. 117-2, codified at 42 U.S.C. § 802 *et seq.*

<sup>17</sup> 42 U.S.C. 801 *et seq.*

<sup>18</sup> §§ 602, 603 of the Act.

<sup>19</sup> The CRF was established by the section 601 of the Act as added by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Pub. L. No. 116-136, 134 Stat. 281 (2020).

Through the Fiscal Recovery Funds, Congress provided State, local, and Tribal governments with significant resources to respond to the COVID-19 public health emergency and its economic impacts through four categories of eligible uses. Section 602 and section 603 contain the same eligible uses; the primary difference between the two sections is that section 602 establishes a fund for States, territories, and Tribal governments and section 603 establishes a fund for metropolitan cities, nonentitlement units of local government, and counties.

Sections 602(c)(1) and 603(c)(1) provide that funds may be used:

- a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- d) To make necessary investments in water, sewer, or broadband infrastructure.

In addition, Congress clarified two types of uses which do not fall within these four categories. Sections 602(c)(2)(B) and 603(c)(2) provide that these eligible uses do not include, and thus funds may not be used for, depositing funds into any pension fund. Section 602(c)(2)(A) also provides, for States and territories, that the eligible uses do not include:

“directly or indirectly offset[ing] a reduction in the net tax revenue of [the] State or territory resulting from a change in law, regulation, or administrative interpretation.”

The ARPA provides a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. First, payments from the Fiscal Recovery Funds help to ensure that State, local, and Tribal governments have the resources needed to continue to take actions to decrease the spread of COVID-19 and bring the pandemic under control. Payments from the Fiscal Recovery Funds may also be used by recipients to provide support for costs incurred in addressing public health and economic challenges resulting from the pandemic, including resources to offer premium pay to essential workers, in recognition of their sacrifices over the last year. Recipients may also use payments from the Fiscal Recovery Funds to replace State, local, and Tribal government revenue lost due to COVID-19, helping to ensure that governments can continue to provide needed services and avoid cuts or layoffs. Finally, these resources lay the foundation for a strong, equitable economic recovery, not only by providing immediate economic stabilization for households and businesses, but also by addressing the systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color.

Within the eligible use categories outlined in the Fiscal Recovery Funds provisions of ARPA, State, local, and Tribal governments have flexibility to determine how best to use payments from the Fiscal Recovery Funds to meet the needs of their communities and populations. The Interim Final Rule facilitates swift and effective implementation by establishing a framework for determining the types of programs and services that are eligible under the ARPA along with examples of uses that State, local, and Tribal governments may consider. These uses build on eligible expenditures under the CRF, including some expansions in eligible uses to respond to the public health emergency, such as vaccination campaigns. They

also reflect changes in the needs of communities, as evidenced by, for example, nationwide data demonstrating disproportionate impacts of the COVID-19 public health emergency on certain populations, geographies, and economic sectors. The Interim Final Rule takes into consideration these disproportionate impacts by recognizing a broad range of eligible uses to help States, local, and Tribal governments support the families, businesses, and communities hardest hit by the COVID-19 public health emergency.

Implementation of the Fiscal Recovery Funds also reflect the importance of public input, transparency, and accountability. Treasury seeks comment on all aspects of the Interim Final Rule and, to better facilitate public comment, has included specific questions throughout this Supplementary Information. Treasury encourages State, local, and Tribal governments in particular to provide feedback and to engage with Treasury regarding issues that may arise regarding all aspects of this Interim Final Rule and Treasury's work in administering the Fiscal Recovery Funds. In addition, the Interim Final Rule establishes certain regular reporting requirements, including by requiring State, local, and Tribal governments to publish information regarding uses of Fiscal Recovery Funds payments in their local jurisdiction. These reporting requirements reflect the need for transparency and accountability, while recognizing and minimizing the burden, particularly for smaller local governments. Treasury urges State, territorial, Tribal, and local governments to engage their constituents and communities in developing plans to use these payments, given the scale of funding and its potential to catalyze broader economic recovery and rebuilding.

## II. Eligible Uses

### A. Public Health and Economic Impacts

Sections 602(c)(1)(A) and 603(c)(1)(A) provide significant resources for State, territorial, Tribal governments, and counties, metropolitan cities, and nonentitlement units of local governments (each referred to as a recipient) to meet the wide range of public health and economic impacts of the COVID-19 public health emergency.

These provisions authorize the use of payments from the Fiscal Recovery Funds to respond to the public health emergency with respect to COVID-19 or its negative economic impacts. Section 602 and section 603 also describe several types of uses that would be responsive to the impacts of the COVID-19 public health emergency, including assistance to households, small businesses, and nonprofits and aid to impacted industries, such as tourism, travel, and hospitality.<sup>20</sup>

Accordingly, to assess whether a program or service is included in this category of eligible uses, a recipient should consider whether and how the use would respond to the COVID-19 public health emergency. Assessing whether a program or service “responds to” the COVID-19 public health emergency requires the recipient to, first, identify a need or negative impact of the COVID-19 public health emergency and, second, identify how the program, service, or other intervention addresses the identified need or impact. While the COVID-19 public health emergency affected many aspects of American life, eligible uses under this category must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency.

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<sup>20</sup> §§602(c)(1)(A), 603(c)(1)(A) of the Act.

The Interim Final Rule implements these provisions by identifying a non-exclusive list of programs or services that may be funded as responding to COVID-19 or the negative economic impacts of the COVID-19 public health emergency, along with considerations for evaluating other potential uses of the Fiscal Recovery Funds not explicitly listed. The Interim Final Rule also provides flexibility for recipients to use payments from the Fiscal Recovery Funds for programs or services that are not identified on these non-exclusive lists but that fall under the terms of section 602(c)(1)(A) or 603(c)(1)(A) by responding to the COVID-19 public health emergency or its negative economic impacts. As an example, in determining whether a program or service responds to the negative economic impacts of the COVID-19 public health emergency, the Interim Final Rule provides that payments from the Fiscal Recovery Funds should be designed to address an economic harm resulting from or exacerbated by the public health emergency. Recipients should assess the connection between the negative economic harm and the COVID-19 public health emergency, the nature and extent of that harm, and how the use of this funding would address such harm.

As discussed, the pandemic and the necessary actions taken to control the spread had a severe impact on households and small businesses, including in particular low-income workers and communities and people of color. While eligible uses under sections 602(c)(1)(A) and 603(c)(1)(A) provide flexibility to recipients to identify the most pressing local needs, Treasury encourages recipients to provide assistance to those households, businesses, and non-profits in communities most disproportionately impacted by the pandemic.



## 1. Responding to COVID-19

On January 21, 2020, the Centers for Disease Control and Prevention (CDC) identified the first case of novel coronavirus in the United States.<sup>21</sup> By late March, the virus had spread to many States and the first wave was growing rapidly, centered in the northeast.<sup>22</sup> This wave brought acute strain on health care and public health systems: hospitals and emergency medical services struggled to manage a major influx of patients; response personnel faced shortages of personal protective equipment; testing for the virus was scarce; and congregate living facilities like nursing homes and prisons saw rapid spread. State, local, and Tribal governments mobilized to support the health care system, issue public health orders to mitigate virus spread, and communicate safety measures to the public. The United States has since faced at least two additional COVID-19 waves that brought many similar challenges: the second in the summer, centered in the south and southwest, and a wave throughout the fall and winter, in which the virus reached a point of uncontrolled spread across the country and over 3,000 people died per day.<sup>23</sup> By early May 2021, the United States has experienced over 32 million confirmed COVID-19 cases and over 575,000 deaths.<sup>24</sup>

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<sup>21</sup> Press Release, Centers for Disease Control and Prevention, First Travel-related Case of 2019 Novel Coronavirus Detected in United States (Jan. 21, 2020), <https://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html>.

<sup>22</sup> Anne Schuchat et al., Public Health Response to the Initiation and Spread of Pandemic COVID-19 in the United States, February 24 – April 21, 2021, *MMWR Morb Mortal Wkly Rep* 2021, 69(18):551-56 (May 8, 2021), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6918e2.htm>.

<sup>23</sup> Centers for Disease Control and Prevention, COVID Data Tracker: Trends in Number of COVID-19 Cases and Deaths in the US Reported to CDC, by State/Territory, [https://covid.cdc.gov/covid-data-tracker/#trends\\_dailytrendscases](https://covid.cdc.gov/covid-data-tracker/#trends_dailytrendscases) (last visited May 8, 2021).

<sup>24</sup> *Id.*

Mitigating the impact of COVID-19, including taking actions to control its spread and support hospitals and health care workers caring for the sick, continues to require a major public health response from State, local and Tribal governments. New or heightened public health needs include COVID-19 testing, major expansions in contact tracing, support for individuals in isolation or quarantine, enforcement of public health orders, new public communication efforts, public health surveillance (e.g., monitoring case trends and genomic sequencing for variants), enhancement to health care capacity through alternative care facilities, and enhancement of public health data systems to meet new demands or scaling needs. State, local, and Tribal governments have also supported major efforts to prevent COVID-19 spread through safety measures at key settings like nursing homes, schools, congregate living settings, dense worksites, incarceration settings, and in other public facilities. This has included implementing infection prevention measures or making ventilation improvements in congregate settings, health care settings, or other key locations.

Other response and adaptation costs include capital investments in public facilities to meet pandemic operational needs, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics. In recent months, State, local, and Tribal governments across the country have mobilized to support the national vaccination campaign, resulting in over 250 million doses administered to date.<sup>25</sup>

The need for public health measures to respond to COVID-19 will continue in the months and potentially years to come. This includes the continuation of the vaccination campaign for the general public and, if vaccinations are approved for children in the future, eventually for

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<sup>25</sup> Centers for Disease Control and Prevention, COVID Data Tracker: COVID-19 Vaccinations in the United States, <https://covid.cdc.gov/covid-data-tracker/#vaccinations> (last visited May 8, 2021).

youths. This also includes monitoring the spread of COVID-19 variants, understanding the impact of these variants (especially on vaccination efforts), developing approaches to respond to those variants, and monitoring global COVID-19 trends to understand continued risks to the United States. Finally, the long-term health impacts of COVID-19 will continue to require a public health response, including medical services for individuals with “long COVID,” and research to understand how COVID-19 impacts future health needs and raises risks for the millions of Americans who have been infected.

Other areas of public health have also been negatively impacted by the COVID-19 pandemic. For example, in one survey in January 2021, over 40 percent of American adults reported symptoms of depression or anxiety, up from 11 percent in the first half of 2019.<sup>26</sup> The proportion of children’s emergency department visits related to mental health has also risen noticeably.<sup>27</sup> Similarly, rates of substance misuse and overdose deaths have spiked: preliminary data from the CDC show a nearly 30 percent increase in drug overdose mortality from September 2019 to September 2020.<sup>28</sup> Stay-at-home orders and other pandemic responses may have also reduced the ability of individuals affected by domestic violence to access services.<sup>29</sup>

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<sup>26</sup> Panchal, *supra* note 4; Mark É. Czeisler et al., Mental Health, Substance Abuse, and Suicidal Ideation During COVID-19 Pandemic– United States, June 24-30 2020, *Morb. Mortal. Wkly. Rep.* 69(32):1049-57 (Aug. 14, 2020), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm>.

<sup>27</sup> Leeb, *supra* note 4.

<sup>28</sup> Centers for Disease Prevention and Control, National Center for Health Statistics, Provisional Drug Overdose Death Counts, <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm> (last visited May 8, 2021).

<sup>29</sup> Megan L. Evans, et al., A Pandemic within a Pandemic – Intimate Partner Violence during Covid-19, *N. Engl. J. Med.* 383:2302-04 (Dec. 10, 2020), *available at* <https://www.nejm.org/doi/full/10.1056/NEJMp2024046>.

Finally, some preventative public health measures like childhood vaccinations have been deferred and potentially forgone.<sup>30</sup>

While the pandemic affected communities across the country, it disproportionately impacted some demographic groups and exacerbated health inequities along racial, ethnic, and socioeconomic lines.<sup>31</sup> The CDC has found that racial and ethnic minorities are at increased risk for infection, hospitalization, and death from COVID-19, with Hispanic or Latino and Native American or Alaska Native patients at highest risk.<sup>32</sup>

Similarly, low-income and socially vulnerable communities have seen the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000, as of May 2021.<sup>33</sup> Counties with high social vulnerability, as measured by factors such as poverty and educational attainment, have also fared more poorly than the national

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<sup>30</sup> Jeanne M. Santoli et al., Effects of the COVID-19 Pandemic on Routine Pediatric Vaccine Ordering and Administration – United States, *Morb. Mortal. Wkly. Rep.* 69(19):591-93 (May 8, 2020), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6919e2.htm>; Marisa Langdon-Embry et al., Notes from the Field: Rebound in Routine Childhood Vaccine Administration Following Decline During the COVID-19 Pandemic – New York City, March 1-June 27, 2020, *Morb. Mortal. Wkly. Rep.* 69(30):999-1001 (Jul. 31 2020), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6930a3.htm>.

<sup>31</sup> Office of the White House, National Strategy for the COVID-19 Response and Pandemic Preparedness (Jan. 21, 2021), <https://www.whitehouse.gov/wp-content/uploads/2021/01/National-Strategy-for-the-COVID-19-Response-and-Pandemic-Preparedness.pdf>.

<sup>32</sup> In a study of 13 states from October to December 2020, the CDC found that Hispanic or Latino and Native American or Alaska Native individuals were 1.7 times more likely to visit an emergency room for COVID-19 than White individuals, and Black individuals were 1.4 times more likely to do so than White individuals. *See Romano, supra* note 10.

<sup>33</sup> Centers for Disease Control and Prevention, COVID Data Tracker: Trends in COVID-19 Cases and Deaths in the United States, by County-level Population Factors, [https://covid.cdc.gov/covid-data-tracker/#pop-factors\\_totaldeaths](https://covid.cdc.gov/covid-data-tracker/#pop-factors_totaldeaths) (last visited May 8, 2021).

average, with 211 deaths per 100,000 as of May 2021.<sup>34</sup> Over the last year, Native Americans have experienced more than one and a half times the rate of COVID-19 infections, more than triple the rate of hospitalizations, and more than double the death rate compared to White Americans.<sup>35</sup> Low-income and minority communities also exhibit higher rates of pre-existing conditions that may contribute to an increased risk of COVID-19 mortality.<sup>36</sup>

In addition, individuals living in low-income communities may have had more limited ability to socially distance or to self-isolate when ill, resulting in faster spread of the virus, and were over-represented among essential workers, who faced greater risk of exposure.<sup>37</sup> Social distancing measures in response to the pandemic may have also exacerbated pre-existing public health challenges. For example, for children living in homes with lead paint, spending substantially more time at home raises the risk of developing elevated blood lead levels, while

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<sup>34</sup> The CDC's Social Vulnerability Index includes fifteen variables measuring social vulnerability, including unemployment, poverty, education levels, single-parent households, disability status, non-English speaking households, crowded housing, and transportation access.

Centers for Disease Control and Prevention, COVID Data Tracker: Trends in COVID-19 Cases and Deaths in the United States, by Social Vulnerability Index, [https://covid.cdc.gov/covid-data-tracker/#pop-factors\\_totaldeaths](https://covid.cdc.gov/covid-data-tracker/#pop-factors_totaldeaths) (last visited May 8, 2021).

<sup>35</sup> Centers for Disease Control and Prevention, Risk for COVID-19 Infection, Hospitalization, and Death By Race/Ethnicity, <https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html> (last visited Apr. 26, 2021).

<sup>36</sup> *See, e.g.*, Centers for Disease Control and Prevention, Risk of Severe Illness or Death from COVID-19 (Dec. 10, 2020), <https://www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/disparities-illness.html> (last visited Apr. 26, 2021).

<sup>37</sup> Milena Almagro et al., Racial Disparities in Frontline Workers and Housing Crowding During COVID-19: Evidence from Geolocation Data (Sept. 22, 2020), NYU Stern School of Business (forthcoming), available at [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3695249](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3695249); Grace McCormack et al., Economic Vulnerability of Households with Essential Workers, JAMA 324(4):388-90 (2020), available at <https://jamanetwork.com/journals/jama/fullarticle/2767630>.

screenings for elevated blood lead levels declined during the pandemic.<sup>38</sup> The combination of these underlying social and health vulnerabilities may have contributed to more severe public health outcomes of the pandemic within these communities, resulting in an exacerbation of pre-existing disparities in health outcomes.<sup>39</sup>

*Eligible Public Health Uses.* The Fiscal Recovery Funds provide resources to meet and address these emergent public health needs, including through measures to counter the spread of COVID-19, through the provision of care for those impacted by the virus, and through programs or services that address disparities in public health that have been exacerbated by the pandemic. To facilitate implementation and use of payments from the Fiscal Recovery Funds, the Interim Final Rule identifies a non-exclusive list of eligible uses of funding to respond to the COVID-19 public health emergency. Eligible uses listed under this section build and expand upon permissible expenditures under the CRF, while recognizing the differences between the ARPA and CARES Act, and recognizing that the response to the COVID-19 public health emergency has changed and will continue to change over time. To assess whether additional uses would be eligible under this category, recipients should identify an effect of COVID-19 on public health, including either or both of immediate effects or effects that may manifest over months or years, and assess how the use would respond to or address the identified need.

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<sup>38</sup> See, e.g., Joseph G. Courtney et al., Decreases in Young Children Who Received Blood Lead Level Testing During COVID-19 – 34 Jurisdictions, January-May 2020, *Morb. Mort. Wkly. Rep.* 70(5):155-61 (Feb. 5, 2021), <https://www.cdc.gov/mmwr/volumes/70/wr/mm7005a2.htm>; Emily A. Benfer & Lindsay F. Wiley, Health Justice Strategies to Combat COVID-19: Protecting Vulnerable Communities During a Pandemic, *Health Affairs Blog* (Mar. 19, 2020), <https://www.healthaffairs.org/doi/10.1377/hblog20200319.757883/full/>.

<sup>39</sup> See, e.g., Centers for Disease Control and Prevention, *supra* note 34; Benfer & Wiley, *supra* note 38; Nathaniel M. Lewis et al., Disparities in COVID-19 Incidence, Hospitalizations, and Testing, by Area-Level Deprivation – Utah, March 3-July 9, 2020, *Morb. Mortal. Wkly. Rep.* 69(38):1369-73 (Sept. 25, 2020), <https://www.cdc.gov/mmwr/volumes/69/wr/mm6938a4.htm>.

The Interim Final Rule identifies a non-exclusive list of uses that address the effects of the COVID-19 public health emergency, including:

- *COVID-19 Mitigation and Prevention.* A broad range of services and programming are needed to contain COVID-19. Mitigation and prevention efforts for COVID-19 include vaccination programs; medical care; testing; contact tracing; support for isolation or quarantine; supports for vulnerable populations to access medical or public health services; public health surveillance (e.g., monitoring case trends, genomic sequencing for variants); enforcement of public health orders; public communication efforts; enhancement to health care capacity, including through alternative care facilities; purchases of personal protective equipment; support for prevention, mitigation, or other services in congregate living facilities (e.g., nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools;<sup>40</sup> ventilation improvements in congregate settings, health care settings, or other key locations; enhancement of public health data systems; and other public health responses.<sup>41</sup> They also include capital investments in public facilities to meet pandemic operational needs, such as physical plant improvements to public hospitals and health clinics or adaptations

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<sup>40</sup> This includes implementing mitigation strategies consistent with the Centers for Disease Control and Prevention’s (CDC) Operational Strategy for K-12 Schools through Phased Prevention, *available at* <https://www.cdc.gov/coronavirus/2019-ncov/community/schools-childcare/operation-strategy.html>.

<sup>41</sup> Many of these expenses were also eligible in the CRF. Generally, funding uses eligible under CRF as a response to the direct public health impacts of COVID-19 will continue to be eligible under the ARPA, including those not explicitly listed here (e.g., telemedicine costs, costs to facilitate compliance with public health orders, disinfection of public areas, facilitating distance learning, increased solid waste disposal needs related to PPE, paid sick and paid family and medical leave to public employees to enable compliance with COVID–19 public health precautions), with the following two exceptions: 1) the standard for eligibility of public health and safety payrolls has been updated (see details on page 20) and 2) expenses related to the issuance of tax-anticipation notes are no longer an eligible funding use (see discussion of debt service on page 44).

to public buildings to implement COVID-19 mitigation tactics. These COVID-19 prevention and mitigation programs and services, among others, were eligible expenditures under the CRF and are eligible uses under this category of eligible uses for the Fiscal Recovery Funds.<sup>42</sup>

- *Medical Expenses.* The COVID-19 public health emergency continues to have devastating effects on public health; the United States continues to average hundreds of deaths per day and the spread of new COVID-19 variants has raised new risks and genomic surveillance needs.<sup>43</sup> Moreover, our understanding of the potentially serious and long-term effects of the virus is growing, including the potential for symptoms like shortness of breath to continue for weeks or months, for multi-organ impacts from COVID-19, or for post-intensive care syndrome.<sup>44</sup> State and local governments may need to continue to provide care and services to address these near- and longer-term needs.<sup>45</sup>
- *Behavioral Health Care.* In addition, new or enhanced State, local, and Tribal government services may be needed to meet behavioral health needs exacerbated by the pandemic and respond to other public health impacts. These services include mental health treatment, substance misuse treatment, other behavioral health services, hotlines or

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<sup>42</sup> Coronavirus Relief Fund for States, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4182 (Jan. 15, 2021), *available at* [https://home.treasury.gov/system/files/136/CRF-Guidance-Federal-Register\\_2021-00827.pdf](https://home.treasury.gov/system/files/136/CRF-Guidance-Federal-Register_2021-00827.pdf).

<sup>43</sup> Centers for Disease Control and Prevention, *supra* note 24.

<sup>44</sup> Centers for Disease Control and Prevention, Long-Term Effects (Apr. 8, 2021), <https://www.cdc.gov/coronavirus/2019-ncov/long-term-effects.html> (last visited Apr. 26, 2021).

<sup>45</sup> Pursuant to 42 CFR 433.51 and 45 CFR 75.306, Fiscal Recovery Funds may not serve as a State or locality's contribution of certain Federal funds.



warmlines, crisis intervention, overdose prevention, infectious disease prevention, and services or outreach to promote access to physical or behavioral health primary care and preventative medicine.

- *Public Health and Safety Staff.* Treasury recognizes that responding to the public health and negative economic impacts of the pandemic, including administering the services described above, requires a substantial commitment of State, local, and Tribal government human resources. As a result, the Fiscal Recovery Funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, to the extent that their services are devoted to mitigating or responding to the COVID-19 public health emergency.<sup>46</sup> Accordingly, the Fiscal Recovery Funds may be used to support the payroll and covered benefits for the portion of the employee's time that is dedicated to responding to the COVID-19 public health emergency. For administrative convenience, the recipient may consider public health and safety employees to be entirely devoted to mitigating or responding to the COVID-19 public health emergency, and therefore fully covered, if the employee, or his or her operating unit or division, is primarily dedicated to responding to the COVID-19 public health emergency. Recipients may consider other presumptions for assessing the extent to which an employee, division, or operating unit is engaged in activities that respond to

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<sup>46</sup> In general, if an employee's wages and salaries are an eligible use of Fiscal Recovery Funds, recipients may treat the employee's covered benefits as an eligible use of Fiscal Recovery Funds. For purposes of the Fiscal Recovery Funds, covered benefits include costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (federal and state), workers compensation insurance, and Federal Insurance Contributions Act (FICA) taxes (which includes Social Security and Medicare taxes).

the COVID-19 public health emergency, provided that the recipient reassesses periodically and maintains records to support its assessment, such as payroll records, attestations from supervisors or staff, or regular work product or correspondence demonstrating work on the COVID-19 response. Recipients need not routinely track staff hours.

- *Expenses to Improve the Design and Execution of Health and Public Health Programs.* State, local, and Tribal governments may use payments from the Fiscal Recovery Funds to engage in planning and analysis in order to improve programs addressing the COVID-19 pandemic, including through use of targeted consumer outreach, improvements to data or technology infrastructure, impact evaluations, and data analysis.

*Eligible Uses to Address Disparities in Public Health Outcomes.* In addition, in recognition of the disproportionate impacts of the COVID-19 pandemic on health outcomes in low-income and Native American communities and the importance of mitigating these effects, the Interim Final Rule identifies a broader range of services and programs that will be presumed to be responding to the public health emergency when provided in these communities. Specifically, Treasury will presume that certain types of services, outlined below, are eligible uses when provided in a Qualified Census Tract (QCT),<sup>47</sup> to families living in QCTs, or when these services are provided

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<sup>47</sup> Qualified Census Tracts are a common, readily-accessible, and geographically granular method of identifying communities with a large proportion of low-income residents. Using an existing measure may speed implementation and decrease administrative burden, while identifying areas of need at a highly-localized level.

While QCTs are an effective tool generally, many tribal communities have households with a wide range of income levels due in part to non-tribal member, high income residents living in the community. Mixed income communities, with a significant share of tribal members at the lowest levels of income, are often not included as eligible QCTs yet tribal residents are experiencing disproportionate impacts due to the pandemic. Therefore, including all services provided by Tribal governments is a more effective means of ensuring that disproportionately impacted Tribal members can receive services.

by Tribal governments.<sup>48</sup> Recipients may also provide these services to other populations, households, or geographic areas that are disproportionately impacted by the pandemic. In identifying these disproportionately-impacted communities, recipients should be able to support their determination that the pandemic resulted in disproportionate public health or economic outcomes to the specific populations, households, or geographic areas to be served.

Given the exacerbation of health disparities during the pandemic and the role of pre-existing social vulnerabilities in driving these disparate outcomes, services to address health disparities are presumed to be responsive to the public health impacts of the pandemic. Specifically, recipients may use payments from the Fiscal Recovery Funds to facilitate access to resources that improve health outcomes, including services that connect residents with health care resources and public assistance programs and build healthier environments, such as:

- Funding community health workers to help community members access health services and services to address the social determinants of health;<sup>49</sup>
- Funding public benefits navigators to assist community members with navigating and applying for available Federal, State, and local public benefits or services;

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<sup>48</sup> U.S. Department of Housing and Urban Development (HUD), Qualified Census Tracts and Difficult Development Areas, <https://www.huduser.gov/portal/datasets/qct.html> (last visited Apr. 26, 2021); U.S. Department of the Interior, Bureau of Indian Affairs, Indian Lands of Federally Recognized Tribes of the United States (June 2016), <https://www.bia.gov/sites/bia.gov/files/assets/bia/ots/webteam/pdf/idc1-028635.pdf> (last visited Apr. 26, 2021).

<sup>49</sup> The social determinants of health are the social and environmental conditions that affect health outcomes, specifically economic stability, health care access, social context, neighborhoods and built environment, and education access. *See, e.g.*, U.S. Department of Health and Human Services, Office of Disease Prevention and Health Promotion, Healthy People 2030: Social Determinants of Health, <https://health.gov/healthypeople/objectives-and-data/social-determinants-health> (last visited Apr. 26, 2021).

- Housing services to support healthy living environments and neighborhoods conducive to mental and physical wellness;
- Remediation of lead paint or other lead hazards to reduce risk of elevated blood lead levels among children; and
- Evidence-based community violence intervention programs to prevent violence and mitigate the increase in violence during the pandemic.<sup>50</sup>

## 2. Responding to Negative Economic Impacts

*Impacts on Households and Individuals.* The public health emergency, including the necessary measures taken to protect public health, resulted in significant economic and financial hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost in March and April 2020.<sup>51</sup> Although many have returned to work, as of April 2021, the economy remains 8.2 million jobs below its pre-pandemic peak,<sup>52</sup> and more than 3 million workers have dropped out of the labor market altogether relative to February 2020.<sup>53</sup>

Rates of unemployment are particularly severe among workers of color and workers with lower levels of educational attainment; for example, the overall unemployment rate in the United

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<sup>50</sup> National Commission on COVID-19 and Criminal Justice, Impact Report: COVID-19 and Crime (Jan. 31, 2021), <https://covid19.counciloncj.org/2021/01/31/impact-report-covid-19-and-crime-3/> (showing a spike in homicide and assaults); Brad Boesrup et al., Alarming Trends in US domestic violence during the COVID-19 pandemic, *Am. J. of Emerg. Med.* 38(12): 2753-55 (Dec. 1, 2020), *available at* [https://www.ajemjournal.com/article/S0735-6757\(20\)30307-7/fulltext](https://www.ajemjournal.com/article/S0735-6757(20)30307-7/fulltext) (showing a spike in domestic violence).

<sup>51</sup> U.S. Bureau of Labor Statistics, All Employees, Total Nonfarm (PAYEMS), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PAYEMS> (last visited May 8, 2021).

<sup>52</sup> *Id.*

<sup>53</sup> U.S. Bureau of Labor Statistics, Civilian Labor Force Level [CLF16OV], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CLF16OV> (last visited May 8, 2021).

States was 6.1 percent in April 2021, but certain groups saw much higher rates: 9.7 percent for Black workers, 7.9 percent for Hispanic or Latino workers, and 9.3 percent for workers without a high school diploma.<sup>54</sup> Job losses have also been particularly steep among low wage workers, with these workers remaining furthest from recovery as of the end of 2020.<sup>55</sup> A severe recession—and its concentrated impact among low-income workers—has amplified food and housing insecurity, with an estimated nearly 17 million adults living in households where there is sometimes or often not enough food to eat and an estimated 10.7 million adults living in households that were not current on rent.<sup>56</sup> Over the course of the pandemic, inequities also manifested along gender lines, as schools closed to in-person activities, leaving many working families without child care during the day.<sup>57</sup> Women of color have been hit especially hard: the

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<sup>54</sup> U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey: Employment status of the civilian population by sex and age (May 8 2021), <https://www.bls.gov/news.release/empstat.t01.htm> (last visited May 8, 2021); U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey: Employment status of the civilian noninstitutional population by race, Hispanic or Latino ethnicity, sex, and age (May 8, 2021), <https://www.bls.gov/web/empstat/cpseea04.htm> (last visited May 8, 2021); U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey: Employment status of the civilian noninstitutional population 25 years and over by educational attainment (May 8, 2021), <https://www.bls.gov/web/empstat/cpseea05.htm> (last visited May 8, 2021).

<sup>55</sup> Elise Gould & Jori Kandra, Wages grew in 2020 because the bottom fell out of the low-wage labor market, Economic Policy Institute (Feb. 24, 2021), <https://files.epi.org/pdf/219418.pdf>. *See also*, Michael Dalton et al., The K-Shaped Recovery: Examining the Diverging Fortunes of Workers in the Recovery from the COVID-19 Pandemic using Business and Household Survey Microdata, U.S. Bureau of Labor Statistics Working Paper Series (Feb. 2021), <https://www.bls.gov/osmr/research-papers/2021/pdf/ec210020.pdf>.

<sup>56</sup> Center on Budget and Policy Priorities, Tracking the COVID-19 Recession's Effects on Food, Housing, and Employment Hardships, <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and> (last visited May 8, 2021).

<sup>57</sup> Women have carried a larger share of childcare responsibilities than men during the COVID-19 crisis. *See, e.g.*, Gema Zamorro & María J. Prados, Gender differences in couples' division of childcare, work and mental health during COVID-19, *Rev. Econ. Household* 19:11-40 (2021), *available at* <https://link.springer.com/article/10.1007/s11150-020-09534-7>; Titan Alon et al., The Impact of COVID-19 on Gender Equality, National Bureau of Economic Research Working Paper 26947 (April 2020), *available at* <https://www.nber.org/papers/w26947>.

labor force participation rate for Black women has fallen by 3.2 percentage points<sup>58</sup> during the pandemic as compared to 1.0 percentage points for Black men<sup>59</sup> and 2.0 percentage points for White women.<sup>60</sup>

As the economy recovers, the effects of the pandemic-related recession may continue to impact households, including a risk of longer-term effects on earnings and economic potential. For example, unemployed workers, especially those who have experienced longer periods of unemployment, earn lower wages over the long term once rehired.<sup>61</sup> In addition to the labor market consequences for unemployed workers, recessions can also cause longer-term economic challenges through, among other factors, damaged consumer credit scores<sup>62</sup> and reduced familial and childhood wellbeing.<sup>63</sup> These potential long-term economic consequences underscore the continued need for robust policy support.

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<sup>58</sup> U.S. Bureau of Labor Statistics, Labor Force Participation Rate - 20 Yrs. & Over, Black or African American Women [LNS11300032], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LNS11300032> (last visited May 8, 2021).

<sup>59</sup> U.S. Bureau of Labor Statistics, Labor Force Participation Rate - 20 Yrs. & Over, Black or African American Men [LNS11300031], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LNS11300031> (last visited May 8, 2021).

<sup>60</sup> U.S. Bureau of Labor Statistics, Labor Force Participation Rate - 20 Yrs. & Over, White Women [LNS11300029], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LNS11300029> (last visited May 8, 2021).

<sup>61</sup> See, e.g., Michael Greenstone & Adam Looney, Unemployment and Earnings Losses: A Look at Long-Term Impacts of the Great Recession on American Workers, Brookings Institution (Nov. 4, 2021), <https://www.brookings.edu/blog/jobs/2011/11/04/unemployment-and-earnings-losses-a-look-at-long-term-impacts-of-the-great-recession-on-american-workers/>.

<sup>62</sup> Chi Chi Wu, Solving the Credit Conundrum: Helping Consumers' Credit Records Impaired by the Foreclosure Crisis and Great Recession (Dec. 2013), [https://www.nclc.org/images/pdf/credit\\_reports/report-credit-conundrum-2013.pdf](https://www.nclc.org/images/pdf/credit_reports/report-credit-conundrum-2013.pdf).

<sup>63</sup> Irwin Garfinkel, Sara McLanahan, Christopher Wimer, eds., Children of the Great Recession, Russell Sage Foundation (Aug. 2016), available at <https://www.russellsage.org/publications/children-great-recession>.

*Impacts on Businesses.* The pandemic has also severely impacted many businesses, with small businesses hit especially hard. Small businesses make up nearly half of U.S. private-sector employment<sup>64</sup> and play a key role in supporting the overall economic recovery as they are responsible for two-thirds of net new jobs.<sup>65</sup> Since the beginning of the pandemic, however, 400,000 small businesses have closed, with many more at risk.<sup>66</sup> Sectors with a large share of small business employment have been among those with the most drastic drops in employment.<sup>67</sup> The negative outlook for small businesses has continued: as of April 2021, approximately 70 percent of small businesses reported that the pandemic has had a moderate or large negative effect on their business, and over a third expect that it will take over 6 months for their business to return to their normal level of operations.<sup>68</sup>

This negative outlook is likely the result of many small businesses having faced periods of closure and having seen declining revenues as customers stayed home.<sup>69</sup> In general, small businesses can face greater hurdles in accessing credit,<sup>70</sup> and many small businesses were

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<sup>64</sup> Board of Governors of the Federal Reserve System, *supra* note 5.

<sup>65</sup> U.S. Small Business Administration, Office of Advocacy, Small Businesses Generate 44 Percent of U.S. Economic Activity (Jan. 30, 2019), <https://advocacy.sba.gov/2019/01/30/small-businesses-generate-44-percent-of-u-s-economic-activity/>.

<sup>66</sup> Biden, *supra* note 6.

<sup>67</sup> Daniel Wilmoth, U.S. Small Business Administration Office of Advocacy, The Effects of the COVID-19 Pandemic on Small Businesses, Issue Brief No. 16 (Mar. 2021), *available at* <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/03/02112318/COVID-19-Impact-On-Small-Business.pdf>.

<sup>68</sup> U.S. Census Bureau, Small Business Pulse Survey, <https://portal.census.gov/pulse/data/> (last visited May 8, 2021).

<sup>69</sup> Olivia S. Kim et al., Revenue Collapses and the Consumption of Small Business Owners in the Early Stages of the COVID-19 Pandemic (Nov. 2020), <https://www.nber.org/papers/w28151>.

<sup>70</sup> *See e.g.*, Board of Governors of the Federal Reserve System, Report to Congress on the Availability of Credit to Small Businesses (Sept. 2017), *available at* <https://www.federalreserve.gov/publications/2017-september-availability-of-credit-to-small-businesses.htm>.

already financially fragile at the outset of the pandemic.<sup>71</sup> Non-profits, which provide vital services to communities, have similarly faced economic and financial challenges due to the pandemic.<sup>72</sup>

*Impacts to State, Local, and Tribal Governments.* State, local, and Tribal governments have felt substantial fiscal pressures. As noted above, State, local, and Tribal governments have faced significant revenue shortfalls and remain over 1 million jobs below their pre-pandemic staffing levels.<sup>73</sup> These reductions in staffing may undermine the ability to deliver services effectively, as well as add to the number of unemployed individuals in their jurisdictions.

*Exacerbation of Pre-existing Disparities.* The COVID-19 public health emergency may have lasting negative effects on economic outcomes, particularly in exacerbating disparities that existed prior to the pandemic.

The negative economic impacts of the COVID-19 pandemic are particularly pronounced in certain communities and families. Low- and moderate-income jobs make up a substantial portion of both total pandemic job losses,<sup>74</sup> and jobs that require in-person frontline work, which

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<sup>71</sup> Alexander W. Bartik et al., The Impact of COVID-19 on small business outcomes and expectations, PNAS 117(30): 17656-66 (July 28, 2020), available at <https://www.pnas.org/content/117/30/17656>.

<sup>72</sup> Federal Reserve Bank of San Francisco, Impacts of COVID-19 on Nonprofits in the Western United States (May 2020), <https://www.frbsf.org/community-development/files/impact-of-covid-nonprofits-serving-western-united-states.pdf>.

<sup>73</sup> Wolfe & Kassa, *supra* note 7; Elijah Moreno & Heather Sobrepena, Tribal entities remain resilient as COVID-19 batters their finances, Federal Reserve Bank of Minneapolis (Nov. 10, 2021), <https://www.minneapolisfed.org/article/2020/tribal-entities-remain-resilient-as-covid-19-batters-their-finances>.

<sup>74</sup> Kim Parker et al., Economic Fallout from COVID-19 Continues to Hit Lower-Income Americans the Hardest, Pew Research Center (Sept. 24, 2020), <https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/>; Gould, *supra* note 55.



are exposed to greater risk of contracting COVID-19.<sup>75</sup> Both factors compound pre-existing vulnerabilities and the likelihood of food, housing, or other financial insecurity in low- and moderate-income families and, given the concentration of low- and moderate-income families within certain communities,<sup>76</sup> raise a substantial risk that the effects of the COVID-19 public health emergency will be amplified within these communities.

These compounding effect of recessions on concentrated poverty and the long-lasting nature of this effect were observed after the 2007-2009 recession, including a large increase in concentrated poverty with the number of people living in extremely poor neighborhoods more than doubling by 2010-2014 relative to 2000.<sup>77</sup> Concentrated poverty has a range of deleterious impacts, including additional burdens on families and reduced economic potential and social cohesion.<sup>78</sup> Given the disproportionate impact of COVID-19 on low-income households discussed above, there is a risk that the current pandemic-induced recession could further increase concentrated poverty and cause long-term damage to economic prospects in neighborhoods of concentrated poverty.

The negative economic impacts of COVID-19 also include significant impacts to children in disproportionately affected families and include impacts to education, health, and welfare, all

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<sup>75</sup> See *infra* Section II.B of this Supplementary Information.

<sup>76</sup> Elizabeth Kneebone, The Changing geography of US poverty, Brookings Institution (Feb. 15, 2017), <https://www.brookings.edu/testimonies/the-changing-geography-of-us-poverty/>.

<sup>77</sup> Elizabeth Kneebone & Natalie Holmes, U.S. concentrated poverty in the wake of the Great Recession, Brookings Institution (Mar. 31, 2016), <https://www.brookings.edu/research/u-s-concentrated-poverty-in-the-wake-of-the-great-recession/>.

<sup>78</sup> David Erickson et al., The Enduring Challenge of Concentrated Poverty in America: Case Studies from Communities Across the U.S. (2008), *available at* [https://www.frbsf.org/community-development/files/cp\\_fullreport.pdf](https://www.frbsf.org/community-development/files/cp_fullreport.pdf).

of which contribute to long-term economic outcomes.<sup>79</sup> Many low-income and minority students, who were disproportionately served by remote or hybrid education during the pandemic, lacked the resources to participate fully in remote schooling or live in households without adults available throughout the day to assist with online coursework.<sup>80</sup> Given these trends, the pandemic may widen educational disparities and worsen outcomes for low-income students,<sup>81</sup> an effect that would substantially impact their long-term economic outcomes. Increased economic strain or material hardship due to the pandemic could also have a long-term impact on health, educational, and economic outcomes of young children.<sup>82</sup> Evidence suggests

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<sup>79</sup> Educational quality, as early as Kindergarten, has a long-term impact on children's public health and economic outcomes. *See, e.g.*, Tyler W. Watts et al., The Chicago School Readiness Project: Examining the long-term impacts of an early childhood intervention, PLoS ONE 13(7) (2018), *available at* <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0200144>; Opportunity Insights, How Can We Amplify Education as an Engine of Mobility? Using big data to help children get the most from school, <https://opportunityinsights.org/education/> (last visited Apr. 26, 2021); U.S. Department of Health and Human Services (HHS), Office of Disease Prevention and Health Promotion, Early Childhood Development and Education, <https://www.healthypeople.gov/2020/topics-objectives/topic/social-determinants-health/interventions-resources/early-childhood-development-and-education> (last visited Apr. 26, 2021).

<sup>80</sup> *See, e.g.*, Bacher-Hicks, *supra* note 14.

<sup>81</sup> A Department of Education survey found that, as of February 2021, 42 percent of fourth grade students nationwide were offered only remote education, compared to 48 percent of economically disadvantaged students, 54 percent of Black students and 57 percent of Hispanic students. Large districts often disproportionately serve low-income students. *See* Institute of Education Sciences, Monthly School Survey Dashboard, <https://ies.ed.gov/schoolsurvey/> (last visited Apr. 26, 2021). In summer 2020, a review found that 74 percent of the largest 100 districts chose remote learning only. *See* Education Week, School Districts' Reopening Plans: A Snapshot (Jul. 15, 2020), <https://www.edweek.org/leadership/school-districts-reopening-plans-a-snapshot/2020/07> (last visited May 4, 2021).

<sup>82</sup> HHS, *supra* note 79.

that adverse conditions in early childhood, including exposure to poverty, food insecurity, housing insecurity, or other economic hardships, are particularly impactful.<sup>83</sup>

The pandemic's disproportionate economic impacts are also seen in Tribal communities across the country—for Tribal governments as well as families and businesses on and off Tribal lands. In the early months of the pandemic, Native American unemployment spiked to 26 percent and, while partially recovered, remains at nearly 11 percent.<sup>84</sup> Tribal enterprises are a significant source of revenue for Tribal governments to support the provision of government services. These enterprises, notably concentrated in gaming, tourism, and hospitality, frequently closed, significantly reducing both revenues to Tribal governments and employment. As a result, Tribal governments have reduced essential services to their citizens and communities.<sup>85</sup>

*Eligible Uses.* Sections 602(c)(1)(A) and 603(c)(1)(A) permit use of payments from the Fiscal Recovery Funds to respond to the negative economic impacts of the COVID-19 public health emergency. Eligible uses that respond to the negative economic impacts of the public health emergency must be designed to address an economic harm resulting from or exacerbated by the public health emergency. In considering whether a program or service would be eligible under this category, the recipient should assess whether, and the extent to which, there has been

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<sup>83</sup> Hirokazu Yoshikawa, Effects of the Global Coronavirus Disease – 2019 Pandemic on Early Childhood Development: Short- and Long-Term Risks and Mitigating Program and Policy Actions, *J. of Pediatrics* Vol. 223:188-93 (Aug. 1, 2020), available at [https://www.jpeds.com/article/S0022-3476\(20\)30606-5/abstract](https://www.jpeds.com/article/S0022-3476(20)30606-5/abstract).

<sup>84</sup> Based on calculations conducted by the Minneapolis Fed's Center for Indian Country Development using Flood et al. (2020)'s Current Population Survey." Sarah Flood, Miriam King, Renae Rodgers, Steven Ruggles and J. Robert Warren. Integrated Public Use Microdata Series, Current Population Survey: Version 8.0 [dataset]. Minneapolis, MN: IPUMS, 2020. <https://doi.org/10.18128/D030.V8.0>; see also Donna Feir & Charles Golding, Native Employment During COVID-19: Hard hit in April but Starting to Rebound? (Aug. 5, 2020), <https://www.minneapolisfed.org/article/2020/native-employment-during-covid-19-hit-hard-in-april-but-starting-to-rebound>.

<sup>85</sup> Moreno & Sobrepena, *supra* note 73.

an economic harm, such as loss of earnings or revenue, that resulted from the COVID-19 public health emergency and whether, and the extent to which, the use would respond or address this harm.<sup>86</sup> A recipient should first consider whether an economic harm exists and whether this harm was caused or made worse by the COVID-19 public health emergency. While economic impacts may either be immediate or delayed, assistance or aid to individuals or businesses that did not experience a negative economic impact from the public health emergency would not be an eligible use under this category.

In addition, the eligible use must “respond to” the identified negative economic impact. Responses must be related and reasonably proportional to the extent and type of harm experienced; uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. Where there has been a negative economic impact resulting from the public health emergency, States, local, and Tribal governments have broad latitude to choose whether and how to use the Fiscal Recovery Funds to respond to and address the negative economic impact. Sections 602(c)(1)(A) and 603(c)(1)(A) describe several types of uses that would be eligible under this category, including assistance to households, small businesses, and nonprofits and aid to impacted industries such as tourism, travel, and hospitality.

To facilitate implementation and use of payments from the Fiscal Recovery Funds, the Interim Final Rule identifies a non-exclusive list of eligible uses of funding that respond to the negative economic impacts of the public health emergency. Consistent with the discussion above, the eligible uses listed below would respond directly to the economic or financial harms resulting from and or exacerbated by the public health emergency.

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<sup>86</sup> In some cases, a use may be permissible under another eligible use category even if it falls outside the scope of section (c)(1)(A) of the Act.

- *Assistance to Unemployed Workers.* This includes assistance to unemployed workers, including services like job training to accelerate rehiring of unemployed workers; these services may extend to workers unemployed due to the pandemic or the resulting recession, or who were already unemployed when the pandemic began and remain so due to the negative economic impacts of the pandemic.
- *State Unemployment Insurance Trust Funds.* Consistent with the approach taken in the CRF, recipients may make deposits into the state account of the Unemployment Trust Fund established under section 904 of the Social Security Act (42 U.S.C. 1104) up to the level needed to restore the pre-pandemic balances of such account as of January 27, 2020 or to pay back advances received under Title XII of the Social Security Act (42 U.S.C. 1321) for the payment of benefits between January 27, 2020 and [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], given the close nexus between Unemployment Trust Fund costs, solvency of Unemployment Trust Fund systems, and pandemic economic impacts. Further, Unemployment Trust Fund deposits can decrease fiscal strain on Unemployment Insurance systems impacted by the pandemic. States facing a sharp increase in Unemployment Insurance claims during the pandemic may have drawn down positive Unemployment Trust Fund balances and, after exhausting the balance, required advances to fund continuing obligations to claimants. Because both of these impacts were driven directly by the need for assistance to unemployed workers during the pandemic, replenishing Unemployment Trust Funds up to the pre-pandemic level responds to the pandemic's negative economic impacts on unemployed workers.

- *Assistance to Households.* Assistance to households or populations facing negative economic impacts due to COVID-19 is also an eligible use. This includes: food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance (discussed below); emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative economic or public health impacts experienced due to a worker's occupation or level of training. As discussed above, in considering whether a potential use is eligible under this category, a recipient must consider whether, and the extent to which, the household has experienced a negative economic impact from the pandemic. In assessing whether a household or population experienced economic harm as a result of the pandemic, a recipient may presume that a household or population that experienced unemployment or increased food or housing insecurity or is low- or moderate-income experienced negative economic impacts resulting from the pandemic. For example, a cash transfer program may focus on unemployed workers or low- and moderate-income families, which have faced disproportionate economic harms due to the pandemic. Cash transfers must be reasonably proportional to the negative economic impact they are intended to address. Cash transfers grossly in excess of the amount needed to address the negative economic impact identified by the recipient would not be considered to be a response to the COVID-19 public health emergency or its negative impacts. In particular, when considering the appropriate size of permissible cash transfers made in response to the COVID-19 public health emergency, State, local and

Tribal governments may consider and take guidance from the per person amounts previously provided by the Federal government in response to the COVID-19 crisis. Cash transfers that are grossly in excess of such amounts would be outside the scope of eligible uses under section 602(c)(1)(A) and 603(c)(1)(A) and could be subject to recoupment. In addition, a recipient could provide survivor's benefits to surviving family members of COVID-19 victims, or cash assistance to widows, widowers, and dependents of eligible COVID-19 victims.

- *Expenses to Improve Efficacy of Economic Relief Programs.* State, local, and Tribal governments may use payments from the Fiscal Recovery Funds to improve efficacy of programs addressing negative economic impacts, including through use of data analysis, targeted consumer outreach, improvements to data or technology infrastructure, and impact evaluations.
- *Small Businesses and Non-profits.* As discussed above, small businesses and non-profits faced significant challenges in covering payroll, mortgages or rent, and other operating costs as a result of the public health emergency and measures taken to contain the spread of the virus. State, local, and Tribal governments may provide assistance to small businesses to adopt safer operating procedures, weather periods of closure, or mitigate financial hardship resulting from the COVID-19 public health emergency, including:
  - Loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;

- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs.

As discussed above, these services should respond to the negative economic impacts of COVID-19. Recipients may consider additional criteria to target assistance to businesses in need, including small businesses. Such criteria may include businesses facing financial insecurity, substantial declines in gross receipts (e.g., comparable to measures used to assess eligibility for the Paycheck Protection Program), or other economic harm due to the pandemic, as well as businesses with less capacity to weather financial hardship, such as the smallest businesses, those with less access to credit, or those serving disadvantaged communities. Recipients should consider local economic conditions and business data when establishing such criteria.<sup>87</sup>

- *Rehiring State, Local, and Tribal Government Staff.* State, local, and Tribal governments continue to see pandemic impacts in overall staffing levels: State, local, and Tribal government employment remains more than 1 million jobs lower

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<sup>87</sup> See Federal Reserve Bank of Cleveland, *An Uphill Battle: COVID-19's Outsized Toll on Minority-Owned Firms* (Oct. 8, 2020), <https://www.clevelandfed.org/newsroom-and-events/publications/community-development-briefs/db-20201008-misera-report.aspx> (discussing the impact of COVID-19 on minority owned businesses).



in April 2021 than prior to the pandemic.<sup>88</sup> Employment losses decrease a state or local government's ability to effectively administer services. Thus, the Interim Final Rule includes as an eligible use payroll, covered benefits, and other costs associated with rehiring public sector staff, up to the pre-pandemic staffing level of the government.

- *Aid to Impacted Industries.* Sections 602(c)(1)(A) and 603(c)(1)(A) recognize that certain industries, such as tourism, travel, and hospitality, were disproportionately and negatively impacted by the COVID-19 public health emergency. Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic on those and similarly impacted industries. For example, aid may include assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel, and hospitality services, for example, improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans.

Aid may be considered responsive to the negative economic impacts of the pandemic if it supports businesses, attractions, business districts, and Tribal development districts operating prior to the pandemic and affected by required

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<sup>88</sup> U.S. Bureau of Labor Statistics, All Employees, State Government [CES9092000001] and All Employees, Local Government [CES9093000001], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CES9092000001> and <https://fred.stlouisfed.org/series/CES9093000001> (last visited May 8, 2021).

closures and other efforts to contain the pandemic. For example, a recipient may provide aid to support safe reopening of businesses in the tourism, travel, and hospitality industries and to business districts that were closed during the COVID-19 public health emergency, as well as aid for a planned expansion or upgrade of tourism, travel, and hospitality facilities delayed due to the pandemic.

When considering providing aid to industries other than tourism, travel, and hospitality, recipients should consider the extent of the economic impact as compared to tourism, travel, and hospitality, the industries enumerated in the statute. For example, on net, the leisure and hospitality industry has experienced an approximately 24 percent decline in revenue and approximately 17 percent decline in employment nationwide due to the COVID-19 public health emergency.<sup>89</sup> Recipients should also consider whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic.

To facilitate transparency and accountability, the Interim Final Rule requires that State, local, and Tribal governments publicly report assistance provided to private-sector businesses under this eligible use, including tourism, travel, hospitality, and other impacted industries, and its connection to negative

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<sup>89</sup> From February 2020 to April 2021, employment in “Leisure and hospitality” has fallen by approximately 17 percent. *See* U.S. Bureau of Labor Statistics, All Employees, Leisure and Hospitality, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/USLAH> (last visited May 8, 2021). From 2019Q4 to 2020Q4, gross output (e.g. revenue) in arts, entertainment, recreation, accommodation, and food services has fallen by approximately 24 percent. *See* Bureau of Economic Analysis, News Release: Gross Domestic Product (Third Estimate), Corporate Profits, and GDP by Industry, Fourth Quarter and Year 2020 (Mar. 25, 2021), Table 17, [https://www.bea.gov/sites/default/files/2021-03/gdp4q20\\_3rd.pdf](https://www.bea.gov/sites/default/files/2021-03/gdp4q20_3rd.pdf).

economic impacts of the pandemic. Recipients also should maintain records to support their assessment of how businesses or business districts receiving assistance were affected by the negative economic impacts of the pandemic and how the aid provided responds to these impacts.

As discussed above, economic disparities that existed prior to the COVID-19 public health emergency amplified the impact of the pandemic among low-income and minority groups. These families were more likely to face housing, food, and financial insecurity; are over-represented among low-wage workers; and many have seen their livelihoods deteriorate further during the pandemic and economic contraction. In recognition of the disproportionate negative economic impacts on certain communities and populations, the Interim Final Rule identifies services and programs that will be presumed to be responding to the negative economic impacts of the COVID-19 public health emergency when provided in these communities.

Specifically, Treasury will presume that certain types of services, outlined below, are eligible uses when provided in a QCT, to families and individuals living in QCTs, or when these services are provided by Tribal governments.<sup>90</sup> Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately impacted communities, recipients should be able to support their determination that the pandemic resulted in disproportionate public health or economic outcomes to the specific populations, households, or geographic areas to be served. The Interim Final Rule identifies a non-exclusive list of uses that address the disproportionate negative economic effects of the COVID-19 public health emergency, including:

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<sup>90</sup> HUD, *supra* note 48.

- *Building Stronger Communities through Investments in Housing and Neighborhoods*. The economic impacts of COVID-19 have likely been most acute in lower-income neighborhoods, including concentrated areas of high unemployment, limited economic opportunity, and housing insecurity.<sup>91</sup> Services in this category alleviate the immediate economic impacts of the COVID-19 pandemic on housing insecurity, while addressing conditions that contributed to poor public health and economic outcomes during the pandemic, namely concentrated areas with limited economic opportunity and inadequate or poor-quality housing.<sup>92</sup> Eligible services include:
  - Services to address homelessness such as supportive housing, and to improve access to stable, affordable housing among unhoused individuals;
  - Affordable housing development to increase supply of affordable and high-quality living units; and
  - Housing vouchers, residential counseling, or housing navigation assistance to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity.<sup>93</sup>

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<sup>91</sup> Stuart M. Butler & Jonathan Grabinsky, Tackling the legacy of persistent urban inequality and concentrated poverty, Brookings Institution (Nov. 16, 2020), <https://www.brookings.edu/blog/up-front/2020/11/16/tackling-the-legacy-of-persistent-urban-inequality-and-concentrated-poverty/>.

<sup>92</sup> U.S. Department of Health and Human Services (HHS), Office of Disease Prevention and Health Promotion, Quality of Housing, <https://www.healthypeople.gov/2020/topics-objectives/topic/social-determinants-health/interventions-resources/quality-of-housing#11> (last visited Apr. 26, 2021).

<sup>93</sup> The Opportunity Atlas, <https://www.opportunityatlas.org/> (last visited Apr. 26, 2021); Raj Chetty & Nathaniel Hendren, The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects, *Quarterly J. of Econ.* 133(3):1107-162 (2018), available at <https://opportunityinsights.org/paper/neighborhoodsi/>.

- *Addressing Educational Disparities.* As outlined above, school closures and the transition to remote education raised particular challenges for lower-income students, potentially exacerbating educational disparities, while increases in economic hardship among families could have long-lasting impacts on children’s educational and economic prospects. Services under this prong would enhance educational supports to help mitigate impacts of the pandemic. Eligible services include:
  - New, expanded, or enhanced early learning services, including pre-kindergarten, Head Start, or partnerships between pre-kindergarten programs and local education authorities, or administration of those services;
  - Providing assistance to high-poverty school districts to advance equitable funding across districts and geographies;
  - Evidence-based educational services and practices to address the academic needs of students, including tutoring, summer, afterschool, and other extended learning and enrichment programs; and
  - Evidence-based practices to address the social, emotional, and mental health needs of students;
  
- *Promoting Healthy Childhood Environments.* Children’s economic and family circumstances have a long-term impact on their future economic outcomes.<sup>94</sup> Increases in economic hardship, material insecurity, and parental stress and behavioral health challenges all raise the risk of long-term harms to today’s children due to the pandemic. Eligible services to address this challenge include:

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<sup>94</sup> See supra notes 52 and 84.

- New or expanded high-quality childcare to provide safe and supportive care for children;
- Home visiting programs to provide structured visits from health, parent educators, and social service professionals to pregnant women or families with young children to offer education and assistance navigating resources for economic support, health needs, or child development; and
- Enhanced services for child welfare-involved families and foster youth to provide support and training on child development, positive parenting, coping skills, or recovery for mental health and substance use challenges.

State, local, and Tribal governments are encouraged to use payments from the Fiscal Recovery Funds to respond to the direct and immediate needs of the pandemic and its negative economic impacts and, in particular, the needs of households and businesses that were disproportionately and negatively impacted by the public health emergency. As highlighted above, low-income communities and workers and people of color have faced more severe health and economic outcomes during the pandemic, with pre-existing social vulnerabilities like low-wage or insecure employment, concentrated neighborhoods with less economic opportunity, and pre-existing health disparities likely contributing to the magnified impact of the pandemic. The Fiscal Recovery Funds provide resources to not only respond to the immediate harms of the pandemic but also to mitigate its longer-term impact in compounding the systemic public health and economic challenges of disproportionately impacted populations. Treasury encourages recipients to consider funding uses that foster a strong, inclusive, and equitable recovery, especially uses with long-term benefits for health and economic outcomes.

*Uses Outside the Scope of this Category.* Certain uses would not be within the scope of this eligible use category, although may be eligible under other eligible use categories. A general infrastructure project, for example, typically would not be included unless the project responded to a specific pandemic public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact like those described above (e.g., affordable housing in a QCT). The ARPA explicitly includes infrastructure if it is “necessary” and in water, sewer, or broadband. *See* Section II.D of this Supplementary Information. State, local, and Tribal governments also may use the Fiscal Recovery Funds under sections 602(c)(1)(C) or 603(c)(1)(C) to provide “government services” broadly to the extent of their reduction in revenue. *See* Section II.C of this Supplementary Information.

This category of eligible uses also would not include contributions to rainy day funds, financial reserves, or similar funds. Resources made available under this eligible use category are intended to help meet pandemic response needs and provide relief for households and businesses facing near- and long-term negative economic impacts. Contributions to rainy day funds and similar financial reserves would not address these needs or respond to the COVID-19 public health emergency but would rather constitute savings for future spending needs. Similarly, this eligible use category would not include payment of interest or principal on outstanding debt instruments, including, for example, short-term revenue or tax anticipation notes, or other debt service costs. As discussed below, payments from the Fiscal Recovery Funds are intended to be used prospectively and the Interim Final Rule precludes use of these funds to cover the costs of debt incurred prior to March 3, 2021. Fees or issuance costs associated with the issuance of new debt would also not be covered using payments from the Fiscal Recovery Funds because such costs would not themselves have been incurred to address

the needs of pandemic response or its negative economic impacts. The purpose of the Fiscal Recovery Funds is to provide fiscal relief that will permit State, local, and Tribal governments to continue to respond to the COVID-19 public health emergency.

For the same reasons, this category of eligible uses would not include satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding, except to the extent the judgment or settlement requires the provision of services that would respond to the COVID-19 public health emergency. That is, satisfaction of a settlement or judgment would not itself respond to COVID-19 with respect to the public health emergency or its negative economic impacts, unless the settlement requires the provision of services or aid that did directly respond to these needs, as described above.

In addition, as described in Section V.III of this Supplementary Information, Treasury will establish reporting and record keeping requirements for uses within this category, including enhanced reporting requirements for certain types of uses.

*Question 1: Are there other types of services or costs that Treasury should consider as eligible uses to respond to the public health impacts of COVID-19? Describe how these respond to the COVID-19 public health emergency.*

*Question 2: The Interim Final Rule permits coverage of payroll and benefits costs of public health and safety staff primarily dedicated to COVID-19 response, as well as rehiring of public sector staff up to pre-pandemic levels. For how long should these measures remain in place? What other measures or presumptions might Treasury consider to assess the extent to which public sector staff are engaged in COVID-19 response, and therefore reimbursable, in an easily-administrable manner?*



*Question 3: The Interim Final Rule permits rehiring of public sector staff up to the government's pre-pandemic staffing level, which is measured based on employment as of January 27, 2021. Does this approach adequately measure the pre-pandemic staffing level in a manner that is both accurate and easily administrable? Why or why not?*

*Question 4: The Interim Final Rule permits deposits to Unemployment Insurance Trust Funds, or using funds to pay back advances, up to the pre-pandemic balance. What, if any, conditions should be considered to ensure that funds repair economic impacts of the pandemic and strengthen unemployment insurance systems?*

*Question 5: Are there other types of services or costs that Treasury should consider as eligible uses to respond to the negative economic impacts of COVID-19? Describe how these respond to the COVID-19 public health emergency.*

*Question 6: What other measures, presumptions, or considerations could be used to assess "impacted industries" affected by the COVID-19 public health emergency?*

*Question 7: What are the advantages and disadvantages of using Qualified Census Tracts and services provided by Tribal governments to delineate where a broader range of eligible uses are presumed to be responsive to the public health and economic impacts of COVID-19? What other measures might Treasury consider? Are there other populations or geographic areas that were disproportionately impacted by the pandemic that should be explicitly included?*

*Question 8: Are there other services or costs that Treasury should consider as eligible uses to respond to the disproportionate impacts of COVID-19 on low-income populations and communities? Describe how these respond to the COVID-19 public health emergency or its negative economic impacts, including its exacerbation of pre-existing challenges in these areas.*

*Question 9: The Interim Final Rule includes eligible uses to support affordable housing and stronger neighborhoods in disproportionately-impacted communities. Discuss the advantages and disadvantages of explicitly including other uses to support affordable housing and stronger neighborhoods, including rehabilitation of blighted properties or demolition of abandoned or vacant properties. In what ways does, or does not, this potential use address public health or economic impacts of the pandemic? What considerations, if any, could support use of Fiscal Recovery Funds in ways that do not result in resident displacement or loss of affordable housing units?*

#### B. Premium Pay

Fiscal Recovery Funds payments may be used by recipients to provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency or to provide grants to third-party employers with eligible workers performing essential work.<sup>95</sup> These are workers who have been and continue to be relied on to maintain continuity of operations of essential critical infrastructure sectors, including those who are critical to protecting the health and wellbeing of their communities.

Since the start of the COVID-19 public health emergency in January 2020, essential workers have put their physical wellbeing at risk to meet the daily needs of their communities and to provide care for others. In the course of this work, many essential workers have contracted or died of COVID-19.<sup>96</sup> Several examples reflect the severity of the health impacts

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<sup>95</sup> §§602(c)(1)(B), 603(c)(1)(B) of the Act.

<sup>96</sup> See, e.g., Centers for Disease Control and Prevention, COVID Data Tracker: Cases & Death among Healthcare Personnel, <https://covid.cdc.gov/covid-data-tracker/#health-care-personnel> (last visited May 4, 2021); Centers for Disease Control and Prevention, COVID Data Tracker: Confirmed COVID-19 Cases and Deaths among Staff and Rate per 1,000 Resident-Weeks in Nursing Homes, by Week – United States, <https://covid.cdc.gov/covid-data-tracker/#nursing-home-staff> (last visited May 4, 2021).

for essential workers. Meat processing plants became “hotspots” for transmission, with 700 new cases reported at a single plant on a single day in May 2020.<sup>97</sup> In New York City, 120 employees of the Metropolitan Transit Authority were estimated to have died due to COVID-19 by mid-May 2020, with nearly 4,000 testing positive for the virus.<sup>98</sup> Furthermore, many essential workers are people of color or low-wage workers.<sup>99</sup> These workers, in particular, have borne a disproportionate share of the health and economic impacts of the pandemic. Such workers include:

- Staff at nursing homes, hospitals, and home care settings;
- Workers at farms, food production facilities, grocery stores, and restaurants;
- Janitors and sanitation workers;
- Truck drivers, transit staff, and warehouse workers;
- Public health and safety staff;
- Childcare workers, educators, and other school staff; and
- Social service and human services staff.

During the public health emergency, employers’ policies on COVID-19-related hazard pay have varied widely, with many essential workers not yet compensated for the heightened

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<sup>97</sup> See, e.g., The Lancet, The plight of essential workers during the COVID-19 pandemic, Vol. 395, Issue 10237:1587 (May 23, 2020), available at <https://www.thelancet.com/journals/lancet/article/PIIS0140-6736%2820%2931200-9/fulltext>.

<sup>98</sup> *Id.*

<sup>99</sup> Joanna Gaitens et al., Covid-19 and essential workers: A narrative review of health outcomes and moral injury, *Int’l J. of Env’tl. Research and Pub. Health* 18(4):1446 (Feb. 4, 2021), available at <https://pubmed.ncbi.nlm.nih.gov/33557075/>; Tiana N. Rogers et al., Racial Disparities in COVID-19 Mortality Among Essential Workers in the United States, *World Med. & Health policy* 12(3):311-27 (Aug. 5, 2020), available at <https://onlinelibrary.wiley.com/doi/full/10.1002/wmh3.358> (finding that vulnerability to coronavirus exposure was increased among non-Hispanic blacks, who disproportionately occupied the top nine essential occupations).

risks they have faced and continue to face.<sup>100</sup> Many of these workers earn lower wages on average and live in socioeconomically vulnerable communities as compared to the general population.<sup>101</sup> A recent study found that 25 percent of essential workers were estimated to have low household income, with 13 percent in high-risk households.<sup>102</sup> The low pay of many essential workers makes them less able to cope with the financial consequences of the pandemic or their work-related health risks, including working hours lost due to sickness or disruptions to childcare and other daily routines, or the likelihood of COVID-19 spread in their households or communities. Thus, the threats and costs involved with maintaining the ongoing operation of vital facilities and services have been, and continue to be, borne by those that are often the most vulnerable to the pandemic. The added health risk to essential workers is one prominent way in which the pandemic has amplified pre-existing socioeconomic inequities.

The Fiscal Recovery Funds will help respond to the needs of essential workers by allowing recipients to remunerate essential workers for the elevated health risks they have faced and continue to face during the public health emergency. To ensure that premium pay is targeted to workers that faced or face heightened risks due to the character of their work, the Interim Final Rule defines essential work as work involving regular in-person interactions or regular physical handling of items that were also handled by others. A worker would not be engaged in essential work and, accordingly may not receive premium pay, for telework performed from a residence.

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<sup>100</sup> Economic Policy Institute, Only 30% of those working outside their home are receiving hazard pay (June 16, 2020), <https://www.epi.org/press/only-30-of-those-working-outside-their-home-are-receiving-hazard-pay-black-and-hispanic-workers-are-most-concerned-about-bringing-the-coronavirus-home/>.

<sup>101</sup> McCormack, *supra* note 37.

<sup>102</sup> *Id.*

Sections 602(g)(2) and 603(g)(2) define eligible worker to mean “those workers needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as each Governor of a State or territory, or each Tribal government, may designate as critical to protect the health and well-being of the residents of their State, territory, or Tribal government.”<sup>103</sup> The rule incorporates this definition and provides a list of industries recognized as essential critical infrastructure sectors.<sup>104</sup> These sectors include healthcare, public health and safety, childcare, education, sanitation, transportation, and food production and services, among others as noted above. As provided under sections 602(g)(2) and 603(g)(2), the chief executive of each recipient has discretion to add additional sectors to this list, so long as additional sectors are deemed critical to protect the health and well-being of residents.

In providing premium pay to essential workers or grants to eligible employers, a recipient must consider whether the pay or grant would “respond to” to the worker or workers performing essential work. Premium pay or grants provided under this section respond to workers performing essential work if it addresses the heightened risk to workers who must be physically present at a jobsite and, for many of whom, the costs associated with illness were hardest to bear financially. Many of the workers performing critical essential services are low- or moderate-income workers, such as those described above. The ARPA recognizes this by defining premium pay to mean an amount up to \$13 per hour in addition to wages or remuneration the worker otherwise receives and in an aggregate amount not to exceed \$25,000 per eligible worker. To ensure the provision is implemented in a manner that compensates these workers, the Interim

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<sup>103</sup> §§602(g)(2), 603(g)(2) of the Act.

<sup>104</sup> The list of critical infrastructure sectors provided in the Interim Final Rule is based on the list of essential workers under The Heroes Act, H.R. 6800, 116th Cong. (2020).

Final Rule provides that any premium pay or grants provided using the Fiscal Recovery Funds should prioritize compensation of those lower income eligible workers that perform essential work.

As such, providing premium pay to eligible workers responds to such workers by helping address the disparity between the critical services and risks taken by essential workers and the relatively low compensation they tend to receive in exchange. If premium pay would increase a worker's total pay above 150 percent of their residing state's average annual wage for all occupations, as defined by the Bureau of Labor Statistics' Occupational Employment and Wage Statistics, or their residing county's average annual wage, as defined by the Bureau of Labor Statistics' Occupational Employment and Wage Statistics, whichever is higher, on an annual basis, the State, local, or Tribal government must provide Treasury and make publicly available, whether for themselves or on behalf of a grantee, a written justification of how the premium pay or grant is responsive to workers performing essential worker during the public health emergency.<sup>105</sup>

The threshold of 150 percent for requiring additional written justification is based on an analysis of the distribution of labor income for a sample of 20 occupations that generally correspond to the essential workers as defined in the Interim Final Rule.<sup>106</sup> For these

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<sup>105</sup> County median annual wage is taken to be that of the metropolitan or nonmetropolitan area that includes the county. See U.S. Bureau of Labor Statistics, State Occupational Employment and Wage Estimates, <https://www.bls.gov/oes/current/oesrst.htm> (last visited May 1, 2021); U.S. Bureau of Labor Statistics, May 2020 Metropolitan and Nonmetropolitan Area Estimates listed by county or town, [https://www.bls.gov/oes/current/county\\_links.htm](https://www.bls.gov/oes/current/county_links.htm) (last visited May 1, 2021).

<sup>106</sup> Treasury performed this analysis with data from the U.S. Census Bureau's 2019 Annual Social and Economic Supplement. In determining which occupations to include in this analysis, Treasury excluded management and supervisory positions, as such positions may not necessarily involve regular in-person interactions or physical handling of items to the same extent as non-managerial positions.

occupations, labor income for the vast majority of workers was under 150 percent of average annual labor income across all occupations. Treasury anticipates that the threshold of 150 percent of the annual average wage will be greater than the annual average wage of the vast majority of eligible workers performing essential work. These enhanced reporting requirements help to ensure grants are directed to essential workers in critical infrastructure sectors and responsive to the impacts of the pandemic observed among essential workers, namely the misalignment between health risks and compensation. Enhanced reporting also provides transparency to the public. Finally, using a localized measure reflects differences in wages and cost of living across the country, making this standard administrable and reflective of essential worker incomes across a diverse range of geographic areas.

Furthermore, because premium pay is intended to compensate essential workers for heightened risk due to COVID-19, it must be entirely additive to a worker's regular rate of wages and other remuneration and may not be used to reduce or substitute for a worker's normal earnings. The definition of premium pay also clarifies that premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency, where those workers have yet to be compensated adequately for work previously performed.<sup>107</sup> Treasury encourages recipients to prioritize providing retrospective premium pay where possible, recognizing that many essential workers have not yet received additional compensation for work conducted over the course of many months. Essential workers who have already earned premium pay for essential work performed during the COVID-19 public health

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<sup>107</sup> However, such compensation must be "in addition to" remuneration or wages already received. That is, employers may not reduce such workers' current pay and use Fiscal Recovery Funds to compensate themselves for premium pay previously provided to the worker.

emergency remain eligible for additional payments, and an essential worker may receive both retrospective premium pay for prior work as well as prospective premium pay for current or ongoing work.

To ensure any grants respond to the needs of essential workers and are made in a fair and transparent manner, the rule imposes some additional reporting requirements for grants to third-party employers, including the public disclosure of grants provided. *See* Section VIII of this Supplementary Information, discussing reporting requirements. In responding to the needs of essential workers, a grant to an employer may provide premium pay to eligible workers performing essential work, as these terms are defined in the Interim Final Rule and discussed above. A grant provided to an employer may also be for essential work performed by eligible workers pursuant to a contract. For example, if a municipality contracts with a third party to perform sanitation work, the third-party contractor could be eligible to receive a grant to provide premium pay for these eligible workers.

*Question 10: Are there additional sectors beyond those listed in the Interim Final Rule that should be considered essential critical infrastructure sectors?*

*Question 11: What, if any, additional criteria should Treasury consider to ensure that premium pay responds to essential workers?*

*Question 12: What consideration, if any, should be given to the criteria on salary threshold, including measure and level, for requiring written justification?*

### C. Revenue Loss

Recipients may use payments from the Fiscal Recovery Funds for the provision of government services to the extent of the reduction in revenue experienced due to the COVID-19



public health emergency.<sup>108</sup> Pursuant to sections 602(c)(1)(C) and 603(c)(1)(C) of the Act, a recipient's reduction in revenue is measured relative to the revenue collected in the most recent full fiscal year prior to the emergency.

Many State, local, and Tribal governments are experiencing significant budget shortfalls, which can have a devastating impact on communities. State government tax revenue from major sources were down 4.3 percent in the six months ended September 2020, relative to the same period 2019.<sup>109</sup> At the local level, nearly 90 percent of cities have reported being less able to meet the fiscal needs of their communities and, on average, cities expect a double-digit decline in general fund revenues in their fiscal year 2021.<sup>110</sup> Similarly, surveys of Tribal governments and Tribal enterprises found majorities of respondents reporting substantial cost increases and revenue decreases, with Tribal governments reporting reductions in healthcare, housing, social services, and economic development activities as a result of reduced revenues.<sup>111</sup> These budget shortfalls are particularly problematic in the current environment, as State, local, and Tribal governments work to mitigate and contain the COVID-19 pandemic and help citizens weather the economic downturn.

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<sup>108</sup> ARPA, *supra* note 16.

<sup>109</sup> Major sources include personal income tax, corporate income tax, sales tax, and property tax. *See* Lucy Dadayan., States Reported Revenue Growth in July- – September Quarter, Reflecting Revenue Shifts from the Prior Quarter, State Tax and Econ. Rev. (Q. 3, 2020), *available at* [https://www.urban.org/sites/default/files/publication/103938/state-tax-and-economic-review-2020-q3\\_0.pdf](https://www.urban.org/sites/default/files/publication/103938/state-tax-and-economic-review-2020-q3_0.pdf)

<sup>110</sup> National League of Cities, City Fiscal Conditions (2020), *available at* [https://www.nlc.org/wp-content/uploads/2020/08/City\\_Fiscal\\_Conditions\\_2020\\_FINAL.pdf](https://www.nlc.org/wp-content/uploads/2020/08/City_Fiscal_Conditions_2020_FINAL.pdf)

<sup>111</sup> Surveys conducted by the Center for Indian Country Development at the Federal Reserve Bank of Minneapolis in March, April, and September 2020. *See* Moreno & Sobrepena, *supra* note 73.

Further, State, local, and Tribal government budgets affect the broader economic recovery. During the period following the 2007-2009 recession, State and local government budget pressures led to fiscal austerity that was a significant drag on the overall economic recovery.<sup>112</sup> Inflation-adjusted State and local government revenue did not return to the previous peak until 2013,<sup>113</sup> while State, local, and Tribal government employment did not recover to its prior peak for over a decade, until August 2019 – just a few months before the COVID-19 public health emergency began.<sup>114</sup>

Sections 602(c)(1)(C) and 603(c)(1)(C) of the Act allow recipients facing budget shortfalls to use payments from the Fiscal Recovery Funds to avoid cuts to government services and, thus, enable State, local, and Tribal governments to continue to provide valuable services and ensure that fiscal austerity measures do not hamper the broader economic recovery. The Interim Final Rule implements these provisions by establishing a definition of “general revenue” for purposes of calculating a loss in revenue and by providing a methodology for calculating revenue lost due to the COVID-19 public health emergency.

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<sup>112</sup> See, e.g., Fitzpatrick, Haughwout & Setren, Fiscal Drag from the State and Local Sector?, Liberty Street Economics Blog, Federal Reserve Bank of New York (June 27, 2012), <https://www.libertystreeteconomics.newyorkfed.org/2012/06/fiscal-drag-from-the-state-and-local-sector.html>; Jiri Jonas, Great Recession and Fiscal Squeeze at U.S. Subnational Government Level, IMF Working Paper 12/184, (July 2012), available at <https://www.imf.org/external/pubs/ft/wp/2012/wp12184.pdf>; Gordon, *supra* note 9.

<sup>113</sup> State and local government general revenue from own sources, adjusted for inflation using the GDP price index. U.S. Census Bureau, Annual Survey of State Government Finances and U.S. Bureau of Economic Analysis, National Income and Product Accounts,

<sup>114</sup> U.S. Bureau of Labor Statistics, All Employees, State Government [CES9092000001] and All Employees, Local Government [CES9093000001], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CES9092000001> and <https://fred.stlouisfed.org/series/CES9093000001> (last visited Apr. 27, 2021).

*General Revenue.* The Interim Final Rule adopts a definition of “general revenue” based largely on the components reported under “General Revenue from Own Sources” in the Census Bureau’s Annual Survey of State and Local Government Finances, and for purposes of this Interim Final Rule, helps to ensure that the components of general revenue would be calculated in a consistent manner.<sup>115</sup> By relying on a methodology that is both familiar and comprehensive, this approach minimizes burden to recipients and provides consistency in the measurement of general revenue across a diverse set of recipients.

The Interim Final Rule defines the term “general revenue” to include revenues collected by a recipient and generated from its underlying economy and would capture a range of different types of tax revenues, as well as other types of revenue that are available to support government services.<sup>116</sup> In calculating revenue, recipients should sum across all revenue streams covered as general revenue. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the overall impact of the COVID-19 public health emergency on a recipient’s revenue, rather than relying

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<sup>115</sup> U.S. Census Bureau, Annual Survey of State and Local Government Finances, <https://www.census.gov/programs-surveys/gov-finances.html> (last visited Apr. 30, 2021).

<sup>116</sup> The Interim Final Rule would define tax revenue in a manner consistent with the Census Bureau’s definition of tax revenue, with certain changes (i.e., inclusion of revenue from liquor stores and certain intergovernmental transfers). Current charges are defined as “charges imposed for providing current services or for the sale of products in connection with general government activities.” It includes revenues such as public education institution, public hospital, and toll revenues. Miscellaneous general revenue comprises of all other general revenue of governments from their own sources (i.e., other than liquor store, utility, and insurance trust revenue), including rents, royalties, lottery proceeds, and fines.

on financial reporting prepared by each recipient, which vary in methodology used and which generally aggregates revenue by purpose rather than by source.<sup>117</sup>

Consistent with the Census Bureau’s definition of “general revenue from own sources,” the definition of general revenue in the Interim Final Rule would exclude refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, and agency or private trust transactions. The definition of general revenue also would exclude revenue generated by utilities and insurance trusts. In this way, the definition of general revenue focuses on sources that are generated from economic activity and are available to fund government services, rather than a fund or administrative unit established to account for and control a particular activity.<sup>118</sup> For example, public utilities typically require financial support from the State, local, or Tribal government, rather than providing revenue to such government, and any revenue that is generated by public utilities typically is used to support the public utility’s continued operation, rather than being used as a source of revenue to support government services generally.

The definition of general revenue would include all revenue from Tribal enterprises, as this revenue is generated from economic activity and is available to fund government services. Tribes are not able to generate revenue through taxes in the same manner as State and local governments and, as a result, Tribal enterprises are critical sources of revenue for Tribal

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<sup>117</sup> Fund-oriented reporting, such as what is used under the Governmental Accounting Standards Board (GASB), focuses on the types of uses and activities funded by the revenue, as opposed to the economic activity from which the revenue is sourced. *See* Governmental Accounting Standards Series, Statement No. 54 of the Governmental Accounting Standards Board: Fund Balance Reporting and Governmental Fund Type Definitions, No. 287-B (Feb. 2009).

<sup>118</sup> *Supra* note 116.

governments that enable Tribal governments to provide a range of services, including elder care, health clinics, wastewater management, and forestry.

Finally, the term “general revenue” includes intergovernmental transfers between State and local governments, but excludes intergovernmental transfers from the Federal government, including Federal transfers made via a State to a local government pursuant to the CRF or as part of the Fiscal Recovery Funds. States and local governments often share or collect revenue on behalf of one another, which results in intergovernmental transfers. When attributing revenue to a unit of government, the Census Bureau’s methodology considers which unit of government imposes, collects, and retains the revenue and assigns the revenue to the unit of government that meets at least two of those three factors.<sup>119</sup> For purposes of measuring loss in general revenue due to the COVID-19 public health emergency and to better allow continued provision of government services, the retention and ability to use the revenue is a more critical factor. Accordingly, and to better measure the funds available for the provision of government services, the definition of general revenue would include intergovernmental transfers from States or local governments other than funds transferred pursuant to ARPA, CRF, or another Federal program. This formulation recognizes the importance of State transfers for local government revenue.<sup>120</sup>

*Calculation of Loss.* In general, recipients will compute the extent of the reduction in revenue by comparing actual revenue to a counterfactual trend representing what could have been expected to occur in the absence of the pandemic. This approach measures losses in

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<sup>119</sup> U.S. Census Bureau, Government Finance and Employment Classification Manual (Dec. 2000), <https://www2.census.gov/govs/class/classfull.pdf>

<sup>120</sup> For example, in 2018, state transfers to localities accounted for approximately 27 percent of local revenues. U.S. Census Bureau, Annual Survey of State and Local Government Finances, Table 1 (2018), <https://www.census.gov/data/datasets/2018/econ/local/public-use-datasets.html>.

revenue relative to the most recent fiscal year prior to the COVID-19 public health emergency by using the most recent pre-pandemic fiscal year as the starting point for estimates of revenue growth absent the pandemic. In other words, the counterfactual trend starts with the last full fiscal year prior to the COVID-19 public health emergency and then assumes growth at a constant rate in the subsequent years. Because recipients can estimate the revenue shortfall at multiple points in time throughout the covered period as revenue is collected, this approach accounts for variation across recipients in the timing of pandemic impacts.<sup>121</sup> Although revenue may decline for reasons unrelated to the COVID-19 public health emergency, to minimize the administrative burden on recipients and taking into consideration the devastating effects of the COVID-19 public health emergency, any diminution in actual revenues relative to the counterfactual pre-pandemic trend would be presumed to have been due to the COVID-19 public health emergency.

For purposes of measuring revenue growth in the counterfactual trend, recipients may use a *growth adjustment* of either 4.1 percent per year or the recipient's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency, whichever is higher. The option of 4.1 percent represents the average annual growth across all State and local government "General Revenue from Own Sources" in the most recent three years

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<sup>121</sup> For example, following the 2007-09 recession, local government property tax collections did not begin to decline until 2011, suggesting that property tax collection declines can lag downturns. See U.S. Bureau of Economic Analysis, Personal current taxes: State and local: Property taxes [S210401A027NBEA], retrieved from Federal Reserve Economic Data, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/graph/?g=r3YI> (last visited Apr. 22, 2021). Estimating the reduction in revenue at points throughout the covered period will allow for this type of lagged effect to be taken into account during the covered period.

of available data.<sup>122</sup> This approach provides recipients with a standardized growth adjustment when calculating the counterfactual revenue trend and thus minimizes administrative burden, while not disadvantaging recipients with revenue growth that exceeded the national average prior to the COVID-19 public health emergency by permitting these recipients to use their own revenue growth rate over the preceding three years.

Recipients should calculate the extent of the reduction in revenue as of four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023. To calculate the extent of the reduction in revenue at each of these dates, recipients should follow a four-step process:

- Step 1: Identify revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the *base year revenue*.
- Step 2: Estimate *counterfactual revenue*, which is equal to *base year revenue* \*  $[(1 + \textit{growth adjustment})^{(n/12)}]$ , where *n* is the number of months elapsed since the end of the base year to the calculation date, and *growth adjustment* is the greater of 4.1 percent and the recipient's average annual revenue growth in the three full fiscal years prior to the COVID-19 public health emergency.
- Step 3: Identify *actual revenue*, which equals revenues collected over the past twelve months as of the calculation date.

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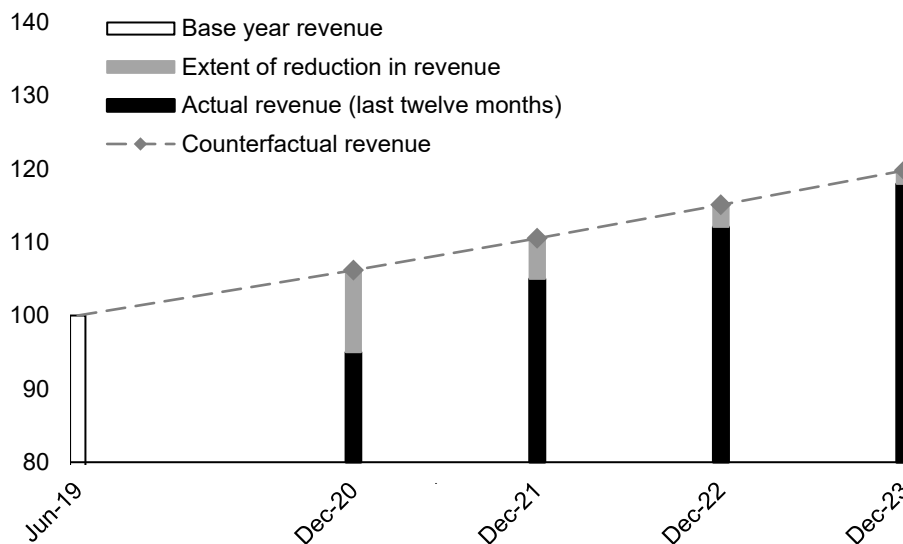
<sup>122</sup> Together with revenue from liquor stores from 2015 to 2018. This estimate does not include any intergovernmental transfers. A recipient using the three-year average to calculate their growth adjustment must be based on the definition of general revenue, including treatment of intergovernmental transfers. 2015 – 2018 represents the most recent available data. See U.S. Census Bureau, State & Local Government Finance Historical Datasets and Tables (2018), <https://www.census.gov/programs-surveys/gov-finances/data/datasets.html>.

- Step 4: The extent of the reduction in revenue is equal to *counterfactual revenue* less *actual revenue*. If actual revenue exceeds counterfactual revenue, the extent of the reduction in revenue is set to zero for that calculation date.

For illustration, consider a hypothetical recipient with *base year revenue* equal to 100. In Step 2, the hypothetical recipient finds that 4.1 percent is greater than the recipient’s average annual revenue growth in the three full fiscal years prior to the public health emergency. Furthermore, this recipient’s base year ends June 30. In this illustration, *n* (months elapsed) and *counterfactual revenue* would be equal to:

As of:	12/31/2020	12/31/2021	12/31/2022	12/31/2023
<i>n</i> (months elapsed)	18	30	42	54
<i>Counterfactual revenue</i> :	106.2	110.6	115.1	119.8

The overall methodology for calculating the reduction in revenue is illustrated in the figure below:





Upon receiving Fiscal Recovery Fund payments, recipients may immediately calculate revenue loss for the period ending December 31, 2020.

Sections 602(c)(1)(C) and 603(c)(1)(C) of the Act provide recipients with broad latitude to use the Fiscal Recovery Funds for the provision of government services. Government services can include, but are not limited to, maintenance or pay-go funded building<sup>123</sup> of infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services. However, expenses associated with obligations under instruments evidencing financial indebtedness for borrowed money would not be considered the provision of government services, as these financing expenses do not directly provide services or aid to citizens. Specifically, government services would not include interest or principal on any outstanding debt instrument, including, for example, short-term revenue or tax anticipation notes, or fees or issuance costs associated with the issuance of new debt. For the same reasons, government services would not include satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding, except if the judgment or settlement required the provision of government services. That is, satisfaction of a settlement or judgment itself is not a government service, unless the settlement required the provision of government services. In addition, replenishing financial reserves (e.g., rainy day or other reserve funds) would not be considered provision of a

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<sup>123</sup> Pay-go infrastructure funding refers to the practice of funding capital projects with cash-on-hand from taxes, fees, grants, and other sources, rather than with borrowed sums.

government service, since such expenses do not directly relate to the provision of government services.

*Question 13: Are there sources of revenue that either should or should not be included in the Interim Final Rule’s measure of “general revenue” for recipients? If so, discuss why these sources either should or should not be included.*

*Question 14: In the Interim Final Rule, recipients are expected to calculate the reduction in revenue on an aggregate basis. Discuss the advantages and disadvantages of, and any potential concerns with, this approach, including circumstances in which it could be necessary or appropriate to calculate the reduction in revenue by source.*

*Question 15: Treasury is considering whether to take into account other factors, including actions taken by the recipient as well as the expiration of the COVID-19 public health emergency, in determining whether to presume that revenue losses are “due to” the COVID-19 public health emergency. Discuss the advantages and disadvantages of this presumption, including when, if ever, during the covered period it would be appropriate to reevaluate the presumption that all losses are attributable to the COVID-19 public health emergency.*

*Question 16: Do recipients anticipate lagged revenue effects of the public health emergency? If so, when would these lagged effects be expected to occur, and what can Treasury do to support these recipients through its implementation of the program?*

*Question 17: In the Interim Final Rule, paying interest or principal on government debt is not considered provision of a government service. Discuss the advantages and disadvantages of this approach, including circumstances in which paying interest or principal on government debt could be considered provision of a government service.*

#### D. Investments in Infrastructure

To assist in meeting the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband, the Fiscal Recovery Funds provide funds to State, local, and Tribal governments to make necessary investments in these sectors. The Interim Final Rule outlines eligible uses within each category, allowing for a broad range of necessary investments in projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems, and provide access to high-quality broadband service. Necessary investments are designed to provide an adequate minimum level of service and are unlikely to be made using private sources of funds. Necessary investments include projects that are required to maintain a level of service that, at least, meets applicable health-based standards, taking into account resilience to climate change, or establishes or improves broadband service to unserved or underserved populations to reach an adequate level to permit a household to work or attend school, and that are unlikely to be met with private sources of funds.<sup>124</sup>

It is important that necessary investments in water, sewer, or broadband infrastructure be carried out in ways that produce high-quality infrastructure, avert disruptive and costly delays, and promote efficiency. Treasury encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions, not only to promote effective and efficient delivery of high-quality infrastructure projects but also to support the economic recovery through strong employment opportunities for workers. Using these practices in construction projects may help to ensure a reliable supply of

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<sup>124</sup> Treasury notes that using funds to support or oppose collective bargaining would not be included as part of “necessary investments in water, sewer, or broadband infrastructure.”

skilled labor that would minimize disruptions, such as those associated with labor disputes or workplace injuries.

To provide public transparency on whether projects are using practices that promote on-time and on-budget delivery, Treasury will seek information from recipients on their workforce plans and practices related to water, sewer, and broadband projects undertaken with Fiscal Recovery Funds. Treasury will provide additional guidance and instructions on the reporting requirements at a later date.

#### 1. Water and Sewer Infrastructure

The ARPA provides funds to State, local, and Tribal governments to make necessary investments in water and sewer infrastructure.<sup>125</sup> By permitting funds to be used for water and sewer infrastructure needs, Congress recognized the critical role that clean drinking water and services for the collection and treatment of wastewater and stormwater play in protecting public health. Understanding that State, local, and Tribal governments have a broad range of water and sewer infrastructure needs, the Interim Final Rule provides these governments with wide latitude to identify investments in water and sewer infrastructure that are of the highest priority for their own communities, which may include projects on privately-owned infrastructure. The Interim Final Rule does this by aligning eligible uses of the Fiscal Recovery Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's (EPA) Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).<sup>126</sup>

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<sup>125</sup> §§ 602(c)(1)(D), 603(c)(1)(D) of the Act.

<sup>126</sup> Environmental Protection Agency, Drinking Water State Revolving fund, <https://www.epa.gov/dwsrf> (last visited Apr. 30, 2021); Environmental Protection Agency, Clean Water State Revolving Fund, <https://www.epa.gov/cwsrf> (last visited Apr. 30, 2021).

Established by the 1987 amendments<sup>127</sup> to the Clean Water Act (CWA),<sup>128</sup> the CWSRF provides financial assistance for a wide range of water infrastructure projects to improve water quality and address water pollution in a way that enables each State to address and prioritize the needs of their populations. The types of projects eligible for CWSRF assistance include projects to construct, improve, and repair wastewater treatment plants, control non-point sources of pollution, improve resilience of infrastructure to severe weather events, create green infrastructure, and protect waterbodies from pollution.<sup>129</sup> Each of the 51 State programs established under the CWSRF have the flexibility to direct funding to their particular environmental needs, and each State may also have its own statutes, rules, and regulations that guide project eligibility.<sup>130</sup>

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<sup>127</sup> Water Quality Act of 1987, P.L. 100-4.

<sup>128</sup> Federal Water Pollution Control Act as amended, codified at 33 U.S.C. §§ 1251 *et. seq.*, common name (Clean Water Act). In 2009, the American Recovery and Reinvestment Act created the Green Project Reserve, which increased the focus on green infrastructure, water and energy efficient, and environmentally innovative projects. P.L. 111-5. The CWA was amended by the Water Resources Reform and Development Act of 2014 to further expand the CWSRF's eligibilities. P.L. 113-121. The CWSRF's eligibilities were further expanded in 2018 by the America's Water Infrastructure Act of 2018, P.L. 115-270.

<sup>129</sup> See Environmental Protection Agency, The Drinking Water State Revolving Funds: Financing America's Drinking Water, EPA-816-R-00-023 (Nov. 2000), <https://nepis.epa.gov/Exe/ZyPDF.cgi/200024WB.PDF?Dockey=200024WB.PDF>; See also Environmental Protection Agency, Learn About the Clean Water State Revolving Fund, <https://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf> (last visited Apr. 30, 2021).

<sup>130</sup> 33 U.S.C. § 1383(c). See also Environmental Protection Agency, Overview of Clean Water State Revolving Fund Eligibilities (May 2016), [https://www.epa.gov/sites/production/files/2016-07/documents/overview\\_of\\_cwsrf\\_eligibilities\\_may\\_2016.pdf](https://www.epa.gov/sites/production/files/2016-07/documents/overview_of_cwsrf_eligibilities_may_2016.pdf); Claudia Copeland, Clean Water Act: A Summary of the Law, Congressional Research Service (Oct. 18, 2016), <https://fas.org/sgp/crs/misc/RL30030.pdf>; Jonathan L Ramseur, Wastewater Infrastructure: Overview, Funding, and Legislative Developments, Congressional Research Service (May 22, 2018), <https://fas.org/sgp/crs/misc/R44963.pdf>.

The DWSRF was modeled on the CWSRF and created as part of the 1996 amendments to the Safe Drinking Water Act (SDWA),<sup>131</sup> with the principal objective of helping public water systems obtain financing for improvements necessary to protect public health and comply with drinking water regulations.<sup>132</sup> Like the CWSRF, the DWSRF provides States with the flexibility to meet the needs of their populations.<sup>133</sup> The primary use of DWSRF funds is to assist communities in making water infrastructure capital improvements, including the installation and replacement of failing treatment and distribution systems.<sup>134</sup> In administering these programs, States must give priority to projects that ensure compliance with applicable health and environmental safety requirements; address the most serious risks to human health; and assist systems most in need on a per household basis according to State affordability criteria.<sup>135</sup>

By aligning use of Fiscal Recovery Funds with the categories or types of eligible projects under the existing EPA state revolving fund programs, the Interim Final Rule provides recipients with the flexibility to respond to the needs of their communities while ensuring that investments in water and sewer infrastructure made using Fiscal Recovery Funds are necessary. As discussed above, the CWSRF and DWSRF were designed to provide funding for projects that protect public health and safety by ensuring compliance with wastewater and drinking water health

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<sup>131</sup> 42 U.S.C. 300j-12.

<sup>132</sup> Environmental Protection Agency, Drinking Water State Revolving Fund Eligibility Handbook, (June 2017), [https://www.epa.gov/sites/production/files/2017-06/documents/dwsrf\\_eligibility\\_handbook\\_june\\_13\\_2017\\_updated\\_508\\_version.pdf](https://www.epa.gov/sites/production/files/2017-06/documents/dwsrf_eligibility_handbook_june_13_2017_updated_508_version.pdf); Environmental Protection Agency, Drinking Water Infrastructure Needs Survey and Assessment: Sixth Report to Congress (March 2018), [https://www.epa.gov/sites/production/files/2018-10/documents/corrected\\_sixth\\_drinking\\_water\\_infrastructure\\_needs\\_survey\\_and\\_assessment.pdf](https://www.epa.gov/sites/production/files/2018-10/documents/corrected_sixth_drinking_water_infrastructure_needs_survey_and_assessment.pdf)“.

<sup>133</sup> *Id.*

<sup>134</sup> *Id.*

<sup>135</sup> 42 U.S.C. 300j-12(b)(3)(A).

standards.<sup>136</sup> The need to provide funding through the state revolving funds suggests that these projects are less likely to be addressed with private sources of funding; for example, by remediating failing or inadequate infrastructure, much of which is publicly owned, and by addressing non-point sources of pollution. This approach of aligning with the EPA state revolving fund programs also supports expedited project identification and investment so that needed relief for the people and communities most affected by the pandemic can be deployed expeditiously and have a positive impact on their health and wellbeing as soon as possible. Further, the Interim Final Rule is intended to preserve flexibility for award recipients to direct funding to their own particular needs and priorities and would not preclude recipients from applying their own additional project eligibility criteria.

In addition, responding to the immediate needs of the COVID-19 public health emergency may have diverted both personnel and financial resources from other State, local, and Tribal priorities, including projects to ensure compliance with applicable water health and quality standards and provide safe drinking and usable water.<sup>137</sup> Through sections 602(c)(1)(D) and 603(c)(1)(D), the ARPA provides resources to address these needs. Moreover, using Fiscal Recovery Funds in accordance with the priorities of the CWA and SWDA to “assist systems most in need on a per household basis according to state affordability criteria” would also have

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<sup>136</sup> Environmental Protection Agency, Learn About the Clean Water State Revolving Fund, <https://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf> (last visited Apr. 30, 2021); 42 U.S.C. 300j-12.

<sup>137</sup> House Committee on the Budget, State and Local Governments are in Dire Need of Federal Relief (Aug. 19, 2020), <https://budget.house.gov/publications/report/state-and-local-governments-are-dire-need-federal-relief>.

the benefit of providing vulnerable populations with safe drinking water that is critical to their health and, thus, their ability to work and learn.<sup>138</sup>

Recipients may use Fiscal Recovery Funds to invest in a broad range of projects that improve drinking water infrastructure, such as building or upgrading facilities and transmission, distribution, and storage systems, including replacement of lead service lines. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury encourages recipients to consider projects to replace lead service lines.

Fiscal Recovery Funds may also be used to support the consolidation or establishment of drinking water systems. With respect to wastewater infrastructure, recipients may use Fiscal Recovery Funds to construct publicly owned treatment infrastructure, manage and treat stormwater or subsurface drainage water, facilitate water reuse, and secure publicly owned treatment works, among other uses. Finally, consistent with the CWSRF and DWSRF, Fiscal Recovery Funds may be used for cybersecurity needs to protect water or sewer infrastructure, such as developing effective cybersecurity practices and measures at drinking water systems and publicly owned treatment works.

Many of the types of projects eligible under either the CWSRF or DWSRF also support efforts to address climate change. For example, by taking steps to manage potential sources of pollution and preventing these sources from reaching sources of drinking water, projects eligible under the DWSRF and the ARPA may reduce energy required to treat drinking water. Similarly,

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<sup>138</sup> Environmental Protection Agency, Drinking Water State Revolving Fund (Nov. 2019), [https://www.epa.gov/sites/production/files/2019-11/documents/fact\\_sheet\\_-\\_dwsrf\\_overview\\_final\\_0.pdf](https://www.epa.gov/sites/production/files/2019-11/documents/fact_sheet_-_dwsrf_overview_final_0.pdf); Environmental Protection Agency, National Benefits Analysis for Drinking Water Regulations, <https://www.epa.gov/sdwa/national-benefits-analysis-drinking-water-regulations> (last visited Apr. 30, 2020).



projects eligible under the CWSRF include measures to conserve and reuse water or reduce the energy consumption of public water treatment facilities. Treasury encourages recipients to consider green infrastructure investments and projects to improve resilience to the effects of climate change. For example, more frequent and extreme precipitation events combined with construction and development trends have led to increased instances of stormwater runoff, water pollution, and flooding. Green infrastructure projects that support stormwater system resiliency could include rain gardens that provide water storage and filtration benefits, and green streets, where vegetation, soil, and engineered systems are combined to direct and filter rainwater from impervious surfaces. In cases of a natural disaster, recipients may also use Fiscal Recovery Funds to provide relief, such as interconnecting water systems or rehabilitating existing wells during an extended drought.

*Question 18: What are the advantages and disadvantages of aligning eligible uses with the eligible project type requirements of the DWSRF and CWSRF? What other water or sewer project categories, if any, should Treasury consider in addition to DWSRF and CWSRF eligible projects? Should Treasury consider a broader general category of water and sewer projects?*

*Question 19: What additional water and sewer infrastructure categories, if any, should Treasury consider to address and respond to the needs of unserved, underserved, or rural communities? How do these projects differ from DWSRF and CWSRF eligible projects?*

*Question 20: What new categories of water and sewer infrastructure, if any, should Treasury consider to support State, local, and Tribal governments in mitigating the negative impacts of climate change? Discuss emerging technologies and processes that support resiliency of water and sewer infrastructure. Discuss any challenges faced by States and local governments when pursuing or implementing climate resilient infrastructure projects.*

*Question 21: Infrastructure projects related to dams and reservoirs are generally not eligible under the CWSRF and DWSRF categories. Should Treasury consider expanding eligible infrastructure under the Interim Final Rule to include dam and reservoir projects? Discuss public health, environmental, climate, or equity benefits and costs in expanding the eligibility to include these types of projects.*

## 2. Broadband Infrastructure.

The COVID-19 public health emergency has underscored the importance of universally available, high-speed, reliable, and affordable broadband coverage as millions of Americans rely on the internet to participate in, among critical activities, remote school, healthcare, and work. Recognizing the need for such connectivity, the ARPA provides funds to State, territorial, local, and Tribal governments to make necessary investments in broadband infrastructure.

The National Telecommunications and Information Administration (NTIA) highlighted the growing necessity of broadband in daily lives through its analysis of NTIA Internet Use Survey data, noting that Americans turn to broadband Internet access service for every facet of daily life including work, study, and healthcare.<sup>139</sup> With increased use of technology for daily activities and the movement by many businesses and schools to operating remotely during the pandemic, broadband has become even more critical for people across the country to carry out their daily lives.

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<sup>139</sup> See, e.g., <https://www.ntia.gov/blog/2020/more-half-american-households-used-internet-health-related-activities-2019-ntia-data-show>; <https://www.ntia.gov/blog/2020/nearly-third-american-employees-worked-remotely-2019-ntia-data-show>; and generally, <https://www.ntia.gov/data/digital-nation-data-explorer>.

By at least one measure, however, tens of millions of Americans live in areas where there is no broadband infrastructure that provides download speeds greater than 25 Mbps and upload speeds of 3 Mbps.<sup>140</sup> By contrast, as noted below, many households use upload and download speeds of 100 Mbps to meet their daily needs. Even in areas where broadband infrastructure exists, broadband access may be out of reach for millions of Americans because it is unaffordable, as the United States has some of the highest broadband prices in the Organisation for Economic Co-operation and Development (OECD).<sup>141</sup> There are disparities in availability as well; historically, Americans living in territories and Tribal lands as well as rural areas have disproportionately lacked sufficient broadband infrastructure.<sup>142</sup> Moreover, rapidly growing demand has, and will likely continue to, quickly outpace infrastructure capacity, a phenomenon acknowledged by various states around the country that have set scalability requirements to account for this anticipated growth in demand.<sup>143</sup>

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<sup>140</sup> As an example, data from the Federal Communications Commission shows that as of June 2020, 9.07 percent of the U.S. population had no available cable or fiber broadband providers providing greater than 25 Mbps download speeds and 3 Mbps upload speeds. Availability was significantly less for rural versus urban populations, with 35.57 percent of the rural population lacking such access, compared with 2.57 percent of the urban population. Availability was also significantly less for tribal versus non-tribal populations, with 35.93 percent of the tribal population lacking such access, compared with 8.74 of the non-tribal population. Federal Communications Commission, Fixed Broadband Deployment, <https://broadbandmap.fcc.gov/#/> (last visited May 9, 2021).

<sup>141</sup> How Do U.S. Internet Costs Compare To The Rest Of The World?, BroadbandSearch Blog Post, *available at* <https://www.broadbandsearch.net/blog/internet-costs-compared-worldwide>.

<sup>142</sup> *See, e.g.*, Federal Communications Commission, Fourteenth Broadband Deployment Report, *available at* <https://docs.fcc.gov/public/attachments/FCC-21-18A1.pdf>.

<sup>143</sup> *See, e.g.*, Illinois Department of Commerce & Economic Opportunity, Broadband Grants, h (last visited May 9, 2021), <https://www2.illinois.gov/dceo/ConnectIllinois/Pages/BroadbandGrants.aspx>; Kansas Office of Broadband Development, Broadband Acceleration Grant, <https://www.kansascommerce.gov/wp-content/uploads/2020/11/Broadband-Acceleration-Grant.pdf> (last visited May 9, 2021); New York State Association of Counties, Universal Broadband: Deploying High Speed Internet Access in NYS (Jul. 2017), [https://www.nysac.org/files/BroadbandUpdateReport2017\(1\).pdf](https://www.nysac.org/files/BroadbandUpdateReport2017(1).pdf).

The Interim Final Rule provides that eligible investments in broadband are those that are designed to provide services meeting adequate speeds and are provided to unserved and underserved households and businesses. Understanding that States, territories, localities, and Tribal governments have a wide range of varied broadband infrastructure needs, the Interim Final Rule provides award recipients with flexibility to identify the specific locations within their communities to be served and to otherwise design the project.

Under the Interim Final Rule, eligible projects are expected to be designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical upload and download speeds of 100 Mbps. There may be instances in which it would not be practicable for a project to deliver such service speeds because of the geography, topography, or excessive costs associated with such a project. In these instances, the affected project would be expected to be designed to deliver, upon project completion, service that reliably meets or exceeds 100 Mbps download and between at least 20 Mbps and 100 Mbps upload speeds and be scalable to a minimum of 100 Mbps symmetrical for download and upload speeds.<sup>144</sup> In setting these standards, Treasury identified speeds necessary to ensure that broadband infrastructure is sufficient to enable users to generally meet household needs, including the ability to support the simultaneous use of work, education, and health applications, and also sufficiently robust to meet increasing household demands for bandwidth. Treasury also recognizes that different communities and their members may have a broad range of internet needs and that those needs may change over time.

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<sup>144</sup> This scalability threshold is consistent with scalability requirements used in other jurisdictions. *Id.*

In considering the appropriate speed requirements for eligible projects, Treasury considered estimates of typical households demands during the pandemic. Using the Federal Communication Commission's (FCC) Broadband Speed Guide, for example, a household with two telecommuters and two to three remote learners today are estimated to need 100 Mbps download to work simultaneously.<sup>145</sup> In households with more members, the demands may be greater, and in households with fewer members, the demands may be less.

In considering the appropriate speed requirements for eligible projects, Treasury also considered data usage patterns and how bandwidth needs have changed over time for U.S. households and businesses as people's use of technology in their daily lives has evolved. In the few years preceding the pandemic, market research data showed that average upload speeds in the United States surpassed over 10 Mbps in 2017<sup>146</sup> and continued to increase significantly, with the average upload speed as of November, 2019 increasing to 48.41 Mbps,<sup>147</sup> attributable, in part to a shift to using broadband and the internet by individuals and businesses to create and share content using video sharing, video conferencing, and other applications.<sup>148</sup>

The increasing use of data accelerated markedly during the pandemic as households across the country became increasingly reliant on tools and applications that require greater

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<sup>145</sup> Federal Communications Commission, Broadband Speed Guide, <https://www.fcc.gov/consumers/guides/broadband-speed-guide> (last visited Apr. 30, 2021).

<sup>146</sup> Letter from Lisa R. Youngers, President and CEO of Fiber Broadband Association to FCC, WC Docket No. 19-126 (filed Jan. 3, 2020), including an Appendix with research from RVA LLC, *Data Review Of The Importance of Upload Speeds* (Jan. 2020), and Ookla speed test data, available at <https://ecfsapi.fcc.gov/file/101030085118517/FCC%20RDOF%20Jan%203%20Ex%20Parte.pdf>.

Additional information on historic growth in data usage is provided in Schools, Health & Libraries Broadband Coalition, *Common Sense Solutions for Closing the Digital Divide*, Apr. 29, 2021.

<sup>147</sup> *Id.* See also United States's Mobile and Broadband Internet Speeds - Speedtest Global Index, available at <https://www.speedtest.net/global-index/united-states#fixed>.

<sup>148</sup> *Id.*

internet capacity, both to download data but also to upload data. Sending information became as important as receiving it. A video consultation with a healthcare provider or participation by a child in a live classroom with a teacher and fellow students requires video to be sent and received simultaneously.<sup>149</sup> As an example, some video conferencing technology platforms indicate that download and upload speeds should be roughly equal to support two-way, interactive video meetings.<sup>150</sup> For both work and school, client materials or completed school assignments, which may be in the form of PDF files, videos, or graphic files, also need to be shared with others. This is often done by uploading materials to a collaboration site, and the upload speed available to a user can have a significant impact on the time it takes for the content to be shared with others.<sup>151</sup> These activities require significant capacity from home internet connections to both download and upload data, especially when there are multiple individuals in one household engaging in these activities simultaneously.

This need for increased broadband capacity during the pandemic was reflected in increased usage patterns seen over the last year. As OpenVault noted in recent advisories, the pandemic significantly increased the amount of data users consume. Among data users observed by OpenVault, per-subscriber average data usage for the fourth quarter of 2020 was 482.6 gigabytes per month, representing a 40 percent increase over the 344 gigabytes consumed in the fourth quarter of 2019 and a 26 percent increase over the third quarter 2020 average of

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<sup>149</sup> One high definition Zoom meeting or class requires approximately 3.8 Mbps/3.0 Mbps (up/down).

<sup>150</sup> See, e.g., Zoom, System Requirements for Windows, macOS, and Linux, [https://support.zoom.us/hc/en-us/articles/201362023-System-requirements-for-Windows-macOS-and-Linux#h\\_d278c327-e03d-4896-b19a-96a8f3c0c69c](https://support.zoom.us/hc/en-us/articles/201362023-System-requirements-for-Windows-macOS-and-Linux#h_d278c327-e03d-4896-b19a-96a8f3c0c69c) (last visited May 8, 2021).

<sup>151</sup> By one estimate, to upload a one gigabit video file to YouTube would take 15 minutes at an upload speed of 10 Mbps compared with 1 minute, 30 seconds at an upload speed of 100 Mbps, and 30 seconds at an upload speed of 300 Mbps. Reviews.org: What is Symmetrical Internet? (March 2020).

383.8 gigabytes.<sup>152</sup> OpenVault also noted significant increases in upstream usage among the data users it observed, with upstream data usage growing 63 percent – from 19 gigabytes to 31 gigabytes – between December, 2019 and December, 2020.<sup>153</sup> According to an OECD Broadband statistic from June 2020, the largest percentage of U.S. broadband subscribers have services providing speeds between 100 Mbps and 1 Gbps.<sup>154</sup>

Jurisdictions and Federal programs are increasingly responding to the growing demands of their communities for both heightened download and upload speeds. For example, Illinois now requires 100 Mbps symmetrical service as the construction standard for its state broadband grant programs. This standard is also consistent with speed levels, particularly download speed levels, prioritized by other Federal programs supporting broadband projects. Bids submitted as part of the FCC in its Rural Digital Opportunity Fund (RDOF), established to support the construction of broadband networks in rural communities across the country, are given priority if they offer faster service, with the service offerings of 100 Mbps download and

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<sup>152</sup> OVBI: Covid-19 Drove 15 percent Increase in Broadband Traffic in 2020, OpenVault, Quarterly Advisory, (Feb. 10, 2021), *available at* <https://openvault.com/ovbi-covid-19-drove-51-increase-in-broadband-traffic-in-2020>; *See* OpenVault’s data set incorporates information on usage by subscribers across multiple continents, including North America and Europe. Additional data and detail on increases in the amount of data users consume and the broadband speeds they are using is provided in *OpenVault Broadband Insights Report Q4*, Quarterly Advisory (Feb. 10, 2021), *available at* <https://openvault.com/complimentary-report-4q20/>.

<sup>153</sup> OVBI Special Report: 202 Upstream Growth Nearly 4X of Pre-Pandemic Years, OpenVault, Quarterly Advisory, (April 1, 2021), *available at* <https://openvault.com/ovbi-special-report-2020-upstream-growth-rate-nearly-4x-of-pre-pandemic-years/>; Additional data is provided in *OpenVault Broadband Insights Pandemic Impact on Upstream Broadband Usage and Network Capacity*, *available at* <https://openvault.com/upstream-whitepaper/>.

<sup>154</sup> Organisation for Economic Co-operation and Development, Fixed broadband subscriptions per 100 inhabitants, per speed tiers (June 2020), <https://www.oecd.org/sti/broadband/5.1-FixedBB-SpeedTiers-2020-06.xls> [www.oecd.org/sti/broadband/broadband-statistics](http://www.oecd.org/sti/broadband/broadband-statistics).

20 Mbps upload being included in the “above baseline” performance tier set by the FCC.<sup>155</sup> The Broadband Infrastructure Program (BBIP)<sup>156</sup> of the Department of Commerce, which provides Federal funding to deploy broadband infrastructure to eligible service areas of the country also prioritizes projects designed to provide broadband service with a download speed of not less than 100 Mbps and an upload speed of not less than 20 Mbps.<sup>157</sup>

The 100 Mbps upload and download speeds will support the increased and growing needs of households and businesses. Recognizing that, in some instances, 100 Mbps upload speed may be impracticable due to geographical, topographical, or financial constraints, the Interim Final Rule permits upload speeds of between at least 20 Mbps and 100 Mbps in such instances. To provide for investments that will accommodate technologies requiring symmetry in download and upload speeds, as noted above, eligible projects that are not designed to deliver, upon project completion, service that reliably meets or exceeds symmetrical speeds of 100 Mbps because it would be impracticable to do so should be designed so that they can be scalable to such speeds. Recipients are also encouraged to prioritize investments in fiber optic infrastructure where feasible, as such advanced technology enables the next generation of application solutions for all communities.

Under the Interim Final Rule, eligible projects are expected to focus on locations that are unserved or underserved. The Interim Final Rule treats users as being unserved or underserved if they lack access to a wireline connection capable of reliably delivering at least minimum speeds

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<sup>155</sup> *Rural Digital Opportunity Fund*, Report and Order, 35 FCC Rcd 686, 690, para. 9 (2020), available at <https://www.fcc.gov/document/fcc-launches-20-billion-rural-digital-opportunity-fund-0>.

<sup>156</sup> The BIPP was authorized by the Consolidated Appropriations Act, 2021, Section 905, Public Law 116-260, 134 Stat. 1182 (Dec. 27, 2020).

<sup>157</sup> Section 905(d)(4) of the Consolidated Appropriations Act, 2021.



of 25 Mbps download and 3 Mbps upload as households and businesses lacking this level of access are generally not viewed as being able to originate and receive high-quality voice, data, graphics, and video telecommunications. This threshold is consistent with the FCC’s benchmark for an “advanced telecommunications capability.”<sup>158</sup> This threshold is also consistent with thresholds used in other Federal programs to identify eligible areas to be served by programs to improve broadband services. For example, in the FCC’s RDOF program, eligible areas include those without current (or already funded) access to terrestrial broadband service providing 25 Mbps download and 3 Mbps upload speeds.<sup>159</sup> The Department of Commerce’s BBIP also considers households to be “unserved” generally if they lack access to broadband service with a download speed of not less than 25 Mbps download and 3 Mbps upload, among other conditions. In selecting an area to be served by a project, recipients are encouraged to avoid investing in locations that have existing agreements to build reliable wireline service with minimum speeds of 100 Mbps download and 20 Mbps upload by December 31, 2024, in order to avoid duplication of efforts and resources.

Recipients are also encouraged to consider ways to integrate affordability options into their program design. To meet the immediate needs of unserved and underserved households and businesses, recipients are encouraged to focus on projects that deliver a physical broadband connection by prioritizing projects that achieve last mile-connections. Treasury also encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with

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<sup>158</sup> *Deployment Report, supra* note 142.

<sup>159</sup> *Rural Digital Opportunity Fund, supra* note 156.

local governments, non-profits, and co-operatives—providers with less pressure to turn profits and with a commitment to serving entire communities.

Under sections 602(c)(1)(A) and 603(c)(1)(A), assistance to households facing negative economic impacts due to COVID-19 is also an eligible use, including internet access or digital literacy assistance. As discussed above, in considering whether a potential use is eligible under this category, a recipient must consider whether, and the extent to which, the household has experienced a negative economic impact from the pandemic.

*Question 22: What are the advantages and disadvantages of setting minimum symmetrical download and upload speeds of 100 Mbps? What other minimum standards would be appropriate and why?*

*Question 23: Would setting such a minimum be impractical for particular types of projects? If so, where and on what basis should those projects be identified? How could such a standard be set while also taking into account the practicality of using this standard in particular types of projects? In addition to topography, geography, and financial factors, what other constraints, if any, are relevant to considering whether an investment is impracticable?*

*Question 24: What are the advantages and disadvantages of setting a minimum level of service at 100 Mbps download and 20 Mbps upload in projects where it is impracticable to set minimum symmetrical download and upload speeds of 100 Mbps? What are the advantages and disadvantages of setting a scalability requirement in these cases? What other minimum standards would be appropriate and why?*

*Question 25: What are the advantages and disadvantages of focusing these investments on those without access to a wireline connection that reliably delivers 25 Mbps download by 3 Mbps upload? Would another threshold be appropriate and why?*

*Question 26: What are the advantages and disadvantages of setting any particular threshold for identifying unserved or underserved areas, minimum speed standards or scalability minimum? Are there other standards that should be set (e.g., latency)? If so, why and how? How can such threshold, standards, or minimum be set in a way that balances the public's interest in making sure that reliable broadband services meeting the daily needs of all Americans are available throughout the country with the providing recipients flexibility to meet the varied needs of their communities?*

### III. Restrictions on Use

As discussed above, recipients have considerable flexibility to use Fiscal Recovery Funds to address the diverse needs of their communities. To ensure that payments from the Fiscal Recovery Funds are used for these congressionally permitted purposes, the ARPA includes two provisions that further define the boundaries of the statute's eligible uses. Section 602(c)(2)(A) of the Act provides that States and territories may not "use the funds ... to either directly or indirectly offset a reduction in ... net tax revenue ... resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax ... or delays the imposition of any tax or tax increase." In addition, sections 602(c)(2)(B) and 603(c)(2) prohibit any recipient, including cities, nonentitlement units of government, and counties, from using Fiscal Recovery Funds for deposit into any pension fund. These restrictions support the use of funds for the congressionally permitted purposes described in Section II of this Supplementary Information by providing a backstop against the use of funds for purposes outside of the eligible use categories.

These provisions give force to Congress's clear intent that Fiscal Recovery Funds be spent within the four eligible uses identified in the statute—(1) to respond to the public health

emergency and its negative economic impacts, (2) to provide premium pay to essential workers, (3) to provide government services to the extent of eligible governments' revenue losses, and (4) to make necessary water, sewer, and broadband infrastructure investments—and not otherwise. These four eligible uses reflect Congress's judgment that the Fiscal Recovery Funds should be expended in particular ways that support recovery from the COVID-19 public health emergency. The further restrictions reflect Congress's judgment that tax cuts and pension deposits do not fall within these eligible uses. The Interim Final Rule describes how Treasury will identify when such uses have occurred and how it will recoup funds put toward these impermissible uses and, as discussed in Section VIII of this Supplementary Information, establishes a reporting framework for monitoring the use of Fiscal Recovery Funds for eligible uses.

#### A. Deposit into Pension Funds

The statute provides that recipients may not use Fiscal Recovery Funds for “deposit into any pension fund.” For the reasons discussed below, Treasury interprets “deposit” in this context to refer to an extraordinary payment into a pension fund for the purpose of reducing an accrued, unfunded liability. More specifically, the Interim Final Rule does not permit this assistance to be used to make a payment into a pension fund if both:

1. the payment reduces a liability incurred prior to the start of the COVID-19 public health emergency, and
2. the payment occurs outside the recipient's regular timing for making such payments.

Under this interpretation, a “deposit” is distinct from a “payroll contribution,” which occurs when employers make payments into pension funds on regular intervals, with contribution amounts based on a pre-determined percentage of employees' wages and salaries.

As discussed above, eligible uses for premium pay and responding to the negative economic impacts of the COVID-19 public health emergency include hiring and compensating public sector employees. Interpreting the scope of “deposit” to exclude contributions that are part of payroll contributions is more consistent with these eligible uses and would reduce administrative burden for recipients. Accordingly, if an employee’s wages and salaries are an eligible use of Fiscal Recovery Funds, recipients may treat the employee’s covered benefits as an eligible use of Fiscal Recovery Funds. For purposes of the Fiscal Recovery Funds, covered benefits include costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (Federal and State), workers’ compensation insurance, and Federal Insurance Contributions Act taxes (which includes Social Security and Medicare taxes).

Treasury anticipates that this approach to employees’ covered benefits will be comprehensive and, for employees whose wage and salary costs are eligible expenses, will allow all covered benefits listed in the previous paragraph to be eligible under the Fiscal Recovery Funds. Treasury expects that this will minimize the administrative burden on recipients by treating all the specified covered benefit types as eligible expenses, for employees whose wage and salary costs are eligible expenses.

*Question 27: Beyond a “deposit” and a “payroll contribution,” are there other types of payments into a pension fund that Treasury should consider?*

## B. Offset a Reduction in Net Tax Revenue

For States and territories (recipient governments<sup>160</sup>), section 602(c)(2)(A)—the offset provision—prohibits the use of Fiscal Recovery Funds to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation<sup>161</sup> during the covered period. If a State or territory uses Fiscal Recovery Funds to offset a reduction in net tax revenue, the ARPA provides that the State or territory must repay to the Treasury an amount equal to the lesser of (i) the amount of the applicable reduction attributable to the impermissible offset and (ii) the amount received by the State or territory under the ARPA. *See* Section IV of this Supplementary Information. As discussed below Section IV of this Supplementary Information, a State or territory that chooses to use Fiscal Recovery Funds to offset a reduction in net tax revenue does not forfeit its entire allocation of Fiscal Recovery Funds (unless it misused the full allocation to offset a reduction in net tax revenue) or any non-ARPA funding received.

The Interim Final Rule implements these conditions by establishing a framework for States and territories to determine the cost of changes in law, regulation, or interpretation that reduce tax revenue and to identify and value the sources of funds that will offset—i.e., cover the cost of—any reduction in net tax revenue resulting from such changes. A recipient government would only be considered to have used Fiscal Recovery Funds to offset a reduction in net tax revenue resulting from changes in law, regulation, or interpretation if, and to the extent that, the

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<sup>160</sup> In this sub-section, “recipient governments” refers only to States and territories. In other sections, “recipient governments” refers more broadly to eligible governments receiving funding from the Fiscal Recovery Funds.

<sup>161</sup> For brevity, referred to as “changes in law, regulation, or interpretation” for the remainder of this preamble.

recipient government could not identify sufficient funds from sources other than the Fiscal Recovery Funds to offset the reduction in net tax revenue. If sufficient funds from other sources cannot be identified to cover the full cost of the reduction in net tax revenue resulting from changes in law, regulation, or interpretation, the remaining amount not covered by these sources will be considered to have been offset by Fiscal Recovery Funds, in contravention of the offset provision. The Interim Final Rule recognizes three sources of funds that may offset a reduction in net tax revenue other than Fiscal Recovery Funds—organic growth, increases in revenue (e.g., an increase in a tax rate), and certain cuts in spending.

In order to reduce burden, the Interim Final Rule’s approach also incorporates the types of information and modeling already used by States and territories in their own fiscal and budgeting processes. By incorporating existing budgeting processes and capabilities, States and territories will be able to assess and evaluate the relationship of tax and budget decisions to uses of the Fiscal Recovery Funds based on information they likely have or can obtain. This approach ensures that recipient governments have the information they need to understand the implications of their decisions regarding the use of the Fiscal Recovery Funds—and, in particular, whether they are using the funds to directly or indirectly offset a reduction in net tax revenue, making them potentially subject to recoupment.

Reporting on both the eligible uses and on a State’s or territory’s covered tax changes that would reduce tax revenue will enable identification of, and recoupment for, use of Fiscal Recovery Funds to directly offset reductions in tax revenue resulting from tax relief. Moreover, this approach recognizes that, because money is fungible, even if Fiscal Recovery Funds are not explicitly or directly used to cover the costs of changes that reduce net tax revenue, those funds may be used in a manner inconsistent with the statute by indirectly being used to substitute for

the State's or territory's funds that would otherwise have been needed to cover the costs of the reduction. By focusing on the cost of changes that reduce net tax revenue—and how a recipient government is offsetting those reductions in constructing its budget over the covered period—the framework prevents efforts to use Fiscal Recovery Funds to indirectly offset reductions in net tax revenue for which the recipient government has not identified other offsetting sources of funding.

As discussed in greater detail below in this preamble, the framework set forth in the Interim Final Rule establishes a step-by-step process for determining whether, and the extent to which, Fiscal Recovery Funds have been used to offset a reduction in net tax revenue. Based on information reported annually by the recipient government:

- First, each year, each recipient government will identify and value the changes in law, regulation, or interpretation that would result in a reduction in net tax revenue, as it would in the ordinary course of its budgeting process. The sum of these values in the year for which the government is reporting is the amount it needs to “pay for” with sources other than Fiscal Recovery Funds (total value of revenue reducing changes).
- Second, the Interim Final Rule recognizes that it may be difficult to predict how a change would affect net tax revenue in future years and, accordingly, provides that if the total value of the changes in the year for which the recipient government is reporting is below a de minimis level, as discussed below, the recipient government need not identify any sources of funding to pay for revenue reducing changes and will not be subject to recoupment.
- Third, a recipient government will consider the amount of actual tax revenue recorded in the year for which they are reporting. If the recipient government's actual tax revenue is



greater than the amount of tax revenue received by the recipient for the fiscal year ending 2019, adjusted annually for inflation, the recipient government will not be considered to have violated the offset provision because there will not have been a reduction in net tax revenue.

- Fourth, if the recipient government’s actual tax revenue is less than the amount of tax revenue received by the recipient government for the fiscal year ending 2019, adjusted annually for inflation, in the reporting year the recipient government will identify any sources of funds that have been used to permissibly offset the total value of covered tax changes other than Fiscal Recovery Funds. These are:
  - State or territory tax changes that would increase any source of general fund revenue, such as a change that would increase a tax rate; and
  - Spending cuts in areas not being replaced by Fiscal Recovery Funds.

The recipient government will calculate the value of revenue reduction remaining after applying these sources of offsetting funding to the total value of revenue reducing changes—that, is, how much of the tax change has not been paid for. The recipient government will then compare that value to the difference between the baseline and actual tax revenue. A recipient government will not be required to repay to the Treasury an amount that is greater than the recipient government’s actual tax revenue shortfall relative to the baseline (i.e., fiscal year 2019 tax revenue adjusted for inflation). This “revenue reduction cap,” together with Step 3, ensures that recipient governments can use organic revenue growth to offset the cost of revenue reductions.

- Finally, if there are any amounts that could be subject to recoupment, Treasury will provide notice to the recipient government of such amounts. This process is discussed in greater detail in Section IV of this Supplementary Information.

Together, these steps allow Treasury to identify the amount of reduction in net tax revenue that both is attributable to covered changes and has been directly or indirectly offset with Fiscal Recovery Funds. This process ensures Fiscal Recovery Funds are used in a manner consistent with the statute's defined eligible uses and the offset provision's limitation on these eligible uses, while avoiding undue interference with State and territory decisions regarding tax and spending policies.

The Interim Final Rule also implements a process for recouping Fiscal Recovery Funds that were used to offset reductions in net tax revenue, including the calculation of any amounts that may be subject to recoupment, a process for a recipient government to respond to a notice of recoupment, and clarification regarding amounts excluded from recoupment. *See* Section IV of this Supplementary Information.

The Interim Final Rule includes several definitions that are applicable to the implementation of the offset provision.

*Covered change.* The offset provision is triggered by a reduction in net tax revenue resulting from "a change in law, regulation, or administrative interpretation." A covered change includes any final legislative or regulatory action, a new or changed administrative interpretation, and the phase-in or taking effect of any statute or rule where the phase-in or taking effect was not prescribed prior to the start of the covered period. Changed administrative interpretations would not include corrections to replace prior inaccurate interpretations; such corrections would instead be treated as changes implementing legislation enacted or regulations issued prior to the covered

period; the operative change in those circumstances is the underlying legislation or regulation that occurred prior to the covered period. Moreover, only the changes within the control of the State or territory are considered covered changes. Covered changes do not include a change in rate that is triggered automatically and based on statutory or regulatory criteria in effect prior to the covered period. For example, a state law that sets its earned income tax credit (EITC) at a fixed percentage of the Federal EITC will see its EITC payments automatically increase—and thus its tax revenue reduced—because of the Federal government’s expansion of the EITC in the ARPA.<sup>162</sup> This would not be considered a covered change. In addition, the offset provision applies only to actions for which the change in policy occurs during the covered period; it excludes regulations or other actions that implement a change or law substantively enacted prior to March 3, 2021. Finally, Treasury has determined and previously announced that income tax changes—even those made during the covered period—that simply conform with recent changes in Federal law (including those to conform to recent changes in Federal taxation of unemployment insurance benefits and taxation of loan forgiveness under the Paycheck Protection Program) are permissible under the offset provision.

*Baseline.* For purposes of measuring a reduction in net tax revenue, the Interim Final Rule measures actual changes in tax revenue relative to a revenue baseline (baseline). The baseline will be calculated as fiscal year 2019 (FY 2019) tax revenue indexed for inflation in

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<sup>162</sup> See, e.g., Tax Policy Center, How do state earned income tax credits work?, <https://www.taxpolicycenter.org/briefing-book/how-do-state-earned-income-tax-credits-work/> (last visited May 9, 2021).

each year of the covered period, with inflation calculated using the Bureau of Economic Analysis's Implicit Price Deflator.<sup>163</sup>

FY 2019 was chosen as the starting year for the baseline because it is the last full fiscal year prior to the COVID-19 public health emergency.<sup>164</sup> This baseline year is consistent with the approach directed by the ARPA in sections 602(c)(1)(C) and 603(c)(1)(C), which identify the “most recent full fiscal year of the [State, territory, or Tribal government] prior to the emergency” as the comparator for measuring revenue loss. U.S. gross domestic product is projected to rebound to pre-pandemic levels in 2021,<sup>165</sup> suggesting that an FY 2019 pre-pandemic baseline is a reasonable comparator for future revenue levels. The FY 2019 baseline revenue will be adjusted annually for inflation to allow for direct comparison of actual tax revenue in each year (reported in nominal terms) to baseline revenue in common units of measurement; without inflation adjustment, each dollar of reported actual tax revenue would be worth less than each dollar of baseline revenue expressed in 2019 terms.

*Reporting year.* The Interim Final Rule defines “reporting year” as a single year within the covered period, aligned to the current fiscal year of the recipient government during the covered period, for which a recipient government reports the value of covered changes and any sources of offsetting revenue increases (“in-year” value), regardless of when those changes were enacted. For the fiscal years ending in 2021 or 2025 (partial years), the term “reporting year”

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<sup>163</sup> U.S. Department of Commerce, Bureau of Economic Analysis, GDP Price Deflator, <https://www.bea.gov/data/prices-inflation/gdp-price-deflator> (last visited May 9, 2021).

<sup>164</sup> Using Fiscal Year 2019 is consistent with section 602 as Congress provided for using that baseline for determining the impact of revenue loss affecting the provision of government services. See section 602(c)(1)(C).

<sup>165</sup> Congressional Budget Office, An Overview of the Economic Outlook: 2021 to 2031 (February 1, 2021), available at <https://www.cbo.gov/publication/56965>.

refers to the portion of the year falling within the covered period. For example, the reporting year for a fiscal year beginning July 2020 and ending June 2021 would be from March 3, 2021 to July 2021.

*Tax revenue.* The Interim Final Rule’s definition of “tax revenue” is based on the Census Bureau’s definition of taxes, used for its Annual Survey of State Government Finances.<sup>166</sup> It provides a consistent, well-established definition with which States and territories will be familiar and is consistent with the approach taken in Section II.C of this Supplementary Information describing the implementation of sections 602(c)(1)(C) and 603(c)(1)(C) of the Act, regarding revenue loss. Consistent with the approach described in Section II.C of this Supplementary Information, tax revenue does not include revenue taxed and collected by a different unit of government (e.g., revenue from taxes levied by a local government and transferred to a recipient government).

*Framework.* The Interim Final Rule provides a step-by-step framework, to be used in each reporting year, to calculate whether the offset provision applies to a State’s or territory’s use of Fiscal Recovery Funds:

(1) *Covered changes that reduce tax revenue.* For each reporting year, a recipient government will identify and value covered changes that the recipient government predicts will have the effect of reducing tax revenue in a given reporting year, similar to the way it would in the ordinary course of its budgeting process. The value of these covered changes may be reported based on estimated values produced by a budget model, incorporating reasonable assumptions, that aligns with the recipient government’s existing approach for measuring the

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<sup>166</sup> U.S. Census Bureau, Annual Survey of State and Local Government Finances Glossary, <https://www.census.gov/programs-surveys/state/about/glossary.html> (last visited Apr. 30, 2021).

effects of fiscal policies, and that measures relative to a current law baseline. The covered changes may also be reported based on actual values using a statistical methodology to isolate the change in year-over-year revenue attributable to the covered change(s), relative to the current law baseline prior to the change(s). Further, estimation approaches should not use dynamic methodologies that incorporate the projected effects of macroeconomic growth because macroeconomic growth is accounted for separately in the framework. Relative to these dynamic scoring methodologies, scoring methodologies that do not incorporate projected effects of macroeconomic growth rely on fewer assumptions and thus provide greater consistency among States and territories. Dynamic scoring that incorporates macroeconomic growth may also increase the likelihood of underestimation of the cost of a reduction in tax revenue.

In general and where possible, reporting should be produced by the agency of the recipient government responsible for estimating the costs and effects of fiscal policy changes. This approach offers recipient governments the flexibility to determine their reporting methodology based on their existing budget scoring practices and capabilities. In addition, the approach of using the projected value of changes in law that enact fiscal policies to estimate the net effect of such policies is consistent with the way many States and territories already consider tax changes.<sup>167</sup>

(2) *In excess of the de minimis.* The recipient government will next calculate the total value of all covered changes in the reporting year resulting in revenue reductions, identified in Step 1. If the total value of the revenue reductions resulting from these changes is below the de

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<sup>167</sup> See, e.g., Megan Randall & Kim Rueben, Tax Policy Center, Sustainable Budgeting in the States: Evidence on State Budget Institutions and Practices (Nov. 2017), available at [https://www.taxpolicycenter.org/sites/default/files/publication/149186/sustainable-budgeting-in-the-states\\_1.pdf](https://www.taxpolicycenter.org/sites/default/files/publication/149186/sustainable-budgeting-in-the-states_1.pdf).

de minimis level, the recipient government will be deemed not to have any revenue-reducing changes for the purpose of determining the recognized net reduction. If the total is above the de minimis level, the recipient government must identify sources of in-year revenue to cover the full costs of changes that reduce tax revenue.

The de minimis level is calculated as 1 percent of the reporting year's baseline. Treasury recognizes that, pursuant to their taxing authority, States and territories may make many small changes to alter the composition of their tax revenues or implement other policies with marginal effects on tax revenues. They may also make changes based on projected revenue effects that turn out to differ from actual effects, unintentionally resulting in minor revenue changes that are not fairly described as "resulting from" tax law changes. The de minimis level recognizes the inherent challenges and uncertainties that recipient governments face, and thus allows relatively small reductions in tax revenue without consequence. Treasury determined the 1 percent level by assessing the historical effects of state-level tax policy changes in state EITCs implemented to effect policy goals other than reducing net tax revenues.<sup>168</sup> The 1 percent de minimis level reflects the historical reductions in revenue due to minor changes in state fiscal policies.

(3) *Safe harbor.* The recipient government will then compare the reporting year's actual tax revenue to the baseline. If actual tax revenue is greater than the baseline, Treasury will deem the recipient government not to have any recognized net reduction for the reporting year, and therefore to be in a safe harbor and outside the ambit of the offset provision. This approach is consistent with the ARPA, which contemplates recoupment of Fiscal Recovery Funds only in the event that such funds are used to offset a reduction in net tax revenue. If net tax revenue has not

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<sup>168</sup> Data provided by the Urban-Brookings Tax Policy Center for state-level EITC changes for 2004-2017.

been reduced, this provision does not apply. In the event that actual tax revenue is above the baseline, the organic revenue growth that has occurred, plus any other revenue-raising changes, by definition must have been enough to offset the in-year costs of the covered changes.

(4) *Consideration of other sources of funding.* Next, the recipient government will identify and calculate the total value of changes that could pay for revenue reduction due to covered changes and sum these items. This amount can be used to pay for up to the total value of revenue-reducing changes in the reporting year. These changes consist of two categories:

(a) *Tax and other increases in revenue.* The recipient government must identify and consider covered changes in policy that the recipient government predicts will have the effect of increasing general revenue in a given reporting year. As when identifying and valuing covered changes that reduce tax revenue, the value of revenue-raising changes may be reported based on estimated values produced by a budget model, incorporating reasonable assumptions, aligned with the recipient government's existing approach for measuring the effects of fiscal policies, and measured relative to a current law baseline, or based on actual values using a statistical methodology to isolate the change in year-over-year revenue attributable to the covered change(s). Further, and as discussed above, estimation approaches should not use dynamic scoring methodologies that incorporate the effects of macroeconomic growth because growth is accounted for separately under the Interim Final Rule. In general and where possible, reporting should be produced by the agency of the recipient government responsible for estimating the costs and effects of fiscal policy changes. This approach offers recipient governments the flexibility to determine their reporting methodology based on their existing budget scoring practices and capabilities.



(b) *Covered spending cuts.* A recipient government also may cut spending in certain areas to pay for covered changes that reduce tax revenue, up to the amount of the recipient government's net reduction in total spending as described below. These changes must be reductions in government outlays not in an area where the recipient government has spent Fiscal Recovery Funds. To better align with existing reporting and accounting, the Interim Final Rule considers the department, agency, or authority from which spending has been cut and whether the recipient government has spent Fiscal Recovery Funds on that same department, agency, or authority. This approach was selected to allow recipient governments to report how Fiscal Recovery Funds have been spent using reporting units already incorporated into their budgeting process. If they have not spent Fiscal Recovery Funds in a department, agency, or authority, the full amount of the reduction in spending counts as a covered spending cut, up to the recipient government's net reduction in total spending. If they have, the Fiscal Recovery Funds generally would be deemed to have replaced the amount of spending cut and only reductions in spending above the amount of Fiscal Recovery Funds spent on the department, agency, or authority would count.

To calculate the amount of spending cuts that are available to offset a reduction in tax revenue, the recipient government must first consider whether there has been a reduction in total net spending, excluding Fiscal Recovery Funds (net reduction in total spending). This approach ensures that reported spending cuts actually create fiscal space, rather than simply offsetting other spending increases. A net reduction in total spending is measured as the difference between total spending in each reporting year, excluding Fiscal Recovery Funds spent, relative to total spending for the recipient's fiscal year ending in 2019, adjusted for inflation. Measuring reductions in spending relative to 2019 reflects the fact that the fiscal space created by a

spending cut persists so long as spending remains below its original level, even if it does not decline further, relative to the same amount of revenue. Measuring spending cuts from year to year would, by contrast, not recognize any available funds to offset revenue reductions unless spending continued to decline, failing to reflect the actual availability of funds created by a persistent change and limiting the discretion of States and territories. In general and where possible, reporting should be produced by the agency of the recipient government responsible for estimating the costs and effects of fiscal policy changes. Treasury chose this approach because while many recipient governments may score budget legislation using projections, spending cuts are readily observable using actual values.

This approach—allowing only spending reductions in areas where the recipient government has not spent Fiscal Recovery Funds to be used as an offset for a reduction in net tax revenue—aims to prevent recipient governments from using Fiscal Recovery Funds to supplant State or territory funding in the eligible use areas, and then use those State or territory funds to offset tax cuts. Such an approach helps ensure that Fiscal Recovery Funds are not used to “indirectly” offset revenue reductions due to covered changes.

In order to help ensure recipient governments use Fiscal Recovery Funds in a manner consistent with the prescribed eligible uses and do not use Fiscal Recovery Funds to indirectly offset a reduction in net tax revenue resulting from a covered change, Treasury will monitor changes in spending throughout the covered period. If, over the course of the covered period, a spending cut is subsequently replaced with Fiscal Recovery Funds and used to indirectly offset a reduction in net tax revenue resulting from a covered change, Treasury may consider such change to be an evasion of the restrictions of the offset provision and seek recoupment of such amounts.

(5) *Identification of amounts subject to recoupment.* If a recipient government (i) reports covered changes that reduce tax revenue (Step 1); (ii) to a degree greater than the de minimis (Step 2); (iii) has experienced a reduction in net tax revenue (Step 3); and (iv) lacks sufficient revenue from other, permissible sources to pay for the entirety of the reduction (Step 4), then the recipient government will be considered to have used Fiscal Recovery Funds to offset a reduction in net tax revenue, up to the amount that revenue has actually declined. That is, the maximum value of reduction in revenue due to covered changes which a recipient government must cover is capped at the difference between the baseline and actual tax revenue.<sup>169</sup> In the event that the baseline is above actual tax revenue and the difference between them is less than the sum of revenue reducing changes that are not paid for with other, permissible sources, organic revenue growth has implicitly offset a portion of the reduction. For example, if a recipient government reduces tax revenue by \$1 billion, makes no other changes, and experiences revenue growth driven by organic economic growth worth \$500 million, it need only pay for the remaining \$500 million with sources other than Fiscal Recovery Funds. The revenue reduction cap implements this approach for permitting organic revenue growth to cover the cost of tax cuts.

Finally, as discussed further in Section IV of this Supplementary Information, a recipient government may request reconsideration of any amounts identified as subject to recoupment under this framework. This process ensures that all relevant facts and circumstances, including information regarding planned spending cuts and budgeting assumptions, are considered prior to a determination that an amount must be repaid. Amounts subject to recoupment are calculated

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<sup>169</sup> This cap is applied in section 35.8(c) of the Interim Final Rule, calculating the amount of funds used in violation of the tax offset provision.

on an annual basis; amounts recouped in one year cannot be returned if the State or territory subsequently reports an increase in net tax revenue.

To facilitate the implementation of the framework above, and in addition to reporting required on eligible uses, in each year of the reporting period, each State and territory will report to Treasury the following items:

- Actual net tax revenue for the reporting year;
- Each revenue-reducing change made to date during the covered period and the in-year value of each change;
- Each revenue-raising change made to date during the covered period and the in-year value of each change;
- Each covered spending cut made to date during the covered period, the in-year value of each cut, and documentation demonstrating that each spending cut is covered as prescribed under the Interim Final Rule;

Treasury will provide additional guidance and instructions the reporting requirements at a later date.

*Question 28: Does the Interim Final Rule's definition of tax revenue accord with existing State and territorial practice and, if not, are there other definitions or elements Treasury should consider? Discuss why or why not.*

*Question 29: The Interim Final Rule permits certain spending cuts to cover the costs of reductions in tax revenue, including cuts in a department, agency, or authority in which the recipient government is not using Fiscal Recovery Funds. How should Treasury and recipient governments consider the scope of a department, agency, or authority for the use of funds to*

*ensure spending cuts are not being substituted with Fiscal Recovery Funds while also avoiding an overbroad definition of that captures spending that is, in fact, distinct?*

*Question 30: Discuss the budget scoring methodologies currently used by States and territories. How should the Interim Final Rule take into consideration differences in approaches? Please discuss the use of practices including but not limited to macrodynamic scoring, microdynamic scoring, and length of budget windows.*

*Question 31: If a recipient government has a balanced budget requirement, how will that requirement impact its use of Fiscal Recovery Funds and ability to implement this framework?*

*Question 32: To implement the framework described above, the Interim Final Rule establishes certain reporting requirements. To what extent do recipient governments already produce this information and on what timeline? Discuss ways that Treasury and recipient governments may better rely on information already produced, while ensuring a consistent application of the framework.*

*Question 33: Discuss States' and territories' ability to produce the figures and numbers required for reporting under the Interim Final Rule. What additional reporting tools, such as a standardized template, would facilitate States' and territories' ability to complete the reporting required under the Interim Final Rule?*

#### C. Other Restrictions on Use

Payments from the Fiscal Recovery Funds are also subject to pre-existing limitations provided in other Federal statutes and regulations and may not be used as non-Federal match for other Federal programs whose statute or regulations bar the use of Federal funds to meet

matching requirements. For example, payments from the Fiscal Recovery Funds may not be used to satisfy the State share of Medicaid.<sup>170</sup>

As provided for in the award terms, payments from the Fiscal Recovery Funds as a general matter will be subject to the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) (the Uniform Guidance), including the cost principles and restrictions on general provisions for selected items of cost.

#### D. Timeline for Use of Fiscal Recovery Funds

Section 602(c)(1) and section 603(c)(1) require that payments from the Fiscal Recovery Funds be used only to cover costs incurred by the State, territory, Tribal government, or local government by December 31, 2024. Similarly, the CARES Act provided that payments from the CRF be used to cover costs incurred by December 31, 2021.<sup>171</sup> The definition of “incurred” does not have a clear meaning. With respect to the CARES Act, on the understanding that the CRF was intended to be used to meet relatively short-term needs, Treasury interpreted this requirement to mean that, for a cost to be considered to have been incurred, performance of the service or delivery of the goods acquired must occur by December 31, 2021. In contrast, the ARPA, passed at a different stage of the COVID-19 public health emergency, was intended to provide more general fiscal relief over a broader timeline. In addition, the ARPA expressly permits the use of Fiscal Recovery Funds for improvements to water, sewer, and broadband infrastructure, which entail a longer timeframe. In recognition of this, Treasury is interpreting

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<sup>170</sup> See 42 CFR 433.51 and 45 CFR 75.306.

<sup>171</sup> Section 1001 of Division N of the Consolidated Appropriations Act, 2021 amended section 601(d)(3) of the Act by extending the end of the covered period for CRF expenditures from December 30, 2020 to December 31, 2021.

the requirement in section 602 and section 603 that costs be incurred by December 31, 2024, to require only that recipients have obligated the Fiscal Recovery Funds by such date. The Interim Final Rule adopts a definition of “obligation” that is based on the definition used for purposes of the Uniform Guidance, which will allow for uniform administration of this requirement and is a definition with which most recipients will be familiar.

Payments from the Fiscal Recovery Funds are grants provided to recipients to mitigate the fiscal effects of the COVID-19 public health emergency and to respond to the public health emergency, consistent with the eligible uses enumerated in sections 602(c)(1) and 603(c)(1).<sup>172</sup> As such, these funds are intended to provide economic stimulus in areas still recovering from the economic effects of the pandemic. In implementing and interpreting these provisions, including what it means to “respond to” the COVID-19 public health emergency, Treasury takes into consideration pre-pandemic facts and circumstances (e.g., average revenue growth prior to the pandemic) as well as impact of the pandemic that predate the enactment of the ARPA (e.g., replenishing Unemployment Trust balances drawn during the pandemic). While assessing the effects of the COVID-19 public health emergency necessarily takes into consideration the facts and circumstances that predate the ARPA, use of Fiscal Recovery Funds is forward looking.

As discussed above, recipients are permitted to use payments from the Fiscal Recovery Funds to respond to the public health emergency, to respond to workers performing essential work by providing premium pay or providing grants to eligible employers, and to make necessary investments in water, sewer, or broadband infrastructure, which all relate to prospective uses. In addition, sections 602(c)(1)(C) and 603(c)(1)(C) permit recipients to use

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<sup>172</sup> §§ 602(a), 603(a), 602(c)(1) and 603(c)(1) of the Act.

Fiscal Recovery Funds for the provision of government services. This clause provides that the amount of funds that may be used for this purpose is measured by reference to the reduction in revenue due to the public health emergency relative to revenues collected in the most recent full fiscal year, but this reference does not relate to the period during which recipients may use the funds, which instead refers to prospective uses, consistent with the other eligible uses.

Although as discussed above the eligible uses of payments from the Fiscal Recovery Funds are all prospective in nature, Treasury considers the beginning of the covered period for purposes of determining compliance with section 602(c)(2)(A) to be the relevant reference point for this purpose. The Interim Final Rule thus permits funds to be used to cover costs incurred beginning on March 3, 2021. This aligns the period for use of Fiscal Recovery Funds with the period during which these funds may not be used to offset reductions in net tax revenue. Permitting Fiscal Recovery Funds to be used to cover costs incurred beginning on this date will also mean that recipients that began incurring costs in the anticipation of enactment of the ARPA and in advance of the issuance of this rule and receipt of payment from the Fiscal Recovery Funds would be able to cover them using these payments.<sup>173</sup>

As set forth in the award terms, the period of performance will run until December 31, 2026, which will provide recipients a reasonable amount of time to complete projects funded with payments from the Fiscal Recovery Funds.

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<sup>173</sup> Given the nature of this program, recipients will not be permitted to use funds to cover pre-award costs, *i.e.*, those incurred prior to March 3, 2021.



#### IV. Recoupment Process

Under the ARPA, failure to comply with the restrictions on use contained in sections 602(c) and 603(c) of the Act may result in recoupment of funds.<sup>174</sup> The Interim Final Rule implements these provisions by establishing a process for recoupment.

*Identification and Notice of Violations.* Failure to comply with the restrictions on use will be identified based on reporting provided by the recipient. As discussed further in Sections III.B and VIII of this Supplementary Information, Treasury will collect information regarding eligible uses on a quarterly basis and on the tax offset provision on an annual basis. Treasury also may consider other information in identifying a violation, such as information provided by members of the public. If Treasury identifies a violation, it will provide written notice to the recipient along with an explanation of such amounts.

*Request for Reconsideration.* Under the Interim Final Rule, a recipient may submit a request for reconsideration of any amounts identified in the notice provided by Treasury. This reconsideration process provides a recipient the opportunity to submit additional information it believes supports its request in light of the notice of recoupment, including, for example, additional information regarding the recipient's use of Fiscal Recovery Funds or its tax revenues. The process also provides the Secretary with an opportunity to consider all information relevant to whether a violation has occurred, and if so, the appropriate amount for recoupment.

The Interim Final Rule also establishes requirements for the timing of a request for reconsideration. Specifically, if a recipient wishes to request reconsideration of any amounts identified in the notice, the recipient must submit a written request for reconsideration to the

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<sup>174</sup> §§ 602(e) and 603(e) of the Act.

Secretary within 60 calendar days of receipt of such notice. The request must include an explanation of why the recipient believes that the finding of a violation or recoupable amount identified in the notice of recoupment should be reconsidered. To facilitate the Secretary's review of a recipient's request for reconsideration, the request should identify all supporting reasons for the request. Within 60 calendar days of receipt of the recipient's request for reconsideration, the recipient will be notified of the Secretary's decision to affirm, withdraw, or modify the notice of recoupment. Such notification will include an explanation of the decision, including responses to the recipient's supporting reasons and consideration of additional information provided.

The process and timeline established by the Interim Final Rule are intended to provide the recipient with an adequate opportunity to fully present any issues or arguments in response to the notice of recoupment.<sup>175</sup> This process will allow the Secretary to respond to the issues and considerations raised in the request for reconsideration taking into account the information and arguments presented by the recipient along with any other relevant information.

*Repayment.* Finally, the Interim Final Rule provides that any amounts subject to recoupment must be repaid within 120 calendar days of receipt of any final notice of recoupment or, if the recipient has not requested reconsideration, within 120 calendar days of the initial notice provided by the Secretary.

*Question 34: Discuss the timeline for requesting reconsideration under the Interim Final Rule. What, if any, challenges does this timeline present?*

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<sup>175</sup> The Interim Final Rule also provides that Treasury may extend any deadlines.

## V. Payments in Tranches to Local Governments and Certain States

Section 603 of the Act provides that the Secretary will make payments to local governments in two tranches, with the second tranche being paid twelve months after the first payment. In addition, section 602(b)(6)(A)(ii) provides that the Secretary may withhold payment of up to 50 percent of the amount allocated to each State and territory for a period of up to twelve months from the date on which the State or territory provides its certification to the Secretary. Any such withholding for a State or territory is required to be based on the unemployment rate in the State or territory as of the date of the certification.

The Secretary has determined to provide in this Interim Final Rule for withholding of 50 percent of the amount of Fiscal Recovery Funds allocated to all States (and the District of Columbia) other than those with an unemployment rate that is 2.0 percentage points or more above its pre-pandemic (i.e., February 2020) level. The Secretary will refer to the latest available monthly data from the Bureau of Labor Statistics as of the date the certification is provided. Based on data available at the time of public release of this Interim Final Rule, this threshold would result in a majority of States being paid in two tranches.

Splitting payments for the majority of States is consistent with the requirement in section 603 of the Act to make payments from the Coronavirus Local Fiscal Recovery Fund to local governments in two tranches.<sup>176</sup> Splitting payments to States into two tranches will help

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<sup>176</sup> With respect to Federal financial assistance more generally, States are subject to the requirements of the Cash Management Improvement Act (CMIA), under which Federal funds are drawn upon only on an as needed basis and States are required to remit interest on unused balances to Treasury. Given the statutory requirement for Treasury to make payments to States within a certain period, these requirements of the CMIA and Treasury's implementing regulations at 31 CFR part 205 will not apply to payments from the Fiscal Recovery Funds. Providing funding in two tranches to the majority of States reflects, to the maximum extent permitted by section 602 of the Act, the general principles of Federal cash management and stewardship of federal funding, yet will be much less restrictive than the usual requirements to which States are subject.

encourage recipients to adapt, as necessary, to new developments that could arise over the coming twelve months, including potential changes to the nature of the public health emergency and its negative economic impacts. While the U.S. economy has been recovering and adding jobs in aggregate, there is still considerable uncertainty in the economic outlook and the interaction between the pandemic and the economy.<sup>177</sup> For these reasons, Treasury believes it will be appropriate for a majority of recipients to adapt their plans as the recovery evolves. For example, a faster-than-expected economic recovery in 2021 could lead a recipient to dedicate more Fiscal Recovery Funds to longer-term investments starting in 2022. In contrast, a slower-than-expected economic recovery in 2021 could lead a recipient to use additional funds for near-term stimulus in 2022.

At the same time, the statute contemplates the possibility that elevated unemployment in certain States could justify a single payment. Elevated unemployment is indicative of a greater need to assist unemployed workers and stimulate a faster economic recovery. For this reason, the Interim Final Rule provides that States and territories with an increase in their unemployment rate over a specified threshold may receive a single payment, with the expectation that a single tranche will better enable these States and territories to take additional immediate action to aid the unemployed and strengthen their economies.

Following the initial pandemic-related spike in unemployment in 2020, States' unemployment rates have been trending back towards pre-pandemic levels. However, some States' labor markets are healing more slowly than others. Moreover, States varied widely in

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<sup>177</sup> The potential course of the virus, and its impact on the economy, has contributed to a heightened degree of uncertainty relative to prior periods. *See, e.g.,* Dave Altig et al., Economic uncertainty before and during the COVID-19 pandemic, *J. of Public Econ.* (Nov. 2020), *available at* <https://www.sciencedirect.com/science/article/abs/pii/S0047272720301389>

their pre-pandemic levels of unemployment, and some States remain substantially further from their pre-pandemic starting point. Consequently, Treasury is delineating States with significant remaining elevation in the unemployment rate, based on the net difference to pre-pandemic levels.

Treasury has established that significant remaining elevation in the unemployment rate is a net change in the unemployment rate of 2.0 percentage points or more relative to pre-pandemic levels. In the four previous recessions going back to the early 1980s, the national unemployment rate rose by 3.6, 2.3, 2.0, and 5.0 percentage points, as measured from the start of the recession to the eventual peak during or immediately following the recession.<sup>178</sup> Each of these increases can therefore represent a recession's impact on unemployment. To identify States with significant remaining elevation in unemployment, Treasury took the lowest of these four increases, 2.0 percentage points, to indicate states where, despite improvement in the unemployment rate, current labor market conditions are consistent still with a historical benchmark for a recession.

No U.S. territory will be subject to withholding of its payment from the Fiscal Recovery Funds. For Puerto Rico, the Secretary has determined that the current level of the unemployment rate (8.8 percent, as of March 2021<sup>179</sup>) is sufficiently high such that Treasury should not withhold any portion of its payment from the Fiscal Recovery Funds regardless of its change in

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<sup>178</sup> Includes the period during and immediately following recessions, as defined by the National Bureau of Economic Research. National Bureau of Economic Research, US Business Cycle Expansions and Contractions, <https://www.nber.org/research/data/us-business-cycle-expansions-and-contractions> (last visited Apr. 27, 2021). Based on data from U.S. Bureau of Labor Statistics, Unemployment Rate [UNRATE], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/UNRATE> (last visited Apr. 27, 2021).

<sup>179</sup> U.S. Bureau of Labor Statistics, Economic News Release – Table 1. Civilian labor force and unemployment by state and selected area, seasonally adjusted, <https://www.bls.gov/news.release/laus.t01.htm> (last visited Apr. 30, 2021).

unemployment rate relative to its pre-pandemic level. For U.S. territories that are not included in the Bureau of Labor Statistics' monthly unemployment rate data, the Secretary will not exercise the authority to withhold amounts from the Fiscal Recovery Funds.

## VI. Transfer

The statute authorizes State, territorial, and Tribal governments; counties; metropolitan cities; and nonentitlement units of local government (counties, metropolitan cities, and nonentitlement units of local government are collectively referred to as "local governments") to transfer amounts paid from the Fiscal Recovery Funds to a number of specified entities. By permitting these transfers, Congress recognized the importance of providing flexibility to governments seeking to achieve the greatest impact with their funds, including by working with other levels or units of government or private entities to assist recipient governments in carrying out their programs. This includes special-purpose districts that perform specific functions in the community, such as fire, water, sewer, or mosquito abatement districts.

Specifically, under section 602(c)(3), a State, territory, or Tribal government may transfer funds to a "private nonprofit organization . . . a Tribal organization . . . a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government."<sup>180</sup> Similarly, section 603(c)(3) authorizes a local government to transfer funds to the same entities (other than Tribal organizations).

The Interim Final Rule clarifies that the lists of transferees in Sections 602(c)(3) and 603(c)(3) are not exclusive. The Interim Final Rule permits State, territorial, and Tribal governments to transfer Fiscal Recovery Funds to other constituent units of government or

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<sup>180</sup> § 602(c)(3) of the Act.

private entities beyond those specified in the statute. Similarly, local governments are authorized to transfer Fiscal Recovery Funds to other constituent units of government (e.g., a county is able to transfer Fiscal Recovery Funds to a city, town, or school district within it) or to private entities. This approach is intended to help provide funding to local governments with needs that may exceed the allocation provided under the statutory formula.

State, local, territorial, and Tribal governments that receive a Federal award directly from a Federal awarding agency, such as Treasury, are “recipients.” A transferee receiving a transfer from a recipient under sections 602(c)(3) and 603(c)(3) will be a subrecipient. Subrecipients are entities that receive a subaward from a recipient to carry out a program or project on behalf of the recipient with the recipient’s Federal award funding. The recipient remains responsible for monitoring and overseeing the subrecipient’s use of Fiscal Recovery Funds and other activities related to the award to ensure that the subrecipient complies with the statutory and regulatory requirements and the terms and conditions of the award. Recipients also remain responsible for reporting to Treasury on their subrecipients’ use of payments from the Fiscal Recovery Funds for the duration of the award.

Transfers under sections 602(c)(3) and 603(c)(3) must qualify as an eligible use of Fiscal Recovery Funds by the transferor. Once Fiscal Recovery Funds are received, the transferee must abide by the restrictions on use applicable to the transferor under the ARPA and other applicable law and program guidance. For example, if a county transferred Fiscal Recovery Funds to a town within its borders to respond to the COVID-19 public health emergency, the town would be bound by the eligible use requirements applicable to the county in carrying out the county’s goal. This also means that county A may not transfer Fiscal Recovery Funds to county B for use in

county B because such a transfer would not, from the perspective of the transferor (county A), be an eligible use in county A.

Section 603(c)(4) separately provides for transfers by a local government to its State or territory. A transfer under section 603(c)(4) will not make the State a subrecipient of the local government, and such Fiscal Recovery Funds may be used by the State for any purpose permitted under section 602(c). A transfer under section 603(c)(4) will result in a cancellation or termination of the award on the part of the transferor local government and a modification of the award to the transferee State or territory. The transferor must provide notice of the transfer to Treasury in a format specified by Treasury. If the local government does not provide such notice, it will remain legally obligated to Treasury under the award and remain responsible for ensuring that the awarded Fiscal Recovery Funds are being used in accordance with the statute and program guidance and for reporting on such uses to Treasury. A State that receives a transfer from a local government under section 603(c)(4) will be bound by all of the use restrictions set forth in section 602(c) with respect to the use of those Fiscal Recovery Funds, including the prohibitions on use of such Fiscal Recovery Funds to offset certain reductions in taxes or to make deposits into pension funds.

*Question 35: What are the advantages and disadvantages of treating the list of transferees in sections 602(c)(3) and 603(c)(3) as nonexclusive, allowing States and localities to transfer funds to entities outside of the list?*

*Question 36: Are there alternative ways of defining “special-purpose unit of State or local government” and “public benefit corporation” that would better further the aims of the Funds?*



## VII. Nonentitlement Units of Government

The Fiscal Recovery Funds provides for \$19.53 billion in payments to be made to States and territories which will distribute the funds to nonentitlement units of local government (NEUs); local governments which generally have populations below 50,000. These local governments have not yet received direct fiscal relief from the Federal government during the COVID-19 public health emergency, making Fiscal Recovery Funds payments an important source of support for their public health and economic responses. Section 603 requires Treasury to allocate and pay Fiscal Recovery Funds to the States and territories and requires the States and territories to distribute Fiscal Recovery Funds to NEUs based on population within 30 days of receipt unless an extension is granted by the Secretary. The Interim Final Rule clarifies certain aspects regarding the distribution of Fiscal Recovery by States and territories to NEUs, as well as requirements around timely payments from the Fiscal Recovery Funds.

The ARPA requires that States and territories allocate funding to NEUs in an amount that bears the same proportion as the population of the NEU bears to the total population of all NEUs in the State or territory, subject to a cap (described below). Because the statute requires States and territories to make distributions based on population, States and territories may not place additional conditions or requirements on distributions to NEUs, beyond those required by the ARPA and Treasury's implementing regulations and guidance. For example, a State may not impose stricter limitations than permitted by statute or Treasury regulations or guidance on an NEU's use of Fiscal Recovery Funds based on the NEU's proposed spending plan or other policies. States and territories are also not permitted to offset any debt owed by the NEU against the NEU's distribution. Further, States and territories may not provide funding on a reimbursement basis—e.g., requiring NEUs to pay for project costs up front before being

reimbursed with Fiscal Recovery Funds payments—because this funding model would not comport with the statutory requirement that States and territories make distributions to NEUs within the statutory timeframe.

Similarly, States and territories distributing Fiscal Recovery Funds payments to NEUs are responsible for complying with the Fiscal Recovery Funds statutory requirement that distributions to NEUs not exceed 75 percent of the NEU's most recent budget. The most recent budget is defined as the NEU's most recent annual total operating budget, including its general fund and other funds, as of January 27, 2020. Amounts in excess of such cap and therefore not distributed to the NEU must be returned to Treasury by the State or territory. States and territories may rely for this determination on a certified top-line budget total from the NEU.

Under the Interim Final Rule, the total allocation and distribution to an NEU, including the sum of both the first and second tranches of funding, cannot exceed the 75 percent cap. States and territories must permit NEUs without formal budgets as of January 27, 2020 to self-certify their most recent annual expenditures as of January 27, 2020 for the purpose of calculating the cap. This approach will provide an administrable means to implement the cap for small local governments that do not adopt a formal budget.

Section 603(b)(3) of the Social Security Act provides for Treasury to make payments to counties but provides that, in the case of an amount to be paid to a county that is not a unit of general local government, the amount shall instead be paid to the State in which such county is located, and such State shall distribute such amount to each unit of general local government within such county in an amount that bears the same proportion to the amount to be paid to such county as the population of such units of general local government bears to the total population of such county. As with NEUs, States may not place additional conditions or requirements on

distributions to such units of general local government, beyond those required by the ARPA and Treasury's implementing regulations and guidance.

In the case of consolidated governments, section 603(b)(4) allows consolidated governments (e.g., a city-county consolidated government) to receive payments under each allocation based on the respective formulas. In the case of a consolidated government, Treasury interprets the budget cap to apply to the consolidated government's NEU allocation under section 603(b)(2) but not to the consolidated government's county allocation under section 603(b)(3).

If necessary, States and territories may use the Fiscal Recovery Funds under section 602(c)(1)(A) to fund expenses related to administering payments to NEUs and units of general local government, as disbursing these funds itself is a response to the public health emergency and its negative economic impacts. If a State or territory requires more time to disburse Fiscal Recovery Funds to NEUs than the allotted 30 days, Treasury will grant extensions of not more than 30 days for States and territories that submit a certification in writing in accordance with section 603(b)(2)(C)(ii)(I). Additional extensions may be granted at the discretion of the Secretary.

*Question 37: What are alternative ways for States and territories to enforce the 75 percent cap while reducing the administrative burden on them?*

*Question 38: What criteria should Treasury consider in assessing requests for extensions for further time to distribute NEU payments?*

### VIII. Reporting

States (defined to include the District of Columbia), territories, metropolitan cities, counties, and Tribal governments will be required to submit one interim report and thereafter

quarterly Project and Expenditure reports through the end of the award period on December 31, 2026. The interim report will include a recipient's expenditures by category at the summary level from the date of award to July 31, 2021 and, for States and territories, information related to distributions to nonentitlement units. Recipients must submit their interim report to Treasury by August 31, 2021. Nonentitlement units of local government are not required to submit an interim report.

The quarterly Project and Expenditure reports will include financial data, information on contracts and subawards over \$50,000, types of projects funded, and other information regarding a recipient's utilization of the award funds. The reports will include the same general data (e.g., on obligations, expenditures, contracts, grants, and sub-awards) as those submitted by recipients of the CRF, with some modifications. Modifications will include updates to the expenditure categories and the addition of data elements related to specific eligible uses, including some of the reporting elements described in sections above. The initial quarterly Project and Expenditure report will cover two calendar quarters from the date of award to September 30, 2021, and must be submitted to Treasury by October 31, 2021. The subsequent quarterly reports will cover one calendar quarter and must be submitted to Treasury within 30 days after the end of each calendar quarter.

Nonentitlement units of local government will be required to submit annual Project and Expenditure reports until the end of the award period on December 31, 2026. The initial annual Project and Expenditure report for nonentitlement units of local government will cover activity from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

States, territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to submit an annual Recovery Plan Performance report to Treasury. The Recovery Plan Performance report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure project outcomes are achieved in an effective, efficient, and equitable manner. Each jurisdiction will have some flexibility in terms of the form and content of the Recovery Plan Performance report, as long as it includes the minimum information required by Treasury. The Recovery Plan Performance report will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury, as well as programmatic data in specific eligible use categories and the specific reporting requirements described in the sections above. The initial Recovery Plan Performance report will cover the period from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, Recovery Plan Performance reports will cover a 12-month period, and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period. The second Recovery Plan Performance report will cover the period from July 1, 2021 to June 30, 2022, and must be submitted to Treasury by July 31, 2022. Each annual Recovery Plan Performance report must be posted on the public-facing website of the recipient. Local governments with fewer than 250,000 residents, Tribal governments, and nonentitlement units of local government are not required to develop a Recovery Plan Performance report.

Treasury will provide additional guidance and instructions on the reporting requirements outlined above for the Fiscal Recovery Funds at a later date.

## IX. Comments and Effective Date

This Interim Final Rule is being issued without advance notice and public comment to allow for immediate implementation of this program. As discussed below, the requirements of advance notice and public comment do not apply “to the extent that there is involved . . . a matter relating to agency . . . grants.”<sup>181</sup> The Interim Final Rule implements statutory conditions on the eligible uses of the Fiscal Recovery Funds grants, and addresses the payment of those funds, the reporting on uses of funds, and potential consequences of ineligible uses. In addition and as discussed below, the Administrative Procedure Act also provides an exception to ordinary notice-and-comment procedures “when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”<sup>182</sup> This good cause justification also supports waiver of the 60-day delayed effective date for major rules under the Congressional Review Act at 5 U.S.C. 808(2). Although this Interim Final Rule is effective immediately, comments are solicited from interested members of the public and from recipient governments on all aspects of the Interim Final Rule.

These comments must be submitted on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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<sup>181</sup> 5 U.S.C. 553(a)(2).

<sup>182</sup> 5 U.S.C. 553(b)(3)(B); *see also* 5 U.S.C. 553(d)(3) (creating an exception to the requirement of a 30-day delay before the effective date of a rule “for good cause found and published with the rule”).

## X. Regulatory Analyses

### Executive Orders 12866 and 13563

This Interim Final Rule is economically significant for the purposes of Executive Orders 12866 and 13563. Treasury, however, is proceeding under the emergency provision at Executive Order 12866 section 6(a)(3)(D) based on the need to act expeditiously to mitigate the current economic conditions arising from the COVID-19 public health emergency. The rule has been reviewed by the Office of Management and Budget (OMB) in accordance with Executive Order 12866. This rule is necessary to implement the ARPA in order to provide economic relief to State, local, and Tribal governments adversely impacted by the COVID-19 public health emergency.

Under Executive Order 12866, OMB must determine whether this regulatory action is “significant” and, therefore, subject to the requirements of the Executive Order and subject to review by OMB. Section 3(f) of Executive Order 12866 defines a significant regulatory action as an action likely to result in a rule that may:

- (1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy; productivity; competition; jobs; the environment; public health or safety; or State, local, or Tribal governments or communities in a material way (also referred to as “economically significant” regulations);
- (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- (3) Materially alter the budgetary impacts of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

- (4) Raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles stated in the Executive Order.

This regulatory action is an economically significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866. Treasury has also reviewed these regulations under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, section 1(b) of Executive Order 13563 requires that an agency:

- (1) Propose or adopt regulations only upon a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);
- (2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives taking into account, among other things, and to the extent practicable, the costs of cumulative regulations;
- (3) Select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);
- (4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and
- (5) Identify and assess available alternatives to direct regulation, including providing economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or providing information that enables the public to make choices.

Executive Order 13563 also requires an agency “to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.” OMB’s Office of Information and Regulatory Affairs (OIRA) has emphasized that these techniques may



include “identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.”

Treasury has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action, and is issuing this Interim Final Rule only on a reasoned determination that the benefits exceed the costs. In choosing among alternative regulatory approaches, Treasury selected those approaches that would maximize net benefits. Based on the analysis that follows and the reasons stated elsewhere in this document, Treasury believes that this Interim Final Rule is consistent with the principles set forth in Executive Order 13563. Treasury also has determined that this regulatory action does not unduly interfere with States, territories, Tribal governments, and localities in the exercise of their governmental functions.

This Regulatory Impact Analysis discusses the need for regulatory action, the potential benefits, and the potential costs.

*Need for Regulatory Action.* This Interim Final Rule implements the \$350 billion Fiscal Recovery Funds of the ARPA, which Congress passed to help States, territories, Tribal governments, and localities respond to the ongoing COVID-19 public health emergency and its economic impacts. As the agency charged with execution of these programs, Treasury has concluded that this Interim Final Rule is needed to ensure that recipients of Fiscal Recovery Funds fully understand the requirements and parameters of the program as set forth in the statute and deploy funds in a manner that best reflects Congress’ mandate for targeted fiscal relief. This Interim Final Rule is primarily a transfer rule: it transfers \$350 billion in aid from the Federal government to states, territories, Tribal governments, and localities, generating a significant macroeconomic effect on the U.S. economy. In making this transfer, Treasury has sought to implement the program in ways that maximize its potential benefits while minimizing

its costs. It has done so by aiming to target relief in key areas according to the congressional mandate; offering clarity to States, territories, Tribal governments, and localities while maintaining their flexibility to respond to local needs; and limiting administrative burdens.

*Analysis of Benefits.* Relative to a pre-statutory baseline, the Fiscal Recovery Funds provide a combined \$350 billion to State, local, and Tribal governments for fiscal relief and support for costs incurred responding to the COVID-19 pandemic. Treasury believes that this transfer will generate substantial additional economic activity, although given the flexibility accorded to recipients in the use of funds, it is not possible to precisely estimate the extent to which this will occur and the timing with which it will occur. Economic research has demonstrated that state fiscal relief is an efficient and effective way to mitigate declines in jobs and output during an economic downturn.<sup>183</sup> Absent such fiscal relief, fiscal austerity among State, local, and Tribal governments could exert a prolonged drag on the overall economic recovery, as occurred following the 2007-09 recession.<sup>184</sup>

This Interim Final Rule provides benefits across several areas by implementing the four eligible funding uses, as defined in statute: strengthening the response to the COVID-19 public health emergency and its economic impacts; easing fiscal pressure on State, local, and Tribal governments that might otherwise lead to harmful cutbacks in employment or government

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<sup>183</sup> Gabriel Chodorow-Reich et al., Does State Fiscal Relief during Recessions Increase Employment? Evidence from the American Recovery and Reinvestment Act, *American Econ. J.: Econ. Policy*, 4:3 118-45 (Aug. 2012), available at <https://www.aeaweb.org/articles?id=10.1257/pol.4.3.118>

<sup>184</sup> See, e.g., Fitzpatrick, Haughwout & Setren, Fiscal Drag from the State and Local Sector?, Liberty Street Economics Blog, Federal Reserve Bank of New York (June 27, 2012), <https://www.libertystreeteconomics.newyorkfed.org/2012/06/fiscal-drag-from-the-state-and-local-sector.html>; Jiri Jonas, Great Recession and Fiscal Squeeze at U.S. Subnational Government Level, IMF Working Paper 12/184, (July 2012), available at <https://www.imf.org/external/pubs/ft/wp/2012/wp12184.pdf>; Gordon, *supra* note 9.

services; providing premium pay to essential workers; and making necessary investments in certain types of infrastructure. In implementing the ARPA, Treasury also sought to support disadvantaged communities that have been disproportionately impacted by the pandemic. The Fiscal Recovery Funds as implemented by the Interim Final Rule can be expected to channel resources toward these uses in order to achieve substantial near-term economic and public health benefits, as well as longer-term benefits arising from the allowable investments in water, sewer, and broadband infrastructure and aid to families.

These benefits are achieved in the Interim Final Rule through a broadly flexible approach that sets clear guidelines on eligible uses of Fiscal Recovery Funds and provides State, local, and Tribal government officials discretion within those eligible uses to direct Fiscal Recovery Funds to areas of greatest need within their jurisdiction. While preserving recipients' overall flexibility, the Interim Final Rule includes several provisions that implement statutory requirements and will help support use of Fiscal Recovery Funds to achieve the intended benefits. The remainder of this section clarifies how Treasury's approach to key provisions in the Interim Final Rule will contribute to greater realization of benefits from the program.

- Revenue Loss: Recipients will compute the extent of reduction in revenue by comparing actual revenue to a counterfactual trend representing what could have plausibly been expected to occur in the absence of the pandemic. The counterfactual trend begins with the last full fiscal year prior to the public health emergency (as required by statute) and projects forward with an annualized growth adjustment. Treasury's decision to incorporate a growth adjustment into the calculation of revenue loss ensures that the formula more fully captures revenue shortfalls relative to recipients' pre-pandemic expectations. Moreover, recipients will have the opportunity to re-calculate revenue loss

at several points throughout the program, recognizing that some recipients may experience revenue effects with a lag. This option to re-calculate revenue loss on an ongoing basis should result in more support for recipients to avoid harmful cutbacks in future years. In calculating revenue loss, recipients will look at general revenue in the aggregate, rather than on a source-by-source basis. Given that recipients may have experienced offsetting changes in revenues across sources, Treasury's approach provides a more accurate representation of the effect of the pandemic on overall revenues.

- Premium Pay: Per the statute, recipients have broad latitude to designate critical infrastructure sectors and make grants to third-party employers for the purpose of providing premium pay or otherwise respond to essential workers. While the Interim Final Rule generally preserves the flexibility in the statute, it does add a requirement that recipients give written justification in the case that premium pay would increase a worker's annual pay above a certain threshold. To set this threshold, Treasury analyzed data from the Bureau of Labor Statistics to determine a level that would not require further justification for premium pay to the vast majority of essential workers, while requiring higher scrutiny for provision of premium pay to higher-earners who, even without premium pay, would likely have greater personal financial resources to cope with the effects of the pandemic. Treasury believes the threshold in the Interim Final Rule strikes the appropriate balance between preserving flexibility and helping encourage use of these resources to help those in greatest need. The Interim Final Rule also requires that eligible workers have regular in-person interactions or regular physical handling of items that were also handled by others. This requirement will also help encourage use of

financial resources for those who have endured the heightened risk of performing essential work.

- Withholding of Payments to Recipients: Treasury believes that for the vast majority of recipient entities, it will be appropriate to receive funds in two separate payments. As discussed above, withholding of payments ensures that recipients can adapt spending plans to evolving economic conditions and that at least some of the economic benefits will be realized in 2022 or later. However, consistent with authorities granted to Treasury in the statute, Treasury recognizes that a subset of States with significant remaining elevation in the unemployment rate could face heightened additional near-term needs to aid unemployed workers and stimulate the recovery. Therefore, for a subset of State governments, Treasury will not withhold any funds from the first payment.

Treasury believes that this approach strikes the appropriate balance between the general reasons to provide funds in two payments and the heightened additional near-term needs in specific States. As discussed above, Treasury set a threshold based on historical analysis of unemployment rates in recessions.

- Hiring Public Sector Employees: The Interim Final Rule states explicitly that recipients may use funds to restore their workforces up to pre-pandemic levels. Treasury believes that this statement is beneficial because it eliminates any uncertainty that could cause delays or otherwise negatively impact restoring public sector workforces (which, at time of publication, remain significantly below pre-pandemic levels).

Finally, the Interim Final Rule aims to promote and streamline the provision of assistance to individuals and communities in greatest need, particularly communities that have been historically disadvantaged and have experienced disproportionate impacts of the COVID-19

crisis. Targeting relief is in line with Executive Order 13985 On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, which laid out an Administration-wide priority to support “equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.”<sup>185</sup> To this end, the Interim Final Rule enumerates a list of services that may be provided using Fiscal Recovery Funds in low-income areas to address the disproportionate impacts of the pandemic in these communities; establishes the characteristics of essential workers eligible for premium pay and encouragement to serve workers based on financial need; provides that recipients may use Fiscal Recovery Funds to restore (to pre-pandemic levels) state and local workforces, where women and people of color are disproportionately represented;<sup>186</sup> and targets investments in broadband infrastructure to unserved and underserved areas. Collectively, these provisions will promote use of resources to facilitate the provision of assistance to individuals and communities with the greatest need.

*Analysis of Costs.* This regulatory action will generate administrative costs relative to a pre-statutory baseline. This includes, chiefly, costs required to administer Fiscal Recovery Funds, oversee subrecipients and beneficiaries, and file periodic reports with Treasury. It also requires States to allocate Fiscal Recovery Funds to nonentitlement units, which are smaller units of local government that are statutorily required to receive their funds through States.

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<sup>185</sup> Executive Order on Advancing Racial Equity and Support for Underserved Communities through the Federal Government (Jan. 20, 2021), <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/> (last visited May 9, 2021).

<sup>186</sup> David Cooper, Mary Gable & Algernon Austin, Economic Policy Institute Briefing Paper, The Public-Sector Jobs Crisis: Women and African Americans hit hardest by job losses in state and local governments, <https://www.epi.org/publication/bp339-public-sector-jobs-crisis> (last visited May 9, 2021).

Treasury expects that the administrative burden associated with this program will be moderate for a grant program of its size. Treasury expects that most recipients receive direct or indirect funding from Federal government programs and that many have familiarity with how to administer and report on Federal funds or grant funding provided by other entities. In particular, States, territories, and large localities will have received funds from the CRF and Treasury expects them to rely heavily on established processes developed last year or through prior grant funding, mitigating burden on these governments.

Treasury expects to provide technical assistance to defray the costs of administration of Fiscal Recovery Funds to further mitigate burden. In making implementation choices, Treasury has hosted numerous consultations with a diverse range of direct recipients—States, small cities, counties, and Tribal governments —along with various communities across the United States, including those that are underserved. Treasury lacks data to estimate the precise extent to which this Interim Final Rule generates administrative burden for State, local, and Tribal governments, but seeks comment to better estimate and account for these costs, as well as on ways to lessen administrative burdens.

#### Executive Order 13132

Executive Order 13132 (entitled Federalism) prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial, direct compliance costs on State, local, and Tribal governments, and is not required by statute, or preempts state law, unless the agency meets the consultation and funding requirements of section 6 of the Executive Order. This Interim Final Rule does not have federalism implications within the meaning of the Executive Order and does not impose substantial, direct compliance costs on State, local, and Tribal governments or preempt state law within the meaning of the Executive Order. The

compliance costs are imposed on State, local, and Tribal governments by sections 602 and 603 of the Social Security Act, as enacted by the ARPA. Notwithstanding the above, Treasury has engaged in efforts to consult and work cooperatively with affected State, local, and Tribal government officials and associations in the process of developing the Interim Final Rule. Pursuant to the requirements set forth in section 8(a) of Executive Order 13132, Treasury certifies that it has complied with the requirements of Executive Order 13132.

#### Administrative Procedure Act

The Administrative Procedure Act (APA), 5 U.S.C. 551 et seq., generally requires public notice and an opportunity for comment before a rule becomes effective. However, the APA provides that the requirements of 5 U.S.C. 553 do not apply “to the extent that there is involved . . . a matter relating to agency . . . grants.” The Interim Final Rule implements statutory conditions on the eligible uses of the Fiscal Recovery Funds grants, and addresses the payment of those funds, the reporting on uses of funds, and potential consequences of ineligible uses. The rule is thus “both clearly and directly related to a federal grant program.” *National Wildlife Federation v. Snow*, 561 F.2d 227, 232 (D.C. Cir. 1976). The rule sets forth the “process necessary to maintain state . . . eligibility for federal funds,” *id.*, as well as the “method[s] by which states can . . . qualify for federal aid,” and other “integral part[s] of the grant program,” *Center for Auto Safety v. Tiemann*, 414 F. Supp. 215, 222 (D.D.C. 1976). As a result, the requirements of 5 U.S.C. 553 do not apply.

The APA also provides an exception to ordinary notice-and-comment procedures “when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.” 5 U.S.C. 553(b)(3)(B); *see also* 5 U.S.C.



553(d)(3) (creating an exception to the requirement of a 30-day delay before the effective date of a rule “for good cause found and published with the rule”). Assuming 5 U.S.C. 553 applied, Treasury would still have good cause under sections 553(b)(3)(B) and 553(d)(3) for not undertaking section 553’s requirements. The ARPA is a law responding to a historic economic and public health emergency; it is “extraordinary” legislation about which “both Congress and the President articulated a profound sense of ‘urgency.’” *Petry v. Block*, 737 F.2d 1193, 1200 (D.C. Cir. 1984). Indeed, several provisions implemented by this Interim Final Rule (sections 602(c)(1)(A) and 603(c)(1)(A)) explicitly provide funds to “respond to the public health emergency,” and the urgency is further exemplified by Congress’s command (in sections 602(b)(6)(B) and 603(b)(7)(A)) that, “[t]o the extent practicable,” funds must be provided to Tribes and cities “not later than 60 days after the date of enactment.” See *Philadelphia Citizens in Action v. Schweiker*, 669 F.2d 877, 884 (3d Cir. 1982) (finding good cause under circumstances, including statutory time limits, where APA procedures would have been “virtually impossible”). Finally, there is an urgent need for States to undertake the planning necessary for sound fiscal policymaking, which requires an understanding of how funds provided under the ARPA will augment and interact with existing budgetary resources and tax policies. Treasury understands that many states require immediate rules on which they can rely, especially in light of the fact that the ARPA “covered period” began on March 3, 2021. The statutory urgency and practical necessity are good cause to forego the ordinary requirements of notice-and-comment rulemaking.

#### Congressional Review Act

The Administrator of OIRA has determined that this is a major rule for purposes of Subtitle E of the Small Business Regulatory Enforcement and Fairness Act of 1996 (also known as the

Congressional Review Act or CRA) (5 U.S.C. 804(2) et seq.). Under the CRA, a major rule takes effect 60 days after the rule is published in the Federal Register. 5 U.S.C. 801(a)(3). Notwithstanding this requirement, the CRA allows agencies to dispense with the requirements of section 801 when the agency for good cause finds that such procedure would be impracticable, unnecessary, or contrary to the public interest and the rule shall take effect at such time as the agency promulgating the rule determines. 5 U.S.C. 808(2). Pursuant to section 808(2), for the reasons discussed above, Treasury for good cause finds that a 60-day delay to provide public notice is impracticable and contrary to the public interest.

#### Paperwork Reduction Act

The information collections associated with State, territory, local, and Tribal government applications materials necessary to receive Fiscal Recovery Funds (e.g., payment information collection and acceptance of award terms) have been reviewed and approved by OMB pursuant to the Paperwork Reduction Act (44 U.S.C. Chapter 35) (PRA) emergency processing procedures and assigned control number 1505-0271. The information collections related to ongoing reporting requirements, as discussed in this Interim Final Rule, will be submitted to OMB for emergency processing in the near future. Under the PRA, an agency may not conduct or sponsor and a respondent is not required to respond to, an information collection unless it displays a valid OMB control number.

Estimates of hourly burden under this program are set forth in the table below. Burden estimates below are preliminary.

<b>Reporting</b>	<b># Respondents (Estimated)</b>	<b># Responses Per Respondent</b>	<b>Total Responses</b>	<b>Hours per response</b>	<b>Total Burden in Hours</b>	<b>Cost to Respondent (\$48.80 per hour*)</b>
Recipient Payment Form	5,050	1	5,050	.25 (15 minutes)	1,262.5	\$61,610
Acceptance of Award Terms	5,050	1	5,050	.25 (15 minutes)	1,262.5	\$61,610
Title VI Assurances	5,050	1	5,050	.50 (30 minutes)	2,525	\$123,220
Quarterly Project and Expenditure Report	5,050	4 per year after first year	20,200	25	505,000	\$24,644,000
Annual Project and Expenditure Report from NEUs	TBD	1 per year	20,000-40,000 (Estimate only)	15	300,000 – 600,000	\$14,640,000 - \$29,280,000
Annual Recovery Plan Performance report	418	1 per year	418	100	41,800	\$2,039,840
<b>Total</b>	5,050 – TBD	N/A	55,768 - 75,768	141	851,850 - 1,151,850	\$41,570,280 - \$56,210,280

\* Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Accountants and Auditors, on the Internet at <https://www.bls.gov/ooh/business-and-financial/accountants-and-auditors.htm> (visited March 28, 2020). Base wage of \$33.89/hour increased by 44 percent to account for fully loaded employer cost of employee compensation (benefits, etc.) for a fully loaded wage rate of \$48.80.

Periodic reporting is required by section 602(c) of Section VI of the Social Security Act and under the Interim Final Rule.

As discussed in Section VIII of this Supplementary Information, recipients of Fiscal Recovery Funds will be required to submit one interim report and thereafter quarterly Project and Expenditure reports until the end of the award period. Recipients must submit interim reports to Treasury by August 31, 2021. The quarterly Project and Expenditure reports will include financial data, information on contracts and subawards over \$50,000, types of projects funded, and other information regarding a recipient's utilization of the award funds.

Nonentitlement unit recipients will be required to submit annual Project and Expenditure reports until the end of the award period. The initial annual Project and Expenditure report for Nonentitlement unit recipients must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

States, territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to submit an annual Recovery Plan Performance report to Treasury. The Recovery Plan Performance report will include descriptions of the projects funded and information on the performance indicators and objectives of the award. Each annual Recovery Plan Performance report must be posted on the public-facing website of the recipient. Treasury will provide additional guidance and instructions on all the reporting requirements outlined above for the Fiscal Recovery Funds program at a later date.

These and related periodic reporting requirements are under consideration and will be submitted to OMB for approval under the PRA emergency provisions in the near future.

Treasury invites comments on all aspects of the reporting and recordkeeping requirements including: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility; (b) the accuracy of the estimate of the burden of the collection of information; (c) ways to enhance the

quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. Comments should be sent by the comment deadline to the [www.regulations.gov](http://www.regulations.gov) docket with a copy to the Office of Information and Regulatory Affairs, U.S. Office of Management and Budget, 725 17th Street NW, Washington, DC 20503; or email to [oira\\_submission@omb.eop.gov](mailto:oira_submission@omb.eop.gov).

### Regulatory Flexibility Analysis

The Regulatory Flexibility Act (RFA) generally requires that when an agency issues a proposed rule, or a final rule pursuant to section 553(b) of the Administrative Procedure Act or another law, the agency must prepare a regulatory flexibility analysis that meets the requirements of the RFA and publish such analysis in the Federal Register. 5 U.S.C. 603, 604.

Rules that are exempt from notice and comment under the APA are also exempt from the RFA requirements, including the requirement to conduct a regulatory flexibility analysis, when among other things the agency for good cause finds that notice and public procedure are impracticable, unnecessary, or contrary to the public interest. Since this rule is exempt from the notice and comment requirements of the APA, Treasury is not required to conduct a regulatory flexibility analysis.

RULE TEXT

List of Subjects in 31 CFR Part 35

Executive compensation, State and Local Governments, Tribal Governments, Public health emergency.

Title 31—Money and Finance: Treasury

Part 35 - PANDEMIC RELIEF PROGRAMS

1. The authority citation for Part 35 is revised to read as follows:

Authority: 42 U.S.C. 802(f); 42 U.S.C. 803(f); 31 U.S.C. 321; Consolidated Appropriations Act, 2021 (Pub. L. 116-260), Division N, Title V, Subtitle B; Community Development Banking and Financial Institutions Act of 1994 (enacted as part of the Riegle Community and Regulatory Improvement Act of 1994 (Pub. L. 103-325)), as amended (12 U.S.C. 4701 et seq.), Section 104A; Pub. L. 117-2.

2. Revise the part heading as shown above.

3. Add Subpart A to read as follows:

Subpart A— CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Sec.

35.1 Purpose.

35.2 Applicability.

35.3 Definitions.

35.4 Reservation of Authority, Reporting.

35.5 Use of Funds.

35.6 Eligible Uses.

35.7 Pensions.

35.8 Tax.

35.9. Compliance with Applicable Laws.

35.10. Recoupment.

35.11 Payments to States.

35.12. Distributions to Nonentitlement Units of Local Government and Units of General Local Government.

Authority: 42 U.S.C. 802(f); 42 U.S.C. 803(f)

**§ 35.1 Purpose.**

This part implements section 9901 of the American Rescue Plan Act (Subtitle M of Title IX of Public Law 117-2), which amends Title VI of the Social Security Act (42 U.S.C. 801 et seq.) by adding sections 602 and 603 to establish the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund.

**§ 35.2 Applicability.**

This part applies to States, territories, Tribal governments, metropolitan cities, nonentitlement units of local government, counties, and units of general local government that accept a payment or transfer of funds made under section 602 or 603 of the Social Security Act.

**§ 35.3 Definitions.**

*Baseline* means tax revenue of the recipient for its fiscal year ending in 2019, adjusted for inflation in each reporting year using the Bureau of Economic Analysis’s Implicit Price Deflator for the gross domestic product of the United States.

*County* means a county, parish, or other equivalent county division (as defined by the Census Bureau).

*Covered benefits* include, but are not limited to, the costs of all types of leave (vacation, family-related, sick, military, bereavement, sabbatical, jury duty), employee insurance (health, life, dental, vision), retirement (pensions, 401(k)), unemployment benefit plans (Federal and State), workers’ compensation insurance, and Federal Insurance Contributions Act taxes (which includes Social Security and Medicare taxes).

*Covered change* means a change in law, regulation, or administrative interpretation. A change in law includes any final legislative or regulatory action, a new or changed administrative

interpretation, and the phase-in or taking effect of any statute or rule if the phase-in or taking effect was not prescribed prior to the start of the covered period.

*Covered period* means, with respect to a State, Territory, or Tribal government, the period that:

(1) Begins on March 3, 2021; and

(2) Ends on the last day of the fiscal year of such State, Territory, or Tribal government in which all funds received by the State, Territory, or Tribal government from a payment made under section 602 or 603 of the Social Security Act have been expended or returned to, or recovered by, the Secretary.

*COVID-19* means the Coronavirus Disease 2019.

*COVID-19 public health emergency* means the period beginning on January 27, 2020 and until the termination of the national emergency concerning the COVID-19 outbreak declared pursuant to the National Emergencies Act (50 U.S.C. 1601 et. seq.).

*Deposit* means an extraordinary payment of an accrued, unfunded liability. The term deposit does not refer to routine contributions made by an employer to pension funds as part of the employer's obligations related to payroll, such as either a pension contribution consisting of a normal cost component related to current employees or a component addressing the amortization of unfunded liabilities calculated by reference to the employer's payroll costs.

*Eligible employer* means an employer of an eligible worker who performs essential work.

*Eligible workers* means workers needed to maintain continuity of operations of essential critical infrastructure sectors, including health care; emergency response; sanitation, disinfection, and cleaning work; maintenance work; grocery stores, restaurants, food production, and food delivery; pharmacy; biomedical research; behavioral health work; medical testing and



diagnostics; home- and community-based health care or assistance with activities of daily living; family or child care; social services work; public health work; vital services to Tribes; any work performed by an employee of a State, local, or Tribal government; educational work, school nutrition work, and other work required to operate a school facility; laundry work; elections work; solid waste or hazardous materials management, response, and cleanup work; work requiring physical interaction with patients; dental care work; transportation and warehousing; work at hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment; work in a mortuary; work in critical clinical research, development, and testing necessary for COVID-19 response.

(1) With respect to a recipient that is a metropolitan city, nonentitlement unit of local government, or county, workers in any additional sectors as each chief executive officer of such recipient may designate as critical to protect the health and well-being of the residents of their metropolitan city, nonentitlement unit of local government, or county; or

(2) With respect to a State, Territory, or Tribal government, workers in any additional sectors as each Governor of a State or Territory, or each Tribal government, may designate as critical to protect the health and well-being of the residents of their State, Territory, or Tribal government.

*Essential work* means work that:

- (1) Is not performed while teleworking from a residence; and
- (2) Involves:
  - (i) Regular in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or

(ii) Regular physical handling of items that were handled by, or are to be handled by patients, the public, or coworkers of the individual that is performing the work.

*Funds* means, with respect to a recipient, amounts provided to the recipient pursuant to a payment made under section 602(b) or 603(b) of the Social Security Act or transferred to the recipient pursuant to section 603(c)(4) of the Social Security Act.

*General revenue* means money that is received from tax revenue, current charges, and miscellaneous general revenue, excluding refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and intergovernmental transfers from the Federal government, including transfers made pursuant to section 9901 of the American Rescue Plan Act. General revenue does not include revenues from utilities. Revenue from Tribal business enterprises must be included in general revenue.

*Intergovernmental transfers* means money received from other governments, including grants and shared taxes.

*Metropolitan city* has the meaning given that term in section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) and includes cities that relinquish or defer their status as a metropolitan city for purposes of receiving allocations under section 106 of such Act (42 U.S.C. 5306) for fiscal year 2021.

*Net reduction in total spending* is measured as the State or Territory's total spending for a given reporting year excluding its spending of funds, subtracted from its total spending for its fiscal year ending in 2019, adjusted for inflation using the Bureau of Economic Analysis's Implicit Price Deflator for the gross domestic product of the United States.

*Nonentitlement unit of local government* means a “city,” as that term is defined in section 102(a)(5) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(5)), that is not a metropolitan city.

*Nonprofit* means a nonprofit organization that is exempt from Federal income taxation and that is described in section 501(c)(3) of the Internal Revenue Code.

*Obligation* means an order placed for property and services and entering into contracts, subawards, and similar transactions that require payment.

*Pension fund* means a defined benefit plan and does not include a defined contribution plan.

*Premium pay* means an amount of up to \$13 per hour that is paid to an eligible worker, in addition to wages or remuneration the eligible worker otherwise receives, for all work performed by the eligible worker during the COVID-19 public health emergency. Such amount may not exceed \$25,000 with respect to any single eligible worker. Premium pay will be considered to be in addition to wages or remuneration the eligible worker otherwise receives if, as measured on an hourly rate, the premium pay is:

(1) With regard to work that the eligible worker previously performed, pay and remuneration equal to the sum of all wages and remuneration previously received plus up to \$13 per hour with no reduction, substitution, offset, or other diminishment of the eligible worker’s previous, current, or prospective wages or remuneration; or

(2) With regard to work that the eligible worker continues to perform, pay of up to \$13 that is in addition to the eligible worker’s regular rate of wages or remuneration, with no reduction, substitution, offset, or other diminishment of the workers’ current and prospective wages or remuneration.

*Qualified census tract* has the same meaning given in 26 U.S.C. 42(d)(5)(B)(ii)(I).

*Recipient* means a State, Territory, Tribal government, metropolitan city, nonentitlement unit of local government, county, or unit of general local government that receives a payment made under section 602(b) or 603(b) of the Social Security Act or transfer pursuant to section 603(c)(4) of the Social Security Act.

*Reporting year* means a single year or partial year within the covered period, aligned to the current fiscal year of the State or Territory during the covered period.

*Secretary* means the Secretary of the Treasury.

*State* means each of the 50 States and the District of Columbia

*Small business* means a business concern or other organization that:

(1) Has no more than 500 employees, or if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and

(2) Is a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632).

*Tax Revenue* means revenue received from a compulsory contribution that is exacted by a government for public purposes excluding refunds and corrections and, for purposes of § 35.8, intergovernmental transfers. Tax revenue does not include payments for a special privilege granted or service rendered, employee or employer assessments and contributions to finance retirement and social insurance trust systems, or special assessments to pay for capital improvements.

*Territory* means the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, or American Samoa.

*Tribal enterprise* means a business concern:

(1) That is wholly owned by one or more Tribal governments, or by a corporation that is wholly owned by one or more Tribal governments; or

(2) That is owned in part by one or more Tribal governments, or by a corporation that is wholly owned by one or more Tribal governments, if all other owners are either United States citizens or small business concerns, as these terms are used and consistent with the definitions in 15 U.S.C. 657a(b)(2)(D).

*Tribal government* means the recognized governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or component reservation, individually identified (including parenthetically) in the list published on January 29, 2021, pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5131).

*Unemployment rate* means the U-3 unemployment rate provided by the Bureau of Labor Statistics as part of the Local Area Unemployment Statistics program, measured as total unemployment as a percentage of the civilian labor force.

*Unemployment trust fund* means an unemployment trust fund established under section 904 of the Social Security Act (42 U.S.C. 1104).

*Unit of general local government* has the meaning given to that term in section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)).

*Unserved and underserved households or businesses* means one or more households or businesses that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed.

#### **§ 35.4 Reservation of Authority, Reporting.**

(a) *Reservation of authority.* Nothing in this part shall limit the authority of the Secretary to take action to enforce conditions or violations of law, including actions necessary to prevent evasions of this subpart.

(b) *Extensions or accelerations of timing.* The Secretary may extend or accelerate any deadline or compliance date of this part, including reporting requirements that implement this subpart, if the Secretary determines that such extension or acceleration is appropriate. In determining whether an extension or acceleration is appropriate, the Secretary will consider the period of time that would be extended or accelerated and how the modified timeline would facilitate compliance with this subpart.

(c) *Reporting and requests for other information.* During the covered period, recipients shall provide to the Secretary periodic reports providing detailed accounting of the uses of funds, all modifications to a State or Territory's tax revenue sources, and such other information as the Secretary may require for the administration of this section. In addition to regular reporting requirements, the Secretary may request other additional information as may be necessary or appropriate, including as may be necessary to prevent evasions of the requirements of this subpart. False statements or claims made to the Secretary may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in Federal awards or contracts, and/or any other remedy available by law.

#### **§ 35.5 Use of funds.**

(a) *In General.* A recipient may only use funds to cover costs incurred during the period beginning March 3, 2021, and ending December 31, 2024, for one or more of the purposes enumerated in sections 602(c)(1) and 603(c)(1) of the Social Security Act, as applicable,

including those enumerated in section § 35.6 of this subpart, subject to the restrictions set forth in sections 602(c)(2) and 603(c)(2) of the Social Security Act, as applicable.

(b) *Costs incurred.* A cost shall be considered to have been incurred for purposes of paragraph (a) of this section if the recipient has incurred an obligation with respect to such cost by December 31, 2024.

(c) *Return of funds.* A recipient must return any funds not obligated by December 31, 2024, and any funds not expended to cover such obligations by December 31, 2026.

### **§ 35.6 Eligible uses.**

(a) *In General.* Subject to §§ 35.7 and 35.8 of this subpart, a recipient may use funds for one or more of the purposes described in paragraphs (b)-(e) of this section

(b) *Responding to the public health emergency or its negative economic impacts.* A recipient may use funds to respond to the public health emergency or its negative economic impacts, including for one or more of the following purposes:

(1) *COVID-19 response and prevention.* Expenditures for the mitigation and prevention of COVID-19, including:

(i) Expenses related to COVID-19 vaccination programs and sites, including staffing, acquisition of equipment or supplies, facilities costs, and information technology or other administrative expenses;

(ii) COVID-19-related expenses of public hospitals, clinics, and similar facilities;

(iii) COVID-19 related expenses in congregate living facilities, including skilled nursing facilities, long-term care facilities, incarceration settings, homeless shelters, residential foster care facilities, residential behavioral health treatment, and other group living facilities;

(iv) Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs and other capital investments in public facilities to meet COVID-19-related operational needs;

(v) Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs and other capital investments in public facilities to meet COVID-19-related operational needs;

(vi) Costs of providing COVID-19 testing and monitoring, contact tracing, and monitoring of case trends and genomic sequencing for variants;

(vii) Emergency medical response expenses, including emergency medical transportation, related to COVID-19;

(viii) Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment;

(ix) Expenses for communication related to COVID-19 vaccination programs and communication or enforcement by recipients of public health orders related to COVID-19;

(x) Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment;

(xi) Expenses for disinfection of public areas and other facilities in response to the COVID-19 public health emergency;

(xii) Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety;

(xiii) Expenses for quarantining or isolation of individuals;

(xiv) Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions;



(xv) Expenses for treatment of the long-term symptoms or effects of COVID-19, including post-intensive care syndrome;

(xvi) Expenses for the improvement of ventilation systems in congregate settings, public health facilities, or other public facilities;

(xvii) Expenses related to establishing or enhancing public health data systems; and

(xviii) Mental health treatment, substance misuse treatment, and other behavioral health services.

(2) *Public Health and Safety Staff.* Payroll and covered benefit expenses for public safety, public health, health care, human services, and similar employees to the extent that the employee's time is spent mitigating or responding to the COVID-19 public health emergency.

(3) *Hiring State and Local Government Staff.* Payroll, covered benefit, and other costs associated with the recipient increasing the number of its employees up to the number of employees that it employed on January 27, 2020.

(4) *Assistance to Unemployed Workers.* Assistance, including job training, for individuals who want and are available for work, including those who have looked for work sometime in the past 12 months or who are employed part time but who want and are available for full-time work;

(5) *Contributions to State Unemployment Insurance Trust Funds.* Contributions to an Unemployment Trust Fund up to the level required to restore the Unemployment Trust Fund to its balance on January 27, 2020 or to pay back advances received under Title XII of the Social Security Act (42 U.S.C. 1321) for the payment of benefits between January 27, 2020 and [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER];

(6) *Small Businesses.* Assistance to small businesses, including loans, grants, in-kind assistance, technical assistance or other services, that responds to the negative economic impacts of the COVID-19 public health emergency;

(7) *Nonprofits.* Assistance to nonprofit organizations, including loans, grants, in-kind assistance, technical assistance or other services, that responds to the negative economic impacts of the COVID-19 public health emergency;

(8) *Assistance to Households.* Assistance programs, including cash assistance programs, that respond to the COVID-19 public health emergency;

(9) *Aid to Impacted Industries.* Aid to tourism, travel, hospitality, and other impacted industries that responds to the negative economic impacts of the COVID-19 public health emergency;

(10) *Expenses to Improve Efficacy of Public Health or Economic Relief Programs.* Administrative costs associated with the recipient's COVID-19 public health emergency assistance programs, including services responding to the COVID-19 public health emergency or its negative economic impacts, that are not federally funded.

(11) *Survivor's Benefits.* Benefits for the surviving family members of individuals who have died from COVID-19, including cash assistance to widows, widowers, or dependents of individuals who died of COVID-19;

(12) *Disproportionately Impacted Populations and Communities.* A program, service, or other assistance that is provided in a Qualified Census Tract, that is provided to households and populations living in a Qualified Census Tract, that is provided by a Tribal government, or that is provided to other households, businesses, or populations disproportionately impacted by the COVID-19 public health emergency, such as:

- (i) Programs or services that facilitate access to health and social services, including:
  - (A) Assistance accessing or applying for public benefits or services;
  - (B) Remediation of lead paint or other lead hazards; and
  - (C) Community violence intervention programs;
- (ii) Programs or services that address housing insecurity, lack of affordable housing, or homelessness, including:
  - (A) Supportive housing or other programs or services to improve access to stable, affordable housing among individuals who are homeless;
  - (B) Development of affordable housing to increase supply of affordable and high-quality living units; and
  - (C) Housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity and to reduce concentrated areas of low economic opportunity;
- (iii) Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on education, including:
  - (A) New or expanded early learning services;
  - (B) Assistance to high-poverty school districts to advance equitable funding across districts and geographies; and
  - (C) Educational and evidence-based services to address the academic, social, emotional, and mental health needs of students;
- (iv) Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on childhood health or welfare, including:
  - (A) New or expanded childcare;

(B) Programs to provide home visits by health professionals, parent educators, and social service professionals to individuals with young children to provide education and assistance for economic support, health needs, or child development; and

(C) Services for child welfare-involved families and foster youth to provide support and education on child development, positive parenting, coping skills, or recovery for mental health and substance use.

(c) *Providing Premium Pay to Eligible Workers.* A recipient may use funds to provide premium pay to eligible workers of the recipient who perform essential work or to provide grants to eligible employers, provided that any premium pay or grants provided under this paragraph (c) must respond to eligible workers performing essential work during the COVID-19 public health emergency. A recipient uses premium pay or grants provided under this paragraph (c) to respond to eligible workers performing essential work during the COVID-19 public health emergency if it prioritizes low- and moderate-income persons. The recipient must provide, whether for themselves or on behalf of a grantee, a written justification to the Secretary of how the premium pay or grant provided under this paragraph (c) responds to eligible workers performing essential work if the premium pay or grant would increase an eligible worker's total wages and remuneration above 150 percent of such eligible worker's residing State's average annual wage for all occupations or their residing county's average annual wage, whichever is higher.

(d) *Providing Government Services.* For the provision of government services to the extent of a reduction in the recipient's general revenue, calculated according to paragraphs (d)(1) and (d)(2).

(1) *Frequency.* A recipient must calculate the reduction in its general revenue using information as-of December 31, 2020, December 31, 2021, December 31, 2022, and December 31, 2023 (each, a calculation date) and following each calculation date.

(2) *Calculation.* A reduction in a recipient's general revenue equals:

$$\text{Max} \{ [\text{Base Year Revenue} * (1 + \text{Growth Adjustment})^{\frac{n_t}{12}}] - \text{Actual General Revenue}_t; 0 \}$$

Where:

(i) Base Year Revenue is the recipient's general revenue for the most recent full fiscal year prior to the COVID-19 public health emergency;

(ii) Growth Adjustment is equal to the greater of 4.1 percent (or 0.041) and the recipient's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency.

(iii)  $n$  equals the number of months elapsed from the end of the base year to the calculation date.

(iv) Actual General Revenue is a recipient's actual general revenue collected during 12-month period ending on each calculation date;

(v) Subscript  $t$  denotes the specific calculation date.

(e) *To Make Necessary Investments in Infrastructure.* A recipient may use funds to make investments in:

(1) *Clean Water State Revolving Fund and Drinking Water State Revolving Fund investments.* Projects or activities of the type that would be eligible under section 603(c) of the Federal Water Pollution Control Act (33 U.S.C. 1383(c)) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12); or,

(2) *Broadband.* Broadband infrastructure that is designed to provide service to unserved or underserved households and businesses and that is designed to, upon completion:

(A) Reliably meet or exceed symmetrical 100 Mbps download speed and upload speeds;

or

(B) In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, to provide service meeting the standards set forth in paragraph (e)(2)(A) of this section:

(i) Reliably meet or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed; and

(ii) Be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.

**§ 35.7 Pensions.**

A recipient may not use funds for deposit into any pension fund.

**§ 35.8 Tax.**

(a) *Restriction.* A State or Territory shall not use funds to either directly or indirectly offset a reduction in the net tax revenue of the State or Territory resulting from a covered change during the covered period.

(b) *Violation.* Treasury will consider a State or Territory to have used funds to offset a reduction in net tax revenue if, during a reporting year:

(1) *Covered Change.* The State or Territory has made a covered change that, either based on a reasonable statistical methodology to isolate the impact of the covered change in actual revenue or based on projections that use reasonable assumptions and do not incorporate the effects of macroeconomic growth to reduce or increase the projected impact of the covered

change, the State or Territory assesses has had or predicts to have the effect of reducing tax revenue relative to current law;

(2) *Exceeds the De Minimis Threshold.* The aggregate amount of the measured or predicted reductions in tax revenue caused by covered changes identified under paragraph (b)(1) of this section, in the aggregate, exceeds 1 percent of the State's or Territory's baseline;

(3) *Reduction in Net Tax Revenue.* The State or Territory reports a reduction in net tax revenue, measured as the difference between actual tax revenue and the State's or Territory's baseline, each measured as of the end of the reporting year; and

(4) *Consideration of Other Changes.* The aggregate amount of measured or predicted reductions in tax revenue caused by covered changes is greater than the sum of the following, in each case, as calculated for the reporting year:

(i) The aggregate amount of the expected increases in tax revenue caused by one or more covered changes that, either based on a reasonable statistical methodology to isolate the impact of the covered change in actual revenue or based on projections that use reasonable assumptions and do not incorporate the effects of macroeconomic growth to reduce or increase the projected impact of the covered change, the State or Territory assesses has had or predicts to have the effect of increasing tax revenue; and

(ii) Reductions in spending, up to the amount of the State's or Territory's net reduction in total spending, that are in:

(A) Departments, agencies, or authorities in which the State or Territory is not using funds; and

(B) Departments, agencies, or authorities in which the State or Territory is using funds, in an amount equal to the value of the spending cuts in those departments, agencies, or authorities, minus funds used.

(c) *Amount and Revenue Reduction Cap.* If a State or Territory is considered to be in violation pursuant to paragraph (b) of this section, the amount used in violation of paragraph (a) of this section is equal to the lesser of:

(1) The reduction in net tax revenue of the State or Territory for the reporting year, measured as the difference between the State's or Territory's baseline and its actual tax revenue, each measured as of the end of the reporting year; and,

(2) The aggregate amount of the reductions in tax revenues caused by covered changes identified in paragraph (b)(1) of this section, minus the sum of the amounts in identified in paragraphs (b)(4)(i)-(ii).

**§ 35.9. Compliance with Applicable Laws.**

A recipient must comply with all other applicable Federal statutes, regulations, and executive orders, and a recipient shall provide for compliance with the American Rescue Plan Act, this Subpart, and any interpretive guidance by other parties in any agreements it enters into with other parties relating to these funds.

**§ 35.10. Recoupment.**

(a) *Identification of Violations – (1) In general.* Any amount used in violation of §§ 35.6 or 35.7 of this subpart may be identified at any time prior to December 31, 2026.

(2) *Annual Reporting of Amounts of Violations.* On an annual basis, a recipient that is a State or Territory must calculate and report any amounts used in violation of § 35.8 of this subpart.



(b) *Calculation of Amounts Subject to Recoupment – (1) In general.* Except as provided in paragraph (b)(2), Treasury will calculate any amounts subject to recoupment resulting from a violation of §§ 35.6 or 35.7 of this subpart as the amounts used in violation of such restrictions.

(2) *Violations of Section 35.8.* Treasury will calculate any amounts subject to recoupment resulting from a violation of § 35.8 of this subpart, equal to the lesser of:

- (i) The amount set forth in § 35.8(c) of this subpart; and,
- (ii) The amount of funds received by such recipient.

(c) *Notice.* If Treasury calculates an amount subject to recoupment under paragraph (b) of this section, Treasury will provide the recipient a written notice of the amount subject to recoupment along with an explanation of such amounts.

(d) *Request for Reconsideration.* Unless Treasury extends the time period, within 60 calendar days of receipt of a notice of recoupment provided under paragraph (c) of this section, a recipient may submit a written request to Treasury requesting reconsideration of any amounts subject to recoupment under paragraph (b) of this section. To request reconsideration of any amounts subject to recoupment, a recipient must submit to Treasury a written request that includes:

- (i) An explanation of why the recipient believes all or some of the amount should not be subject to recoupment; and
- (ii) A discussion of supporting reasons, along with any additional information.

(e) *Final Amount Subject to Recoupment.* Unless Treasury extends the time period, within 60 calendar days of receipt of the recipient's request for reconsideration provided pursuant to paragraph (d) of this section, the recipient will be notified of the Secretary's decision to affirm, withdraw, or modify the notice of recoupment. Such notification will include an

explanation of the decision, including responses to the recipient's supporting reasons and consideration of additional information provided.

(f) *Repayment of Funds.* Unless Treasury extends the time period, a recipient shall repay to the Secretary any amounts subject to recoupment in accordance with instructions provided by Treasury:

(i) Within 120 calendar days of receipt of the notice of recoupment provided under paragraph (c) of this section, in the case of a recipient that does not submit a request for reconsideration in accordance with the requirements of paragraph (d) of this section, or

(ii) Within 120 calendar days of receipt of the Secretary's decision under paragraph (e) of this section, in the case of a recipient that submits a request for reconsideration in accordance with the requirements of paragraph (d) of this section.

### **§ 35.11 Payments to States.**

(a) *In General.* With respect to any State or Territory that has an unemployment rate as of the date that it submits an initial certification for payment of funds pursuant to section 602(d)(1) of the Social Security Act that is less than two percentage points above its unemployment rate in February 2020, the Secretary will withhold 50 percent of the amount of funds allocated under section 602(b) of the Social Security Act to such State or territory until the date that is twelve months from the date such initial certification is provided to the Secretary.

(b) *Payment of Withheld Amount.* In order to receive the amount withheld under paragraph (a) of this section, the State or Territory must submit to the Secretary at least 30 days prior to the date referenced in paragraph (a) the following information:

(i) A certification, in the form provided by the Secretary, that such State or Territory requires the payment to carry out the activities specified in section 602(c) of the Social Security Act and will use the payment in compliance with section 602(c) of the Social Security Act; and,

(ii) Any reports required to be filed by that date pursuant to this part that have not yet been filed.

**§ 35.12. Distributions to Nonentitlement Units of Local Government and Units of General Local Government.**

(a) *Nonentitlement Units of Local Government.* Each State or Territory that receives a payment from Treasury pursuant to section 603(b)(2)(B) of the Social Security Act shall distribute the amount of the payment to nonentitlement units of government in such State or Territory in accordance with the requirements set forth in section 603(b)(2)(C) of the Social Security Act and without offsetting any debt owed by such nonentitlement units of local governments against such payments.

(b) *Budget Cap.* A State or Territory may not make a payment to a nonentitlement unit of local government pursuant to section 603(b)(2)(C) of the Social Security Act and paragraph (a) of this section in excess of the amount equal to 75 percent of the most recent budget for the nonentitlement unit of local government as of January 27, 2020. A State or Territory shall permit a nonentitlement unit of local government without a formal budget as of January 27, 2020, to provide a certification from an authorized officer of the nonentitlement unit of local government of its most recent annual expenditures as of January 27, 2020, and a State or Territory may rely on such certification for purposes of complying with this subsection.

(c) *Units of General Local Government.* Each State or Territory that receives a payment from Treasury pursuant to section 603(b)(3)(B)(ii) of the Social Security Act, in the case of an





## Finance Committee Items

Berryville-Clarke County Government Center, 2<sup>nd</sup> Floor  
101 Chalmers Court, Berryville, Virginia 22611

**Monday, June 7, 2021, immediately following work session**

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A.	Bills and Claims: (see attached) The Finance Committee should consider approval.	214
B.	Standing Reports:	
	– Year to Date Budget Report	222
	– Reconciliation of Appropriations	234
	– Capital Projects Report	235

**Clarke County  
Invoice History Report  
May 31, 2021**

VENDOR NAME	ACCOUNT DESC	FULL DESC	INVOICE DATE	AMOUNT
Access Independence	Access Independence Contr	Annual contribution FY21	05/21/2021	1,000.00
<b>Access Independence Total</b>				<b>1,000.00</b>
Amazon Acct	Electoral Mat & Sup	Headphones for Registrar	04/28/2021	99.90
Amazon Acct	Registrar Mat & Sup	OFFICE SUPPLIES, REGISTRAR	05/06/2021	32.94
Amazon Acct	Comm Atty Mat & Sup	OFFICE SUPPLIES, GENERAL	04/14/2021	30.71
Amazon Acct	Sheriff PSU Mat & Sup	Microphones for Circuit Court	04/06/2021	187.89
Amazon Acct	Programs Mat & Sup	Keyboard Tray	04/19/2021	42.99
Amazon Acct	JAS Inventory -Mtls & Supplies	dry erase white	04/17/2021	92.88
Amazon Acct	JAS Inventory -Mtls & Supplies	paper towels	04/21/2021	28.96
Amazon Acct	JAS Inventory -Mtls & Supplies	Flags for Central Store	04/16/2021	167.16
<b>Amazon Acct Total</b>				<b>683.43</b>
American Red Cross	Pool Pur Svcs	lifeguarding	04/30/2021	200.00
<b>American Red Cross Total</b>				<b>200.00</b>
Apple Valley Waste	SWC Pur Svcs	rm Apple Valley W. CCCC recycling fee	04/25/2021	78.75
Apple Valley Waste	SWC Pur Svcs	rm Apple Valley Waste CCCC Recycling	05/09/2021	1.00
Apple Valley Waste	Maintenanc Pur Svcs	rm Apple Valley W CCCC recycling fee	04/29/2021	1.00
<b>Apple Valley Waste Total</b>				<b>80.75</b>
Associates In Emerge	EMS Pur Svcs	Fire-EMS paramedic class-Gugliotta	05/05/2021	8,968.00
<b>Associates In Emerge Total</b>				<b>8,968.00</b>
At&t	Sheriff Telephone	911 Wireless Bill	05/01/2021	3.11
<b>At&amp;t Total</b>				<b>3.11</b>
Bank of America	Circuit C Mat & Sup	Cartridge for Postage Machine	04/30/2021	161.48
Bank of America	Programs Mat & Sup	2-Gallon Water Coolers	04/30/2021	31.97
Bank of America	JAS Finance Mat & Sup	Picnic Table	04/30/2021	879.20
<b>Bank of America Total</b>				<b>1,072.65</b>
Bass, Matt	Plan Com Part Time Salaries	KM - 05/04/2021 05/07/2021 PC Meeting	05/11/2021	100.00
<b>Bass, Matt Total</b>				<b>100.00</b>
BB&T	County Adm Miscellaneous Expen	TRK April 2021 BB&T 0375	05/24/2021	400.13
BB&T	County Adm Dues & Memb	TRK April 2021 BB&T 0375	05/24/2021	115.00
BB&T	IT Tech SW/OL	TRK April 2021 BB&T 0375	05/24/2021	172.14
BB&T	Electoral Postal Svcs	Postage - 06082021 VBM	04/14/2021	165.00
BB&T	Sheriff Travel - Communication	Card Statement	05/10/2021	906.94
BB&T	Sheriff Travel - Communication	basic dispatch certification for 2 ECC Specs	05/10/2021	336.57
BB&T	Sheriff Travel - Sworn Staff	Card Statement	05/10/2021	-185.68
BB&T	Sheriff Dues & Memb	Card Statement	05/10/2021	119.00
BB&T	Sheriff Dues & Memb	Card Statement	05/10/2021	13.98
BB&T	Sheriff SOS Mat & Sup	Card Statement	05/10/2021	455.45
BB&T	Sheriff Clothing	Card Statement	05/10/2021	73.70
BB&T	Sheriff Uniform Sworn Staff	Card Statement	05/10/2021	171.38
BB&T	EMS Pur Svcs	Fire-EMS BB&T credit card statement 5/10/21	05/10/2021	300.00
BB&T	EMS Travel	Fire-EMS BB&T credit card statement 5/10/21	05/10/2021	1,055.50
BB&T	EMS Miscellaneous	Fire-EMS BB&T credit card statement 5/10/21	05/10/2021	84.96
BB&T	EMS Mat & Sup	Fire-EMS BB&T credit card statement 5/10/21	05/10/2021	190.00
BB&T	AnimalCtrl Pur Svcs	rm BB&T Credit Card for 04/15/2021-05/09/2021	05/10/2021	380.49
BB&T	Maintenanc Mat & Sup	rm BB&T Credit Card for 04/15/2021-05/09/2021	05/10/2021	324.98
BB&T	Pool Mat & Sup	supplies	04/22/2021	9.04
BB&T	Pool Clothing	supplies	04/22/2021	62.98
BB&T	Programs Mat & Sup	supplies	04/22/2021	56.20
BB&T	Plan Adm Postal Svcs	Postal Services	05/10/2021	7.55
BB&T	Plan Adm Mat & Sup	Postal Services	05/10/2021	55.00
BB&T	Econ Dev Miscellaneous Expendi	TRK April 2021 BB&T 0375	05/24/2021	131.19
BB&T	Econ Dev Dues & Memb	TRK April 2021 BB&T 0375	05/24/2021	250.00
BB&T	524West Maint Mat & Sup	rm BB&T Credit Card for 04/15/2021-05/09/2021	05/10/2021	62.94
BB&T	Sheriff Mat & Sup	Card Statement	05/10/2021	108.19
BB&T	Cnsvr Esmt Donation- Postal	Postal Services	05/10/2021	73.40
BB&T	Swimming Mat & Sup	rm BB&T Credit Card for 04/15/2021-05/09/2021	05/10/2021	712.36
<b>BB&amp;T Total</b>				<b>6,608.39</b>
Berkeley Club Bevera	County Adm Miscellaneous Expen	TRK Cooler Rental	05/15/2021	22.00
Berkeley Club Bevera	County Adm Miscellaneous Expen	TRK Co Admin 8-Water Bottle Delivery	05/24/2021	57.60
Berkeley Club Bevera	Comm Atty Mat & Sup	Water Bill May 2021	05/24/2021	15.90
Berkeley Club Bevera	Sheriff COS Mat & Sup	Cooler Rental	05/15/2021	9.00
Berkeley Club Bevera	Sheriff COS Mat & Sup	Cooler Rental	04/15/2021	9.00
Berkeley Club Bevera	Sheriff COS Mat & Sup	Water	05/24/2021	19.50
Berkeley Club Bevera	Sheriff SOS Mat & Sup	Cooler Rental	05/15/2021	9.00
Berkeley Club Bevera	Sheriff SOS Mat & Sup	Cooler Rental	04/15/2021	9.00
Berkeley Club Bevera	Maintenanc Water & Sewer	rm Berkeley Cooler Rental for May 2021	05/15/2021	11.00
Berkeley Club Bevera	Maintenanc Water & Sewer	rm Berkerly Club Rental on cooler for April 2021	04/15/2021	11.00
Berkeley Club Bevera	Maintenanc Water & Sewer	rm Berkeley Water Maint water	05/24/2021	13.00
Berkeley Club Bevera	225Rams Maint Water & Sewer	rm Berklerey Water for ACO	05/24/2021	15.00

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VENDOR NAME	ACCOUNT DESC	FULL DESC	INVOICE DATE	AMOUNT
<b>Berkeley Club Bevera Total</b>				201.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair - 1101	05/07/2021	90.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair - 1401	05/10/2021	310.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair	05/11/2021	155.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair 1102	05/14/2021	90.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair - 1802	05/17/2021	81.00
Berryville Auto Part	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair - 1501	05/21/2021	61.00
Berryville Auto Part	Sheriff VRP Mat & Sup	Blades	04/29/2021	4.20
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 1101	05/07/2021	3.00
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 1601	05/07/2021	5.66
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 1401	05/10/2021	332.52
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair	05/11/2021	247.37
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair 1102	05/14/2021	3.00
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 1802	05/17/2021	78.06
Berryville Auto Part	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 1501	05/21/2021	211.92
Berryville Auto Part	Maintenanc Mat & Sup	rm BAP Maint Plug Building Dept Tire	05/07/2021	16.50
<b>Berryville Auto Part Total</b>				1,689.23
Berryville Farm	Programs Mat & Sup	Garden Supplies for Childcare Program	05/11/2021	175.50
Berryville Farm	Programs Mat & Sup	Parks and Rec	05/13/2021	36.00
<b>Berryville Farm Total</b>				211.50
Berryville True Valu	Electoral Mat & Sup	Mulch for Curbside Voting Sign Weight	04/30/2021	10.98
Berryville True Valu	Electoral Mat & Sup	Utility Knife	05/03/2021	9.99
Berryville True Valu	Registrar Mat & Sup	Wireless Doorbell	05/24/2021	18.99
Berryville True Valu	Maintenanc Mat & Sup	rm BH 102 N. Church switch plate	05/17/2021	12.98
Berryville True Valu	Maintenanc Mat & Sup	rm BH 102 N. Church oct box connectot	05/17/2021	47.76
Berryville True Valu	Maintenanc Mat & Sup	rm BH Maint work box	05/19/2021	2.98
Berryville True Valu	Maintenanc Mat & Sup	rm BH Maint pvc pipe cut for sign spacers	05/19/2021	5.49
Berryville True Valu	Maintenanc Mat & Sup	rm BH Maint chain saw oil	05/20/2021	32.93
Berryville True Valu	Maintenanc Mat & Sup	rm BH Maint black spray paint for truck	05/24/2021	7.00
Berryville True Valu	Rec Center Mat & Sup	supplies	04/29/2021	17.77
Berryville True Valu	Pool Mat & Sup	supplies	05/17/2021	34.47
Berryville True Valu	Programs Mat & Sup	keys	04/29/2021	4.00
Berryville True Valu	Programs Mat & Sup	supplies	05/24/2021	33.98
Berryville True Valu	ChurchSt Maint Mat & Sup	rm BH 102 N. Church Spar Urethane	05/03/2021	11.99
Berryville True Valu	ChurchSt Maint Mat & Sup	rm BH 102 N. Church switch boxes connectors covers	05/07/2021	19.42
Berryville True Valu	ChurchSt Maint Mat & Sup	rm BH 102 N. Church nyl plate	05/17/2021	1.29
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool elbow , coupling and valve	04/29/2021	38.46
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool trap and galv plug	04/30/2021	12.27
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool galv plug	04/30/2021	2.79
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool adapter , coupling	05/04/2021	4.08
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool Coupling	05/04/2021	16.98
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool washer	05/05/2021	5.16
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool Connector	05/10/2021	15.98
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool mesh cloths for pool vents	05/11/2021	17.99
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool mesh cloth	05/11/2021	17.99
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool coupling and bushings	05/20/2021	7.86
Berryville True Valu	AlPool Maint Mat & Sup	rm BH Pool O-ring	05/20/2021	1.29
Berryville True Valu	AlSoc Maint Mat & Sup	rm BH Soccer quick link 1/4" stl zinc	05/10/2021	5.58
<b>Berryville True Valu Total</b>				418.45
BERRYVILLE UNITED ME	Real Property Tax Current		05/20/2021	23,434.97
BERRYVILLE UNITED ME	Real Property Tax Current		05/20/2021	20,117.27
BERRYVILLE UNITED ME	Real Property Tax Delinquent		05/20/2021	23,434.97
BERRYVILLE UNITED ME	Real Property Tax Delinquent		05/20/2021	23,434.97
<b>BERRYVILLE UNITED ME Total</b>				90,422.18
Bill & Bills Auto	Sheriff Pur Svcs	Speedometer Check	05/12/2021	45.00
<b>Bill &amp; Bills Auto Total</b>				45.00
Blossman Gas, Inc.	225Rams Maint Heating	rm Blossman ACO LP Gas	05/17/2021	649.80
<b>Blossman Gas, Inc. Total</b>				649.80
Blue Ridge Rescue Su	EMS Clothing	Fire-EMS PPE boots	05/03/2021	428.00
<b>Blue Ridge Rescue Su Total</b>				428.00
Blue Sky Towers	Sheriff Leases & Rentals	Tower, Transmittal, Antennae L	05/01/2021	2,380.50
<b>Blue Sky Towers Total</b>				2,380.50
Boyce Volunteer Fire	Vol Fire EMS Vol Incent Prog	Quarter 3 FY21 Incentive Program	05/06/2021	1,250.00
Boyce Volunteer Fire	Boyce Volunteer Fire Co Contr	Stipend for Quarter 3 & 4 FY21	05/21/2021	32,500.00
<b>Boyce Volunteer Fire Total</b>				33,750.00
Boyer Landscapes Inc	AlSoc Maint Pur Svcs	rm Boyer Landscape Soccer Irrigation start up	05/19/2021	200.00
<b>Boyer Landscapes Inc Total</b>				200.00
BRADLEY JAYME URIAH	Personal Property Tax Current		05/13/2021	31.47
BRADLEY JAYME URIAH	Motor Vehicle Licenses		05/13/2021	25.00

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<b>BRADLEY JAYME URIAH Total</b>				56.47
BSN Sports Inc	Pool Mat & Sup	roller	04/21/2021	20.00
BSN Sports Inc	Programs Mat & Sup	roller	04/21/2021	40.00
BSN Sports Inc	AlSoc Maint Mat & Sup	rm BSN Soccer nets for goals	04/21/2021	720.00
<b>BSN Sports Inc Total</b>				780.00
Buckley, Randy	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00
Buckley, Randy	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Buckley, Randy Total</b>				100.00
BW Wilson Paper	JAS Inventory -Mtls & Supplies	Copy paper and Card Stock-Cent	05/13/2021	3,406.74
<b>BW Wilson Paper Total</b>				3,406.74
Caldwell, Anne	Plan Com Board Member Fees	KM - 5/4/2021 PC Meeting	05/04/2021	50.00
Caldwell, Anne	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Caldwell, Anne Total</b>				100.00
Cardillo, Robin Couc	Cnsrv Esmt Donation Pur Svcs	easement authority public relations	05/07/2021	640.00
<b>Cardillo, Robin Couc Total</b>				640.00
Carousel Industries	Sheriff Maint Contracts	Maintenance Agreement Carousel	05/12/2021	31,177.27
<b>Carousel Industries Total</b>				31,177.27
Carrie Stanovick	Rec Center Refunds	refund	05/03/2021	35.00
<b>Carrie Stanovick Total</b>				35.00
Certified Languages	VictimWit Pur Svcs	Interpreter Services for April 2021	05/06/2021	5.80
<b>Certified Languages Total</b>				5.80
Clarke County Fair	Programs Advertising	fair book	05/18/2021	100.00
<b>Clarke County Fair Total</b>				100.00
Clarke County Parks	Swimming Pool Fees	pool start up money	05/12/2021	400.00
<b>Clarke County Parks Total</b>				400.00
Clarke County Treasu	New Park Shelter-Construction	Building/Zoning Permits	05/04/2021	611.20
<b>Clarke County Treasu Total</b>				611.20
Clarke Monthly	County Adm Advertising	TRK Cov.19 12/2020 Full Page Ad Clarke Monthly	05/13/2021	800.00
<b>Clarke Monthly Total</b>				800.00
Clean Water Pool	Pool Mat & Sup	pool supplies	05/24/2021	61.02
<b>Clean Water Pool Total</b>				61.02
Combs Wastewater Man	AlOff Maint Pur Svcs	rm Combs Park Porta Potties 3	05/01/2021	210.00
<b>Combs Wastewater Man Total</b>				210.00
Comcast	IT Telecomm Online Tech	101 CHALMERS CT, MAY BILLING FOR JUNE SERVICES	05/23/2021	209.32
Comcast	Sheriff Pur Svcs	Comcast High-Speed Internet	05/19/2021	87.27
<b>Comcast Total</b>				296.59
Commercial Press	Treasurer Mat & Sup	Letterhead	04/16/2021	134.25
Commercial Press	JAS Finance Mat & Sup	Envelopes for A/P	04/23/2021	149.88
<b>Commercial Press Total</b>				284.13
Commissioners of Rev	Com of Rev Dues & Memb	commissioner of revenue dues 2021-2022	05/11/2021	275.00
<b>Commissioners of Rev Total</b>				275.00
ComputerPlus	IT Maint Contracts	as400 hardware support	05/01/2021	127.00
<b>ComputerPlus Total</b>				127.00
Concern Hotline	Concern Hotline Entity Gift	Annual Contribution FY21	05/21/2021	1,000.00
<b>Concern Hotline Total</b>				1,000.00
County of Frederick	RefuseDisp Intergov Svc Agreeem	COUNTY RESIDENCE REFUSE ACCOUNT 04/2021	05/04/2021	1,746.20
County of Frederick	RefuseDisp Intergov Svc Agreeem	NEW CITIZENS CENTER 04/2021	05/04/2021	1,189.00
County of Frederick	RefuseDisp Intergov Svc Agreeem	VDOT - CLARKE 04/29/2021	05/04/2021	10.00
County of Frederick	RefuseDisp Intergov Svc Agreeem	APRIL REFUSE - BIG SHARED CITIZENS SITE	05/20/2021	10,444.95
<b>County of Frederick Total</b>				13,390.15
CW Warthen	Clk of CC Mat & Sup	Plat Book 15 with sleeves	05/24/2021	710.90
<b>CW Warthen Total</b>				710.90
Daly Computers	IT Tech SW/OL	VMware annual software support	05/25/2021	1,153.31
<b>Daly Computers Total</b>				1,153.31
Danu Aquatics Llc	Programs Pur Svcs	class	05/03/2021	84.75
<b>Danu Aquatics Llc Total</b>				84.75
DDL Business Sys	J&D Court Maint Contracts	Copier Maintenance (2081)	04/25/2021	183.00
DDL Business Sys	Clk of CC Maint Contracts	Copier Maint.-SN:7940-Circuit	04/25/2021	27.52
DDL Business Sys	Maintenanc Maint Contracts	Copier Maint (SN:1891)	04/25/2021	54.00
DDL Business Sys	Parks Adm Maint Contracts	Copier Maint.-SN:3807-CCPRD	04/25/2021	99.79
DDL Business Sys	JAS IT Maint Contracts	Copier Maint.-SN:9490-JAS	04/25/2021	80.50
<b>DDL Business Sys Total</b>				444.81
DMV	Treasurer DMV Stop	DMV Stops - April 2021	04/30/2021	2,200.00
<b>DMV Total</b>				2,200.00
Doing Better Busines	Com of Rev Maint Contracts	Copier Maint.SN:0015-Treasurer	05/05/2021	12.50
Doing Better Busines	Treasurer Maint Contracts	Copier Maint.SN:0015-Treasurer	05/05/2021	12.50
Doing Better Busines	EMS Mat & Sup	Copier Maint.SN:0015-Treasurer	05/05/2021	12.50
Doing Better Busines	JAS IT Maint Contracts	New Copier	05/03/2021	141.00
Doing Better Busines	JAS IT Mat & Sup	New Purchasing Copier	05/03/2021	3,614.17



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<b>Doing Better Busines Total</b>				3,792.67
DONNALLY RYAN K	Personal Property Tax Current		05/11/2021	81.99
<b>DONNALLY RYAN K Total</b>				81.99
Dunning, Buster	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Dunning, Buster Total</b>				50.00
eCore Software Inc	EMS Tech SW/OL	Fire-EMS ePro scheduling software lease June 2021	05/02/2021	187.00
<b>eCore Software Inc Total</b>				187.00
Election Systems	Electoral Pur Svcs	06082021 Language Setup	05/11/2021	599.10
Election Systems	Electoral Pur Svcs	06/08/2021 Layout	05/11/2021	82.20
Election Systems	Electoral Pur Svcs	06/08/2021 Basee Precinct Tabulator Fee	05/11/2021	1,130.30
<b>Election Systems Total</b>				1,811.60
Fire Protection	Maintenanc Pur Svcs	rm Fire Protect Maint fill fire exting	05/12/2021	39.25
<b>Fire Protection Total</b>				39.25
Frederick-Winchester	Sanitation Intergov Svc Agreem		05/13/2021	2,616.49
<b>Frederick-Winchester Total</b>				2,616.49
Galls/Best Uniforms	EMS Clothing	Fire-EMS uniform boots April 2021	04/12/2021	116.80
<b>Galls/Best Uniforms Total</b>				116.80
GCA Education Servic	Maintenanc Custodial Contracts	rm ABM County Cleaning May 2021	05/01/2021	4,530.07
GCA Education Servic	JGC Maintenanc Custodial Contr	rm ABM County Cleaning May 2021	05/01/2021	1,187.75
GCA Education Servic	311EMain Maint Cus Contracts	rm ABM County Cleaning May 2021	05/01/2021	461.25
GCA Education Servic	Maintenanc Custodial Contracts	rm ABM County Cleaning May 2021	05/01/2021	706.59
<b>GCA Education Servic Total</b>				6,885.66
General Sales of Vir	Maintenanc Mat & Sup	rm General Sales Maint Cleaning Supplies	05/18/2021	1,134.44
<b>General Sales of Vir Total</b>				1,134.44
Grainger Inc	Maintenanc Mat & Sup	rm Grainger Maint Rotary Hammer	04/27/2021	319.00
Grainger Inc	Maintenanc Mat & Sup	rm Graingers Maint Drill Bits	04/29/2021	39.11
Grainger Inc	Maintenanc Mat & Sup	rm Grainger Maint Wheels for Cart	05/12/2021	36.64
<b>Grainger Inc Total</b>				394.75
GREGORY BRITANY L	Personal Property Tax Current		05/14/2021	26.01
GREGORY BRITANY L	Personal Property Tax Current		05/14/2021	70.15
GREGORY BRITANY L	Personal Property Tax Current		05/14/2021	59.80
GREGORY BRITANY L	Motor Vehicle Licenses		05/14/2021	25.00
GREGORY BRITANY L	Motor Vehicle Licenses		05/14/2021	25.00
<b>GREGORY BRITANY L Total</b>				205.96
Grubb, Kristen	Programs Pur Svcs	CCPRD Contracted Employee-FY21	05/14/2021	122.85
<b>Grubb, Kristen Total</b>				122.85
Hall, Monahan	BoS Pur Svcs	TRK Legal April 2021	05/03/2021	577.50
Hall, Monahan	Plan Adm Pur Svcs	TRK Legal April 2021	05/03/2021	452.50
Hall, Monahan	BrdZonApp Pur Svcs	TRK Legal April 2021	05/03/2021	1,535.00
Hall, Monahan	Dev Rights Pur Svcs	KM - CEA April 2021	05/04/2021	1,075.00
<b>Hall, Monahan Total</b>				3,640.00
Harper and Company	Pool Chemicals	Pool Chemicals Brisquettes	05/14/2021	4,852.50
<b>Harper and Company Total</b>				4,852.50
HENNEBERG KELSEY N	Personal Property Tax Current		05/20/2021	377.67
<b>HENNEBERG KELSEY N Total</b>				377.67
Hershey Creamery	Concession Merch for Resale	ice cream	05/25/2021	627.90
<b>Hershey Creamery Total</b>				627.90
Hunt, Pearce W	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00
Hunt, Pearce W	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Hunt, Pearce W Total</b>				100.00
Innovative Access Te	JGC Maintenanc Pur Svcs	rm Anderson C 101 Chalmers Ct Alarm Monitoring	05/01/2021	158.00
Innovative Access Te	RT Maintenanc Pur Svcs	rm Anderson C 100 N. Church alarm monitoring	05/01/2021	252.00
Innovative Access Te	Maintenanc Pur Svcs	rm Anderson C 101 Chalmers Ct Alarm Monitoring	05/01/2021	94.00
<b>Innovative Access Te Total</b>				504.00
John H Enders Fire	Vol Fire EMS Vol Incent Prog	Quarter 3 FY21 Incentive Program	05/06/2021	1,250.00
<b>John H Enders Fire Total</b>				1,250.00
Johnston, Jane	Programs Pur Svcs	contracted employee	05/14/2021	14.30
<b>Johnston, Jane Total</b>				14.30
Kelly Lake	Programs Refunds	refund	05/04/2021	28.00
<b>Kelly Lake Total</b>				28.00
KNS Technologies	Econ Dev Pur Svcs	TRK Clarke Tourism Website Redesign	05/26/2021	3,200.00
KNS Technologies	Econ Dev Maint Svc Contracts	TRK Website Development (Tourism,	05/24/2021	150.00
<b>KNS Technologies Total</b>				3,350.00
Kruhm, Douglas	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00
Kruhm, Douglas	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Kruhm, Douglas Total</b>				100.00
LANGHORNE DIANA M	Personal Property Tax Current		05/13/2021	13.38
<b>LANGHORNE DIANA M Total</b>				13.38
Language Line Servic	Sheriff Pur Svcs	Interpretation Services	04/30/2021	5.45

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<b>Language Line Servc Total</b>				5.45
Leading Edge	EMS Clothing	Fire-EMS uniform Aug 2020 order-PO #20210117	05/05/2021	153.75
<b>Leading Edge Total</b>				153.75
Lee, Frank	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00
Lee, Frank	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Lee, Frank Total</b>				100.00
LexisNexis	Sheriff Pur Svcs	Monthly Service	04/30/2021	150.00
<b>LexisNexis Total</b>				150.00
Logan Systems Inc	Clk of CC Microfilming	May Indexing	05/15/2021	705.48
<b>Logan Systems Inc Total</b>				705.48
Lord Fairfax Commun	Lord FairfaxComm College Cont	FY21 Q4 Allocation	04/30/2021	4,360.25
<b>Lord Fairfax Commun Total</b>				4,360.25
Lowes	Maintenanc Mat & Sup	rm Lowes 102 N. Church & Maint Dept shelf sliders	05/24/2021	22.75
Lowes	Rec Center Mat & Sup	ccpr supplies	05/20/2021	38.88
Lowes	Rec Center Mat & Sup	CCPR supplies	05/24/2021	158.94
Lowes	Pool Mat & Sup	ccpr supplies	05/20/2021	169.99
Lowes	ChurchSt Maint Mat & Sup	rm Lowes 102 N. Church & Maint Dept shelf sliders	05/24/2021	234.96
Lowes	AOFF Maint Mat & Sup	rm Lowes Park Return for credit for tax	05/10/2021	-83.87
Lowes	AOFF Maint Mat & Sup	rm Lowes Park lumber for picnic tables	05/10/2021	84.90
Lowes	AOFF Maint Mat & Sup	rm Lowes Park lumber	05/06/2021	83.87
<b>Lowes Total</b>				710.42
Malone, Gwendolyn	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00
Malone, Gwendolyn	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
<b>Malone, Gwendolyn Total</b>				100.00
Mansfield Oil Co	County Adm Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	86.14
Mansfield Oil Co	County Adm Vehicle Fuel	rm Mansfield O County Fuel 5/1/2021 to 5/15/2021	05/15/2021	95.88
Mansfield Oil Co	Sheriff Vehicle Fuel	Fuel for 4/16 - 4/30/2021	04/30/2021	2,077.66
Mansfield Oil Co	Sheriff Vehicle Fuel	Fuel for 4/1 - 4/15/2021	05/21/2021	1,756.97
Mansfield Oil Co	Sheriff Vehicle Fuel	Fuel for 5/1 - 5/15/2021	05/15/2021	2,103.47
Mansfield Oil Co	EMS Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	762.98
Mansfield Oil Co	EMS Vehicle Fuel	rm Mansfield O County Fuel 5/1/2021 to 5/15/2021	05/15/2021	669.29
Mansfield Oil Co	Bldg Insp Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	53.64
Mansfield Oil Co	Bldg Insp Vehicle Fuel	rm Mansfield O County Fuel 5/1/2021 to 5/15/2021	05/15/2021	94.23
Mansfield Oil Co	AnimalCtrl Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	49.41
Mansfield Oil Co	Maintenanc Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	265.39
Mansfield Oil Co	Maintenanc Vehicle Fuel	rm Mansfield O County Fuel 5/1/2021 to 5/15/2021	05/15/2021	256.16
Mansfield Oil Co	Parks Adm Vehicle Fuel	rm Mansfield Oil Fuel Charges 04/16/21-04/30/21	04/30/2021	22.15
Mansfield Oil Co	Parks Adm Vehicle Fuel	rm Mansfield O County Fuel 5/1/2021 to 5/15/2021	05/15/2021	56.97
<b>Mansfield Oil Co Total</b>				8,350.34
Marconi, Gloria	Cnsrv Esmt Donation Pur Svcs	CEA Services	04/28/2021	450.00
<b>Marconi, Gloria Total</b>				450.00
McCormick Paint Work	Maintenanc Mat & Sup	rm McCormick Maint Replace carburetor on paint St	05/05/2021	159.50
McCormick Paint Work	AlSoc Maint Mat & Sup	rm McCormick Soccer Field Marking Paint	04/28/2021	1,442.52
<b>McCormick Paint Work Total</b>				1,602.02
McKesson Medical	Parks Adm Mat & Sup	supplies	04/22/2021	106.25
McKesson Medical	Parks Adm Mat & Sup	first aid supplies	04/30/2021	106.25
McKesson Medical	Programs Mat & Sup	medical supplies	05/12/2021	79.53
<b>McKesson Medical Total</b>				292.03
MILLER ANTHONY WILLI	Personal Property Tax Current		05/11/2021	26.72
<b>MILLER ANTHONY WILLI Total</b>				26.72
Miller, Sue	Programs Pur Svcs	CCPRD Contracted Employee-FY21	05/14/2021	109.20
<b>Miller, Sue Total</b>				109.20
Mother Nature Tree	Maintenanc Pur Svcs	Joshephine Museum & Boyce Tree	05/04/2021	2,000.00
<b>Mother Nature Tree Total</b>				2,000.00
Motorola Solutions	Sheriff Pur Svcs	trouble shoot non functioning rear infrared camera	04/29/2021	90.00
<b>Motorola Solutions Total</b>				90.00
Myers & Woods	Cnsrv Esmt Stewardshp Pur Svcs	KM Appraisal Rpt for RSP Enterprises	05/17/2021	1,200.00
<b>Myers &amp; Woods Total</b>				1,200.00
Northern Virginia Da	JAS Finance Advertising	Ads for Accountant - Statement #040460	04/30/2021	192.00
<b>Northern Virginia Da Total</b>				192.00
Office Depot	JAS Inventory -Mtls & Supplies	Central Store Supplies	04/20/2021	52.45
Office Depot	JAS Inventory -Mtls & Supplies	Supplies for Central Store	04/16/2021	401.92
Office Depot	JAS Inventory -Mtls & Supplies	Central Store Supplies	04/19/2021	61.36
Office Depot	JAS Inventory -Mtls & Supplies	Central Store Supplies	04/23/2021	63.12
Office Depot	JAS Inventory -Mtls & Supplies	Supplies for Central Store	04/20/2021	723.42
Office Depot	JAS Inventory -Mtls & Supplies	Supplies for Central Store	04/20/2021	54.90
Office Depot	JAS Inventory -Mtls & Supplies	Central Store Supplies	04/20/2021	58.90
<b>Office Depot Total</b>				1,416.07
Ohrstrom, George II	Plan Com Board Member Fees	KM - 05/04/2021 PC Meeting	05/04/2021	50.00

**Clarke County  
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VENDOR NAME	ACCOUNT DESC	FULL DESC	INVOICE DATE	AMOUNT
Ohrstrom, George II	Plan Com Board Member Fees	KM - 05/07/2021 PC Meeting	05/07/2021	50.00
Ohrstrom, George II	BryDevAuth Board Member Fees	Attd @ BADA mtg on 4-27-2021	04/30/2021	25.00
<b>Ohrstrom, George II Total</b>				<b>125.00</b>
OLSEN DAVID	Personal Property Tax Delinq		05/05/2021	3.75
<b>OLSEN DAVID Total</b>				<b>3.75</b>
Omnicom Consulting	Radio System Study Pur Svcs	Consulting Services for Phase	05/01/2021	2,023.00
<b>Omnicom Consulting Total</b>				<b>2,023.00</b>
Oriental Trading	Programs Mat & Sup	play camp	05/06/2021	475.24
<b>Oriental Trading Total</b>				<b>475.24</b>
Personius, Kristine	Programs Mat & Sup	supplies	04/30/2021	45.43
<b>Personius, Kristine Total</b>				<b>45.43</b>
Pitney Bowes	Clk of CC Postal Svcs	Reserve Postage Acct	05/24/2021	800.00
Pitney Bowes	Sheriff Postal Svcs	Clarke County Sheriff's Office Postage Refill	05/04/2021	300.00
<b>Pitney Bowes Total</b>				<b>1,100.00</b>
Police and Sheriffs	Sheriff Clothing	ID Cards	05/05/2021	47.92
Police and Sheriffs	EMS Clothing	Fire-EMS ID badges	05/13/2021	32.55
<b>Police and Sheriffs Total</b>				<b>80.47</b>
PowerPhone Inc	Sheriff Travel - Communication	TR Transition Training - N Grubbs	03/15/2021	129.00
<b>PowerPhone Inc Total</b>				<b>129.00</b>
PowerSecure Service	RT Maintenanc Pur Svcs	rm Power Secure 100 N Springsberry Tower Generator	05/14/2021	265.00
<b>PowerSecure Service Total</b>				<b>265.00</b>
Premier Accounts Rec	EMS Pur Svcs	Fire-EMS billing invoice April 2021	05/04/2021	3,133.92
<b>Premier Accounts Rec Total</b>				<b>3,133.92</b>
Ramirez Landscape LI	SWC Pur Svcs	rm Ramirez County CCCC, CCHS April Mowing	04/30/2021	140.00
Ramirez Landscape LI	Maintenanc Pur Svcs	rm Ramirez County CCCC, CCHS April Mowing	04/30/2021	8,200.00
<b>Ramirez Landscape LI Total</b>				<b>8,340.00</b>
Randy Carter Paintin	Roofing Capital Outlay Replace	Prepare and Paint 106 and 104	05/17/2021	8,265.00
<b>Randy Carter Paintin Total</b>				<b>8,265.00</b>
Rappahannock Electri	SWC Electrical Services	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	98.86
Rappahannock Electri	JGC Maintenanc Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	2,569.40
Rappahannock Electri	RT Maintenanc Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	697.19
Rappahannock Electri	ChurchSt Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	1,347.29
Rappahannock Electri	104Church Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	705.46
Rappahannock Electri	225Rams Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	354.92
Rappahannock Electri	524West Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	90.87
Rappahannock Electri	AlRec Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	1,160.52
Rappahannock Electri	AlOff Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	463.66
Rappahannock Electri	AlPool Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	231.70
Rappahannock Electri	AlBase Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	41.82
Rappahannock Electri	AlSoc Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	45.56
Rappahannock Electri	309WMain Maint Electrical Svcs	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	38.93
Rappahannock Electri	311EMain Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	460.60
Rappahannock Electri	129Rams Maint Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	199.55
Rappahannock Electri	Maintenanc Electric	rm REC County Electric Bill 04-01-21 to 05-01-2021	05/05/2021	1,528.54
<b>Rappahannock Electri Total</b>				<b>10,034.87</b>
Republic Services	SWC Pur Svcs	Acct 3-0976-4820460 Schools Du	04/30/2021	5,868.88
Republic Services	LitterCtrl Pur Svcs	Gov't Dumpster Acct. 3-0976-00	04/30/2021	63.96
Republic Services	LitterCtrl Pur Svcs	Acct 3-0976-4784245 Litter Bin	04/30/2021	110.00
Republic Services	Maintenanc Maint Contracts	Gov't Dumpster Acct. 3-0976-00	04/30/2021	894.27
Republic Services	JGC Maint Contracts	Gov't Dumpster Acct. 3-0976-00	04/30/2021	64.83
Republic Services	Maintenanc Maint Contracts	Gov't Dumpster Acct. 3-0976-00	04/30/2021	38.57
<b>Republic Services Total</b>				<b>7,040.51</b>
Richard Grubb & Asso	HPC Battle Bound Stdy Pur Svcs	KM Consulting Services for Battle of Berryville	05/10/2021	1,182.20
<b>Richard Grubb &amp; Asso Total</b>				<b>1,182.20</b>
Ricoh Usa	County Adm Maint Contracts	Copier Maint.-SN2753-County Ad	05/22/2021	985.82
Ricoh Usa	Registrar Maint Contracts	Copier Maint.-SN2753-County Ad	05/22/2021	481.44
Ricoh Usa	District C Maint Contracts	Copier Maint.-SN:7533-General	05/01/2021	41.35
Ricoh Usa	J&D Court Maint Contracts	Copier Maint.-SN:7533-General	05/01/2021	41.34
Ricoh Usa	Sheriff Maint Contracts	Copier Maint.-SN:9288-Sheriff	05/01/2021	109.05
Ricoh Usa	AnimalCtrl Maint Svc Contracts	Copier Maint.-SN6454-Animal Co	05/01/2021	5.42
Ricoh Usa	Plan Adm Maint Contracts	Copier Maint.-SN2753-County Ad	05/22/2021	825.34
Ricoh Usa	JAS IT Maint Contracts	Copier Maint.-SN0729-Purchasin	04/28/2021	114.77
<b>Ricoh Usa Total</b>				<b>2,604.53</b>
Riddleberger Bros	225Rams Maint Pur Svcs	rm RBI ACO Replace TStat # 5	04/29/2021	523.08
<b>Riddleberger Bros Total</b>				<b>523.08</b>
Ridgeway Auto Body	Sheriff Pur Svcs	Sheriff's Office Vehicle Repair - 179-602L	05/04/2021	18.40
Ridgeway Auto Body	Sheriff VRP Mat & Sup	Sheriff's Office Vehicle Repair - 179-602L	05/04/2021	250.38
<b>Ridgeway Auto Body Total</b>				<b>268.78</b>
Roper, Tony	Sheriff Travel - Sworn Staff	VSI Comm Mtg Reimbursement	05/19/2021	165.30

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VENDOR NAME	ACCOUNT DESC	FULL DESC	INVOICE DATE	AMOUNT
<b>Roper, Tony Total</b>				165.30
Sara Bond	Programs Refunds	refund	05/17/2021	28.00
<b>Sara Bond Total</b>				28.00
Secure Shred	District C Pur Svcs	104 N CHURCH ST DELAYED INV FROM 5/2020	05/01/2021	635.00
Secure Shred	Sheriff Pur Svcs	Monthly Shredding Service	05/01/2021	50.00
<b>Secure Shred Total</b>				685.00
Shannon-Baum Signs I	Maintenanc Mat & Sup	rm Shannon Baum County Maint LLoyd Ridge Rd Sign	05/12/2021	48.00
<b>Shannon-Baum Signs I Total</b>				48.00
Shentel	IT Telecomm Online Tech	Government Shentel Dark Fiber	05/01/2021	3,021.48
Shentel	Maintenanc Telephone	Government Shentel Dark Fiber	05/01/2021	123.69
<b>Shentel Total</b>				3,145.17
Sherwin-Williams	ChurchSt Maint Mat & Sup	rm Sherwin W. 102 N. Church paint	05/12/2021	40.22
<b>Sherwin-Williams Total</b>				40.22
Shred-It	Com of Rev Pur Svcs	shredding	05/11/2021	26.65
Shred-It	Treasurer Pur Svcs	Shred Services - Treas. Office	04/22/2021	26.65
<b>Shred-It Total</b>				53.30
Signet Screen Printi	Registrar Mat & Sup	Staff Shirts	05/14/2021	196.88
Signet Screen Printi	Programs Printing & Binding	banner craft show	05/19/2021	66.00
<b>Signet Screen Printi Total</b>				262.88
Smart, Kathy	BryDevAuth Board Member Fees	Attd @ BADA mtg 4-27-2021	04/30/2021	25.00
<b>Smart, Kathy Total</b>				25.00
Solenberger	311EMain Maint Mat & Sup	rm Solenberger 311 E. Main St icemaker access valv	05/18/2021	35.41
<b>Solenberger Total</b>				35.41
SRFAX	IT Tech SW/OL	FAX SERVICE	05/06/2021	120.20
<b>SRFAX Total</b>				120.20
Staples Technology S	JAS Inventory -Mtls & Supplies	Central Store Supplies	05/01/2021	133.35
Staples Technology S	JAS Inventory -Mtls & Supplies	Central Store Supplies	05/01/2021	59.37
Staples Technology S	JAS Inventory -Mtls & Supplies	Central Store Supplies	05/01/2021	103.26
Staples Technology S	JAS Inventory -Mtls & Supplies	Central Store Supplies	05/01/2021	35.94
<b>Staples Technology S Total</b>				331.92
Suite Office Systems	IT Pur Svcs	Animal Shelter Network Cabling	05/10/2021	400.00
<b>Suite Office Systems Total</b>				400.00
Supply Room, The	District C Mat & Sup	QUARTZ CLOCK	04/21/2021	15.66
Supply Room, The	District C Mat & Sup	SHARPIE MARKERS	04/19/2021	16.56
Supply Room, The	District C Mat & Sup	INK PENS	04/22/2021	67.53
Supply Room, The	District C Mat & Sup	INK PENS	04/29/2021	30.36
Supply Room, The	JAS Inventory -Mtls & Supplies	Central Store Supplies	04/23/2021	86.88
Supply Room, The	JAS Inventory -Mtls & Supplies	Central Store Supplies	05/20/2021	81.12
<b>Supply Room, The Total</b>				298.11
Suzanne Mcclenahan	Programs Refunds	refund	05/19/2021	28.00
<b>Suzanne Mcclenahan Total</b>				28.00
Swank Motion Picture	Programs Pur Svcs	movie	05/11/2021	465.00
<b>Swank Motion Picture Total</b>				465.00
Thomson Reuters	Comm Atty Dues & Memb	May 2021	05/01/2021	44.00
<b>Thomson Reuters Total</b>				44.00
Town of Berryville	JGC Maintenanc Water & Sewer	rm TOB Water and Sewer 101 Chalmers Ct	04/22/2021	118.80
Town of Berryville	RT Maintenanc Water & Sewer	rm TOB Water and Sewer 100 N. Church st	04/22/2021	723.71
Town of Berryville	104Church Maint Water & Sewer	rm TOB Water and Sewer 104 N. Church St	04/22/2021	42.37
Town of Berryville	AIRec Maint Water & Sewer	rm TOB Water and Sewer Rec Center	04/22/2021	69.56
Town of Berryville	AIOff Maint Water & Sewer	rm TOB Water and Sewer Park LL	04/22/2021	23.57
Town of Berryville	AIOff Maint Water & Sewer	rm TOB Water and Sewer Park Grounds	04/22/2021	444.87
Town of Berryville	AIPool Maint Water & Sewer	rm TOB Water and Sewer Pool	04/22/2021	107.23
Town of Berryville	309WMain Maint Water & Sewer	rm TOB Water and Sewer 309 W. Main	04/22/2021	31.95
Town of Berryville	311EMain Maint Water & Sewer	rm TOB Water and Sewer 311 E. Main St	04/22/2021	31.95
Town of Berryville	311EMain Maint Water & Sewer	rm TOB Water and Sewer 313 E. Main	04/22/2021	37.37
Town of Berryville	Court Fines & Forfeitures	Court Fines	05/01/2021	185.00
Town of Berryville	129Rams Maint Water & Sewer	rm TOB Water and Sewer 129 Ramsburg Ln	04/22/2021	23.99
Town of Berryville	Pyts to Town of Berryville	Local Sales Tax for January 2021	04/08/2021	20,441.25
Town of Berryville	Maintenanc Water & Sewer	rm TOB Water and Sewer 101 Chalmers Ct	04/22/2021	70.67
<b>Town of Berryville Total</b>				22,352.29
Town of Boyce	Pyts to Town of Boyce	Local Sales Tax for January 2021	04/08/2021	2,824.12
<b>Town of Boyce Total</b>				2,824.12
TOYOTA MOTOR CREDIT	Personal Property Tax Current		05/04/2021	110.99
<b>TOYOTA MOTOR CREDIT Total</b>				110.99
Tyler Technologies	Tech SW/OL	50% CAMA bridge development - Tyler	04/29/2021	2,250.00
Tyler Technologies	Reassess Prpty Tech SW/OL	50% CAMA bridge development - Tyler	04/29/2021	1,750.00
<b>Tyler Technologies Total</b>				4,000.00
Uline	Programs Mat & Sup	sign holders	05/06/2021	81.84
Uline	Fencing Capital Outlay Replace	Message Center Sign	05/03/2021	789.07

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VENDOR NAME	ACCOUNT DESC	FULL DESC	INVOICE DATE	AMOUNT
<b>Uline Total</b>				870.91
US Postmaster	Clk of CC Postal Svcs	2 rolls stamps	05/24/2021	114.00
US Postmaster	VictimWit Postal Svcs	Stamp Purchase-Please send check to Beth	05/18/2021	110.00
<b>US Postmaster Total</b>				224.00
VACA	Comm Atty Travel	Anne Training August 2021	05/14/2021	300.00
<b>VACA Total</b>				300.00
Vacorp	Vol Fire Co Insurance	Fire-EMS Volunteer WorkComp policy renewal 21-22	05/20/2021	13,615.00
<b>Vacorp Total</b>				13,615.00
Valley Car Wash	Sheriff Pur Svcs	Car Wash for April 2021	04/30/2021	112.00
<b>Valley Car Wash Total</b>				112.00
Valley Health	EMS Mat & Sup	Fire-EMS WMC supply order April 2021	05/03/2021	709.70
<b>Valley Health Total</b>				709.70
VEMA	EMS Pur Svcs	Fire-EMS annual dues renewal thru 6/30/2022	03/01/2021	75.00
<b>VEMA Total</b>				75.00
Verizon	County Adm Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	12.00
Verizon	Com of Rev Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	8.00
Verizon	Treasurer Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	4.00
Verizon	IT Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	367.66
Verizon	Registrar Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	4.00
Verizon	District C Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	56.78
Verizon	J&D Court Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	55.49
Verizon	Clk of CC Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	83.98
Verizon	Comm Atty Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	16.00
Verizon	Sheriff Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	250.63
Verizon	Sheriff Telephone	Central Alarm	05/03/2021	1,599.28
Verizon	Sheriff Telephone	Verizon Radio Tower	05/03/2021	48.45
Verizon	EMS Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	46.63
Verizon	Probation Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	4.00
Verizon	Bldg Insp Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	8.00
Verizon	AnimalCtrl Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	43.63
Verizon	Maintenanc Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	43.63
Verizon	Parks Adm Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	67.63
Verizon	Plan Adm Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	12.00
Verizon	JAS Finance Telephone	351320713000161,351692041000125,551692041000172	04/30/2021	119.69
<b>Verizon Total</b>				2,851.48
VGFOA	JAS Finance Dues & Memb	2021 Full Membership 01/01/21 - 12/31/21	01/01/2021	50.00
<b>VGFOA Total</b>				50.00
Virginia Department	Parks Adm Dues & Memb	B00614	04/30/2021	20.00
<b>Virginia Department Total</b>				20.00
Virginia Employment	NonDepart Unemployment	UNEMPLMT/CO BAL DUE AFTER PYMT PER GREG COONS	05/26/2021	1.65
<b>Virginia Employment Total</b>				1.65
Virginia Regional Tr	Virginia Regional Transit Cont	FY21 Q3 ALLOCATION	04/28/2021	4,825.50
<b>Virginia Regional Tr Total</b>				4,825.50
Virginia Sheriffs	Sheriff Dues & Memb	Membership Dues	05/14/2021	1,455.00
<b>Virginia Sheriffs Total</b>				1,455.00
Virginia Tech	Coop Ext VPI Agent	Billing Salary FY 2021 3rd Quarter	04/29/2021	9,726.28
<b>Virginia Tech Total</b>				9,726.28
VITA	IT Telephone	APRIL PHONE BILL	05/03/2021	208.66
VITA	District C Telephone	APRIL PHONE BILL	05/03/2021	111.35
VITA	J&D Court Telephone	APRIL PHONE BILL	05/03/2021	0.44
VITA	Clk of CC Telephone	APRIL PHONE BILL	05/03/2021	0.51
VITA	Sheriff Telephone	APRIL PHONE BILL	05/03/2021	1,643.88
<b>VITA Total</b>				1,964.84
Washington Gas	JGC Maintenanc Heating	101 CHALMERS CT 04/14/21-05/13/21	05/17/2021	595.91
Washington Gas	RT Maintenanc Heating	100 N CHURCH ST 04/14/21-05/13/21	05/17/2021	54.77
Washington Gas	104Church Maint Heating	104 N CHURCH ST 04/14/21-05/13/21	05/17/2021	68.79
Washington Gas	AIRec Maint Heating	225 AL SMITH CIR 04/15/21-05/14/21	05/18/2021	331.36
Washington Gas	Maintenanc Heating	101 CHALMERS CT 04/14/21-05/13/21	05/17/2021	354.51
<b>Washington Gas Total</b>				1,405.34
WB Mason	JAS Inventory -Mtls & Supplies	Sanitizer-Central Store	04/29/2021	109.80
<b>WB Mason Total</b>				109.80
Winchester Star	JAS Finance Advertising	Advertisement-Accountant Position	04/30/2021	283.80
<b>Winchester Star Total</b>				283.80
YOCKEY KELLEY L	Personal Property Tax Current		05/11/2021	126.64
<b>YOCKEY KELLEY L Total</b>				126.64
<b>Grand Total</b>				381,702.70

Clarke County  
YTD Budget Report  
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FUNCTION	OBJ	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
11010	1300	BoS Part Time Salaries	13,925.00	12,775.00	1,150.00	92%
11010	2100	BoS FICA	1,086.05	881.10	204.95	81%
11010	2300	BoS Health Ins	28,121.51	14,236.83	13,884.68	51%
11010	2700	BoS Worker's Comp	9.44	9.44	-	100%
11010	3000	BoS Pur Svcs	6,310.00	8,732.49	(2,422.49)	138%
11010	3600	BoS Advertising	5,600.00	3,650.44	1,949.56	65%
11010	5210	BoS Postal Services	500.00	174.57	325.43	35%
11010	5230	BoS Telephone	35.00	-	35.00	0%
11010	5300	BoS Insurance	8,000.00	3,929.00	4,071.00	49%
11010	5500	BoS Travel	4,000.00	-	4,000.00	0%
11010	5800	BoS Miscellaneous Expenditures	2,200.00	309.62	1,890.38	14%
11010	5810	BoS Dues & Memb	5,500.00	3,619.55	1,880.45	66%
11010	6000	BoS Mat & Sup	800.00	-	800.00	0%
<b>11010</b>		<b>Total 11010 Board of Supervisors</b>	<b>76,087.00</b>	<b>48,318.04</b>	<b>27,768.96</b>	<b>64%</b>
12110	1100	County Adm Salaries	254,653.76	223,733.85	30,919.91	88%
12110	1300	County Adm Part Time Salaries	19,773.81	18,580.50	1,193.31	94%
12110	1660	County Admin Employee Bonuses	3,442.36	3,442.36	-	100%
12110	2100	County Adm FICA	33,264.45	29,214.73	4,049.72	88%
12110	2210	County Adm VRS 1&2	17,198.44	14,927.22	2,271.22	87%
12110	2220	County Adm VRS Hybrid	8,968.84	8,000.13	968.71	89%
12110	2300	County Adm Health Ins	18,049.14	16,632.92	1,416.22	92%
12110	2400	County Adm Life Ins	3,957.38	3,150.59	806.79	80%
12110	2510	County Adm Dis Ins Hybrid	569.82	447.59	122.23	79%
12110	2700	County Adm Workers Comp	204.77	204.77	-	100%
12110	2750	County Admin RHCC	135.93	135.93	-	100%
12110	2800	County Adm Annual Leave Payout	125,939.75	132,396.94	(6,457.19)	105%
12110	2840	County Adm Tax Shelter Annuity	-	-	-	0%
12110	3000	County Adm Pur Svcs	13,200.00	15,192.09	(1,992.09)	115%
12110	3320	County Adm Maint Contracts	1,500.00	3,275.45	(1,775.45)	218%
12110	3500	County Adm Printing & Binding	700.00	-	700.00	0%
12110	3600	County Adm Advertising	-	875.00	(875.00)	100%
12110	5210	County Adm Postal Svcs	50.00	54.90	(4.90)	110%
12110	5230	County Adm Telephone	800.00	645.55	154.45	81%
12110	5500	County Adm Travel	2,500.00	-	2,500.00	0%
12110	5800	County Adm Miscellaneous Expen	500.00	1,230.79	(730.79)	246%
12110	5810	County Adm Dues & Memb	1,200.00	1,999.95	(799.95)	167%
12110	6000	County Adm Mat & Sup	2,300.00	1,520.55	779.45	66%
12110	6000	County Adm COVID19 Mat & Sup	1,982.92	1,982.92	-	100%
12110	6008	County Adm Vehicle Fuel	1,200.00	1,246.32	(46.32)	104%
<b>12110</b>		<b>Total 12110 County Administrator</b>	<b>512,091.37</b>	<b>478,891.05</b>	<b>33,200.32</b>	<b>94%</b>
12120	1100	Inform Salaries - Regular	39,671.00	36,365.12	3,305.88	92%
12120	1660	Inform Employee Bonuses	1,170.38	1,170.38	-	100%
12120	2100	Inform FICA	3,071.53	2,838.79	232.74	92%
12120	2220	Inform VRS Hybrid	3,651.00	3,431.57	219.43	94%
12120	2300	Inform Health Ins	7,961.00	7,297.18	663.82	92%
12120	2400	Inform Life Ins	532.00	487.30	44.70	92%
12120	2510	Inform Dis Ins Hybrid	246.00	192.06	53.94	78%
12120	2700	Inform Workers Comp	30.00	27.16	2.84	91%
12120	3000	Inform Pur Svcs	5,000.00	4,788.00	212.00	96%
12120	5210	Inform Postal Svcs	100.00	-	100.00	0%
12120	5230	Inform Telephone	200.00	-	200.00	0%
12120	5500	Inform Travel	500.00	-	500.00	0%
12120	6000	Inform Mat & Sup	500.00	-	500.00	0%
<b>12120</b>		<b>Total 12120 Public Information Serv</b>	<b>62,632.91</b>	<b>56,597.56</b>	<b>6,035.35</b>	<b>90%</b>
12210	3000	Legal Svc Pur Svcs	35,000.00	47,867.50	(12,867.50)	137%
<b>12210</b>		<b>Total 12210 Legal Services</b>	<b>35,000.00</b>	<b>47,867.50</b>	<b>(12,867.50)</b>	<b>137%</b>
12310	1100	Com of Rev Salaries	158,132.25	144,314.57	13,817.68	91%
12310	1100	Comm of Rev COVID19 Reg Salaries	640.02	640.02	-	100%
12310	1660	Com of Rev Employee Bonuses	3,475.66	3,475.66	-	100%
12310	2100	Com of Rev FICA	10,939.89	10,346.73	593.16	95%
12310	2100	Comm of Rev COVID19 FICA	48.96	48.96	-	100%
12310	2210	Com of Rev VRS 1&2	10,185.00	10,308.45	(123.45)	101%
12310	2220	Com of Rev VRS Hybrid	3,416.00	3,370.01	45.99	99%
12310	2300	Com of Rev Health Ins	17,376.00	15,928.00	1,448.00	92%
12310	2400	Com of Rev Life Ins	2,068.00	1,942.38	125.62	94%
12310	2510	Com of Rev Dis Ins Hybrid	231.00	188.54	42.46	82%
12310	2700	Com of Rev Workers Comp	118.00	105.56	12.44	89%
12310	3000	Com of Rev Pur Svcs	1,400.00	475.64	924.36	34%
12310	3320	Com of Rev Maint Contracts	300.00	148.41	151.59	49%
12310	3500	Com of Rev Printing & Binding	300.00	-	300.00	0%
12310	3600	Com of Rev Advertising	-	85.80	(85.80)	100%
12310	4100	Com of Rev Data Processing	2,100.00	7,788.04	(5,688.04)	371%
12310	5210	Com of Rev Postal Svcs	2,000.00	2,127.74	(127.74)	106%

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12310	5230	Com of Rev Telephone	200.00	88.00	112.00	44%
12310	5500	Com of Rev Travel	2,000.00	-	2,000.00	0%
12310	5510	Com of Rev Local Mileage	150.00	-	150.00	0%
12310	5810	Com of Rev Dues & Memb	800.00	750.00	50.00	94%
12310	6000	Com of Rev Mat & Sup	1,000.00	316.62	683.38	32%
12310	6000	Com of Rev COV19 Mat & Sup	100.57	93.43	7.14	93%
<b>12310</b>		<b>Total 12310 Commissioner of Revenue</b>	<b>216,981.35</b>	<b>202,542.56</b>	<b>14,438.79</b>	<b>93%</b>
12320	3320	Assessor Maint Contracts	4,500.00	-	4,500.00	0%
<b>12320</b>		<b>Total 12320 Assessor</b>	<b>4,500.00</b>	<b>-</b>	<b>4,500.00</b>	<b>0%</b>
12330	3160	Equalize Bd Member Fees	-	1,625.00	(1,625.00)	100%
<b>12330</b>		<b>Total 12330 Equalization Board</b>	<b>-</b>	<b>1,625.00</b>	<b>(1,625.00)</b>	<b>100%</b>
12410	1100	Treasurer Salaries	194,429.80	176,198.16	18,231.64	91%
12410	1100	Treasurer COV19 Salaries	2,029.12	2,029.12	-	100%
12410	1660	Treasurer Employee Bonuses	4,592.22	4,592.22	-	100%
12410	2100	Treasurer FICA	13,890.30	12,943.38	946.92	93%
12410	2100	Treasurer COV19 FICA	112.86	112.86	-	100%
12410	2210	Treasurer VRS 1&2	10,499.00	10,606.81	(107.81)	101%
12410	2220	Treasurer VRS Hybrid	6,724.54	6,211.36	513.18	92%
12410	2300	Treasurer Health Ins	28,627.73	26,213.99	2,413.74	92%
12410	2400	Treasurer Life Ins	2,811.84	2,388.32	423.52	85%
12410	2510	Treasurer Dis Ins Hybrid	442.44	347.60	94.84	79%
12410	2700	Treasurer Workers Comp	129.45	129.45	-	100%
12410	3000	Treasurer Pur Svcs	1,650.00	331.00	1,319.00	20%
12410	3180	Treasurer Credit Card Fees	15,000.00	6,549.93	8,450.07	44%
12410	3190	Treasurer DMV Stop	10,000.00	7,700.00	2,300.00	77%
12410	3320	Treasurer Maint Contracts	300.00	148.41	151.59	49%
12410	3500	Treasurer Printing & Binding	11,000.00	6,418.54	4,581.46	58%
12410	3600	Treasurer Advertising	500.00	-	500.00	0%
12410	5210	Treasurer Postal Svcs	26,000.00	20,268.84	5,731.16	78%
12410	5230	Treasurer Telephone	600.00	44.00	556.00	7%
12410	5500	Treasurer Travel	3,000.00	200.00	2,800.00	7%
12410	5510	Treasurer Local Mileage	400.00	-	400.00	0%
12410	5810	Treasurer Dues & Memb	600.00	375.00	225.00	63%
12410	6000	Treasurer Mat & Sup	4,500.00	2,557.30	1,942.70	57%
12410	6000	Treasurer COV19 Mat & Sup	80.35	80.35	-	100%
<b>12410</b>		<b>Total 12410 Treasurer</b>	<b>337,919.65</b>	<b>286,446.64</b>	<b>51,473.01</b>	<b>85%</b>
12510	1100	IT Salaries	165,087.28	123,362.97	41,724.31	75%
12510	1660	IT Employee Bonuses	2,238.29	2,238.29	-	100%
12510	2100	IT FICA	9,346.28	9,291.46	54.82	99%
12510	2210	IT VRS 1&2	9,419.94	7,995.22	1,424.72	85%
12510	2220	IT VRS Hybrid	2,596.64	3,763.11	(1,166.47)	145%
12510	2300	IT Health Ins	15,448.31	16,987.30	(1,538.99)	110%
12510	2400	IT Life Ins	1,672.37	1,647.32	25.05	99%
12510	2510	IT Dis Ins Hybrid	87.35	201.75	(114.40)	231%
12510	2700	IT Workers Comp	106.14	106.14	-	100%
12510	2800	IT Leave Pay	6,128.50	6,128.50	-	100%
12510	3000	IT Pur Svcs	15,000.00	1,406.00	13,594.00	9%
12510	3320	IT Maint Contracts	1,542.00	1,524.00	18.00	99%
12510	5210	IT Postal Svcs	100.00	-	100.00	0%
12510	5230	IT Telephone	5,780.00	6,221.51	(441.51)	108%
12510	5240	IT Telecomm Online Tech	10,680.00	27,991.23	(17,311.23)	262%
12510	5400	IT Leases & Rentals	25,560.00	12,025.17	13,534.83	47%
12510	5500	IT Travel	1,000.00	6.50	993.50	1%
12510	5810	IT Dues & Memb	100.00	-	100.00	0%
12510	6000	IT Mat & Sup	2,000.00	575.83	1,424.17	29%
12510	6008	IT Vehicle Fuel	100.00	-	100.00	0%
12510	6035	IT Noncap Office Equip	1,000.00	426.26	573.74	43%
12510	6040	IT Tech SW/OL	36,305.00	29,247.88	7,057.12	81%
12510	6050	IT Noncap Technology Hardware	30,000.00	3,969.06	26,030.94	13%
12510	6050	IT COV19 Noncap Tech Hardware	8,764.00	8,764.00	-	100%
<b>12510</b>		<b>Total 12510 Data Processing/IT</b>	<b>350,062.10</b>	<b>263,879.50</b>	<b>86,182.60</b>	<b>75%</b>
13100	1300	Electoral Part Time Salaries	7,089.00	4,425.92	2,663.08	62%
13100	2100	Electoral FICA	546.00	338.59	207.41	62%
13100	2700	Electoral Workers Comp	5.00	4.85	0.15	97%
13100	3000	Electoral Pur Svcs	6,000.00	4,313.65	1,686.35	72%
13100	3160	Electoral Board Member Fees	15,920.00	8,037.50	7,882.50	50%
13100	3160	Electoral COVEB Board Fees	5,294.50	5,294.50	-	100%
13100	3320	Electoral Maint Contracts	10,100.00	7,570.00	2,530.00	75%
13100	3500	Electoral Printing & Binding	5,600.00	4,616.48	983.52	82%
13100	3600	Electoral Advertising	260.00	115.60	144.40	44%
13100	5210	Electoral Postal Svcs	1,825.00	2,342.93	(517.93)	128%
13100	5210	Electoral COVEB Postal Svcs	862.55	862.55	-	100%
13100	5400	Electoral Leases & Rentals	1,800.00	698.52	1,101.48	39%

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13100	5500	Electoral Travel	1,500.00	-	1,500.00	0%
13100	5510	Electoral Local Mileage	1,500.00	54.05	1,445.95	4%
13100	5810	Electoral Dues & Memb	200.00	180.00	20.00	90%
13100	6000	Electoral Mat & Sup	3,575.00	3,266.42	308.58	91%
13100	6000	Electoral COV19 Mat & Sup	278.30	278.30	-	100%
13100	6000	Electoral COVEB Mat & Sup	23,704.47	23,704.47	-	100%
<b>13100</b>		<b>Total 13100 Electoral Board and Officials</b>	<b>86,059.82</b>	<b>66,104.33</b>	<b>19,955.49</b>	<b>77%</b>
13200	1100	Registrar Salaries	57,089.00	52,331.62	4,757.38	92%
13200	1300	Registrar Part Time Salaries	15,691.48	11,998.25	3,693.23	76%
13200	1300	Registrar COVEB PT Salaries	4,843.50	4,843.50	-	100%
13200	1660	Registrar Employee Bonuses	2,225.04	2,225.04	-	100%
13200	1660	Registrar COVEB Emp Bonus	1,750.00	1,750.00	-	100%
13200	2100	Registrar FICA	5,962.07	5,113.25	848.82	86%
13200	2100	Registrar COVEB FICA	503.83	503.83	-	100%
13200	2210	Registrar VRS 1&2	5,883.10	4,938.25	944.85	84%
13200	2300	Registrar Health Ins	-	7,297.18	(7,297.18)	100%
13200	2400	Registrar Life Ins	905.91	701.25	204.66	77%
13200	2700	Registrar Workers Comp	50.65	50.65	-	100%
13200	3000	Registrar Pur Svcs	1,400.00	152.00	1,248.00	11%
13200	3320	Registrar Maint Contracts	1,000.00	1,599.63	(599.63)	160%
13200	5210	Registrar Postal Svcs	2,640.00	1,040.49	1,599.51	39%
13200	5230	Registrar Telephone	1,000.00	729.19	270.81	73%
13200	5500	Registrar Travel	1,600.00	-	1,600.00	0%
13200	5510	Registrar Local Mileage	700.00	-	700.00	0%
13200	5810	Registrar Dues & Memb	270.00	404.00	(134.00)	150%
13200	6000	Registrar Mat & Sup	1,100.00	761.43	338.57	69%
13200	6000	Registrar COV19 Mat & Sup	14.84	14.84	-	100%
<b>13200</b>		<b>Total 13200 Registrar</b>	<b>104,629.42</b>	<b>96,454.40</b>	<b>8,175.02</b>	<b>92%</b>
21100	3000	Libr OF VA Deed Book Pur Svcs	18,913.00	18,913.25	(0.25)	100%
21100	5841	Circuit C Juror Pay	4,000.00	720.00	3,280.00	18%
21100	6000	Circuit C Mat & Sup	-	965.00	(965.00)	100%
21100	6000	Circuit C COV19 Mat & Sup	204.20	204.20	-	100%
21100	6035	Circuit C Noncap Office Equip	-	2,424.08	(2,424.08)	100%
21100	7000	Circuit Ct Pyt to Joint Ops	11,400.00	11,622.77	(222.77)	102%
<b>21100</b>		<b>Total 21100 Circuit Court</b>	<b>34,517.20</b>	<b>34,849.30</b>	<b>(332.10)</b>	<b>101%</b>
21200	3000	District C Pur Svcs	3,300.00	3,635.00	(335.00)	110%
21200	3150	District C Legal Svcs	270.00	-	270.00	0%
21200	3320	District C Maint Contracts	400.00	626.41	(226.41)	157%
21200	5210	District C Postal Svcs	700.00	445.29	254.71	64%
21200	5230	District C Telephone	2,000.00	1,772.95	227.05	89%
21200	5500	District C Travel	1,000.00	-	1,000.00	0%
21200	5810	District C Dues & Memb	200.00	-	200.00	0%
21200	6000	District C Mat & Sup	550.00	851.24	(301.24)	155%
21200	6000	District C COV19 Mat & Sup	78.04	78.04	-	100%
<b>21200</b>		<b>Total 21200 General District Court</b>	<b>8,498.04</b>	<b>7,408.93</b>	<b>1,089.11</b>	<b>87%</b>
21300	5230	Magistrate Telephone	50.00	-	50.00	0%
<b>21300</b>		<b>Total 21300 Magistrate</b>	<b>50.00</b>	<b>-</b>	<b>50.00</b>	<b>0%</b>
21510	5600	Blue Ridge Legal Svc Contr	1,500.00	1,500.00	-	100%
<b>21510</b>		<b>Total 21510 Blue Ridge Legal Services</b>	<b>1,500.00</b>	<b>1,500.00</b>	<b>-</b>	<b>100%</b>
21600	3000	J&D Court Pur Svcs	3,000.00	3,000.00	-	100%
21600	3320	J&D Court Maint Contracts	700.00	617.56	82.44	88%
21600	5210	J&D Court Postal Svcs	700.00	429.23	270.77	61%
21600	5230	J&D Court Telephone	700.00	615.90	84.10	88%
21600	5500	J&D Court Travel	1,000.00	-	1,000.00	0%
21600	5810	J&D Court Dues & Memb	100.00	50.00	50.00	50%
21600	6000	J&D Court Mat & Sup	750.00	133.27	616.73	18%
<b>21600</b>		<b>Total 21600 Juvenile &amp; Domestic Relations</b>	<b>6,950.00</b>	<b>4,845.96</b>	<b>2,104.04</b>	<b>70%</b>
21700	1100	Clk of CC Salaries	188,408.97	140,690.45	47,718.52	75%
21700	1660	Clk of CC Employee Bonuses	8,006.67	8,006.67	-	100%
21700	2100	Clk of CC FICA	12,841.81	11,343.81	1,498.00	88%
21700	2210	Clk of CC VRS 1&2	12,928.63	9,014.61	3,914.02	70%
21700	2220	Clk of CC VRS Hybrid	3,333.12	4,393.41	(1,060.29)	132%
21700	2300	Clk of CC Health Ins	7,961.87	7,297.18	664.69	92%
21700	2400	Clk of CC Life Ins	2,196.72	1,884.99	311.73	86%
21700	2510	Clk of CC Dis Ins Hybrid	205.02	238.36	(33.34)	116%
21700	2700	Clk of CC Workers Comp	126.36	126.36	-	100%
21700	3000	Clk of CC Pur Svcs	2,500.00	-	2,500.00	0%
21700	3320	Clk of CC Maint Contracts	13,000.00	11,050.62	1,949.38	85%
21700	3500	Clk of CC Printing & Binding	1,000.00	873.84	126.16	87%
21700	3510	Clk of CC Microfilming	7,000.00	8,212.27	(1,212.27)	117%
21700	5210	Clk of CC Postal Svcs	3,500.00	3,068.04	431.96	88%
21700	5230	Clk of CC Telephone	1,025.00	927.14	97.86	90%
21700	5810	Clk of CC Dues & Memb	345.00	345.00	-	100%



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21700	6000	Clk of CC Mat & Sup	6,500.00	5,119.55	1,380.45	79%
<b>21700</b>		<b>Total 21700 Clerk of the Circuit Court</b>	<b>270,879.17</b>	<b>212,592.30</b>	<b>58,286.87</b>	<b>78%</b>
21910	1100	VictimWit Regular Salary	42,183.00	38,667.64	3,515.36	92%
21910	1300	VictimWit Part Time Sal	18,790.72	15,558.72	3,232.00	83%
21910	2100	VictimWit FICA	4,671.32	4,156.67	514.65	89%
21910	2210	VictimWit VRS 1&2	4,011.54	3,648.77	362.77	91%
21910	2400	VictimWit Life Ins	565.20	518.10	47.10	92%
21910	2700	VictimWit Workers Comp	40.90	40.90	-	100%
21910	3000	VictimWit Pur Svcs	64.86	34.80	30.06	54%
21910	5210	VictimWit Postal Svcs	165.00	110.00	55.00	67%
21910	5230	VictimWit Telephone	499.85	458.20	41.65	92%
21910	5500	VictimWit Travel	695.00	695.00	-	100%
21910	5810	VictimWit Dues & Memb	200.00	200.00	-	100%
21910	6000	VictimWit COV19 Mat & Sup	33.39	33.39	-	100%
21910	6000	VictimWit Mat & Sup	356.61	185.73	170.88	52%
<b>21910</b>		<b>Total 21910 Victim and Witness Assistance</b>	<b>72,277.39</b>	<b>64,307.92</b>	<b>7,969.47</b>	<b>89%</b>
21940	5600	Regional Crt Svc Entity Gift	6,930.00	6,930.00	-	100%
<b>21940</b>		<b>Total 21940 Regional Court Services</b>	<b>6,930.00</b>	<b>6,930.00</b>	<b>-</b>	<b>100%</b>
22100	1100	Comm Atty Salaries	232,851.07	210,805.79	22,045.28	91%
22100	1100	Comm Atty COV19 Salaries	2,635.04	2,635.04	-	100%
22100	1100	Comm Atty VSTOP Salaries	26,809.00	24,514.03	2,294.97	91%
22100	1300	Comm Atty Part Time Salaries	15,073.74	11,960.53	3,113.21	79%
22100	1660	Comm Atty Employee Bonuses	5,762.44	5,762.44	-	100%
22100	2100	Comm Atty FICA	21,591.93	17,771.99	3,819.94	82%
22100	2100	Comm Atty COV19 FICA	201.59	201.59	-	100%
22100	2100	Comm Atty VSTOP FICA	2,017.00	748.42	1,268.58	37%
22100	2210	Comm Atty VRS 1&2	11,060.01	10,034.93	1,025.08	91%
22100	2210	Comm Atty VSTOP VRS 1&2	710.00	917.34	(207.34)	129%
22100	2220	Comm Atty VRS Hybrid	11,606.03	11,353.33	252.70	98%
22100	2220	Comm Atty VSTOP VRS Hybrid	-	-	-	100%
22100	2300	Comm Atty Health Ins	19,626.47	18,576.29	1,050.18	95%
22100	2300	Comm Atty VSTOP Health Ins	113.00	340.52	(227.52)	301%
22100	2400	Comm Atty Life Ins	3,773.52	3,056.74	716.78	81%
22100	2400	Comm Atty VSTOP Life Ins	359.00	131.83	227.17	37%
22100	2510	Comm Atty Dis Ins Hybrid	809.02	635.25	173.77	79%
22100	2510	Comm Atty VSTOP Dis Ins Hybrid	116.00	-	116.00	0%
22100	2700	Comm Atty Workers Comp	211.03	211.03	-	100%
22100	3320	Comm Atty Maint Contracts	500.00	569.09	(69.09)	114%
22100	5210	Comm Atty Postal Svcs	1,000.00	1,000.00	-	100%
22100	5230	Comm Atty Telephone	3,000.00	2,013.00	987.00	67%
22100	5500	Comm Atty Travel	4,500.00	720.00	3,780.00	16%
22100	5549	Comm Atty Witness Travel Expen	1,500.00	-	1,500.00	0%
22100	5810	Comm Atty Dues & Memb	2,500.00	2,023.00	477.00	81%
22100	6000	Comm Atty Mat & Sup	5,000.00	2,500.27	2,499.73	50%
22100	6000	Comm Atty COV19 Mat & Sup	218.26	212.13	6.13	97%
22100	6035	Comm Atty Noncap Office Equip	400.00	273.14	126.86	68%
<b>22100</b>		<b>Total 22100 Commonwealth's Attorney - Total</b>	<b>373,944.15</b>	<b>328,967.72</b>	<b>44,976.43</b>	<b>88%</b>
31200	1100	Sheriff Salaries	1,433,349.87	1,227,491.66	205,858.21	86%
31200	1100	Sheriff COV19 Salaries	11,061.11	11,061.11	-	100%
31200	1100	SRO Ofc Grant Sal	52,468.00	17,489.32	34,978.68	33%
31200	1200	Sheriff Overtime	33,500.00	45,848.44	(12,348.44)	137%
31200	1200	CITAC Overtime	5,000.00	3,366.69	1,633.31	67%
31200	1200	Hillsboro VDOT Overtime	-	8,442.62	(8,442.62)	100%
31200	1200	DMV Alcohol Grant Overtime	8,941.00	8,539.17	401.83	96%
31200	1200	DMV Speed Overtime	4,782.00	4,772.84	9.16	100%
31200	1300	Sheriff Part Time Salaries	43,860.00	41,237.00	2,623.00	94%
31200	1660	Sheriff Emp Bonuses	82,108.55	69,899.97	12,208.58	85%
31200	1660	Sheriff COV19 Hazard Pay	41,550.00	41,550.00	-	100%
31200	2100	Sheriff FICA	122,666.34	108,937.12	13,729.22	89%
31200	2100	CITAC FICA	383.00	254.60	128.40	66%
31200	2100	Sheriff COV19 FICA	3,639.86	3,639.86	-	100%
31200	2100	Hillsboro VDOT FICA	-	590.59	(590.59)	100%
31200	2100	DMV Alcohol Grant FICA	684.00	103.66	580.34	15%
31200	2100	DMV Speed FICA	218.00	60.82	157.18	28%
31200	2100	SRO Ofc Grant FICA	3,961.00	1,326.49	2,634.51	33%
31200	2210	Sheriff VRS 1&2	112,065.27	97,314.27	14,751.00	87%
31200	2210	SRO Grant VRS 1&2	4,565.00	1,521.56	3,043.44	33%
31200	2220	Sheriff VRS Hybrid	24,601.00	22,429.27	2,171.73	91%
31200	2300	Sheriff Health Ins	210,118.00	186,109.61	24,008.39	89%
31200	2300	Sheriff CITAC Health Ins	-	438.27	(438.27)	100%
31200	2300	DMV Alcohol Grant Health Ins	-	151.09	(151.09)	100%
31200	2300	DMV Speed Health Ins	-	115.67	(115.67)	100%
31200	2300	SRO Grant Health Ins	7,961.00	2,276.61	5,684.39	29%

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31200	2400	Sheriff Life Ins	21,165.82	16,955.64	4,210.18	80%
31200	2400	SRO Grant Life Ins	704.00	234.36	469.64	33%
31200	2510	Sheriff Dis Ins Hybrid	1,644.00	1,250.55	393.45	76%
31200	2700	Sheriff Workers Comp	23,687.00	22,077.19	1,609.81	93%
31200	2800	Sheriff Leave Pay	63,995.00	68,057.36	(4,062.36)	106%
31200	2860	Sheriff LODA	30,118.37	30,118.37	-	100%
31200	3000	Sheriff Pur Svcs	30,000.00	14,885.25	15,114.75	50%
31200	3000	Sheriff COVID19 Pur Svcs	2,250.00	2,250.00	-	100%
31200	3320	Sheriff Maint Contracts	167,052.00	131,139.11	35,912.89	79%
31200	3320	Sheriff E-Ticket Maint Svc	-	4,950.00	(4,950.00)	100%
31200	3350	Sheriff Insured Repair Svcs	2,000.00	1,000.00	1,000.00	50%
31200	3500	Sheriff Printing & Binding	1,000.00	-	1,000.00	0%
31200	5210	Sheriff Postal Svcs	2,200.00	1,101.70	1,098.30	50%
31200	5230	Sheriff Telephone	55,000.00	56,198.46	(1,198.46)	102%
31200	5300	Sheriff Insurance	15,000.00	10,416.00	4,584.00	69%
31200	5400	Sheriff Leases & Rentals	17,000.00	26,185.50	(9,185.50)	154%
31200	5500	Sheriff Travel	61,600.00	450.00	61,150.00	1%
31200	5500	Sheriff Travel - Communication	-	11,529.06	(11,529.06)	100%
31200	5500	Sheriff Travel - Sworn Staff	-	20,970.85	(20,970.85)	100%
31200	5800	Sheriff Miscellaneous Expendit	1,000.00	719.57	280.43	72%
31200	5810	Sheriff Dues & Memb	5,000.00	5,635.73	(635.73)	113%
31200	6000	Sheriff Mat & Sup	57,000.00	1,292.70	55,707.30	2%
31200	6000	Sheriff COS Mat & Sup	-	2,346.03	(2,346.03)	100%
31200	6000	Sheriff COVID19 Mat & Sup	803.17	803.17	-	100%
31200	6000	Sheriff ETK Mat & Sup	25,000.00	16,796.45	8,203.55	67%
31200	6000	Sheriff PSU Mat & Sup	-	2,258.05	(2,258.05)	100%
31200	6000	Sheriff SOS Mat & Sup	-	4,444.22	(4,444.22)	100%
31200	6000	Sheriff VRP Mat & Sup	-	18,688.06	(18,688.06)	100%
31200	6000	ICAC Mat & Sup	5,000.00	-	5,000.00	0%
31200	6000	BVP Vest grant Mat & Sup	1,400.00	2,459.38	(1,059.38)	176%
31200	6000	DCJS Body Worn Cameras	14,046.00	-	14,046.00	0%
31200	6008	Sheriff Vehicle Fuel	60,000.00	38,660.35	21,339.65	64%
31200	6011	Sheriff Clothing	15,000.00	121.62	14,878.38	1%
31200	6011	Sheriff COVID19 Uniforms Apparel	8.99	8.99	-	100%
31200	6011	Sheriff Uniform Communications	-	17.55	(17.55)	100%
31200	6011	Sheriff Uniform Sworn Staff	-	11,549.11	(11,549.11)	100%
31200	6015	Sheriff Ammunition	28,000.00	12,461.75	15,538.25	45%
31200	6040	Sheriff COVID19 Tech SW/OL	2,770.00	2,770.00	-	100%
<b>31200</b>		<b>Total 31200 Sheriff - Total</b>	<b>2,916,927.35</b>	<b>2,445,770.44</b>	<b>471,156.91</b>	<b>84%</b>
31210	5600	Criminal Justice Training Ctr	19,593.00	18,426.00	1,167.00	94%
<b>31210</b>		<b>Total 31210 Criminal Justice Training Ctr</b>	<b>19,593.00</b>	<b>18,426.00</b>	<b>1,167.00</b>	<b>94%</b>
31220	5600	Drug Task Force Entity Gift	12,500.00	9,607.98	2,892.02	77%
<b>31220</b>		<b>Total 31220 Drug Task Force</b>	<b>12,500.00</b>	<b>9,607.98</b>	<b>2,892.02</b>	<b>77%</b>
32200	2510	Vol Fire Dis Ins Hybrid	11,000.00	10,226.00	774.00	93%
32200	2700	Vol Fire Worker's Comp	20,531.00	16,294.00	4,237.00	79%
32200	3000	Vol Fire Pur Svcs	33,000.00	7,662.91	25,337.09	23%
32200	3000	Vol Fire COVID19 Pur Ser	2,889.39	2,889.39	-	100%
32200	5300	Vol Fire Co Insurance	45,000.00	63,321.92	(18,321.92)	141%
32200	5600	Vol Fire Companies Entity Gift	25,000.00	-	25,000.00	0%
32200	5696	Vol Fire EMS Vol Incent Prog	15,000.00	5,000.00	10,000.00	33%
32200	5697	Vol Fire 4 for Life	18,438.00	18,562.95	(124.95)	101%
32200	5698	Vol Fire Fire Programs	33,726.00	33,726.00	-	100%
32200	6000	Vol Fire&Res Mat'l Suppls	2,000.00	-	2,000.00	0%
32200	6000	Vol Fire&Res COVID19 Mat & Supp	699.98	699.98	-	100%
<b>32200</b>		<b>Total 32200 Volunteer Fire Companies</b>	<b>207,284.37</b>	<b>158,383.15</b>	<b>48,901.22</b>	<b>76%</b>
32201	2860	Blue Ridge Vol Fire Co LODA	1,846.00	1,596.00	250.00	86%
32201	5600	Blue Ridge Vol Fire Co Contrib	65,000.00	65,000.00	-	100%
<b>32201</b>		<b>Total 32201 Blue Ridge Volunteer Fire Co</b>	<b>66,846.00</b>	<b>66,596.00</b>	<b>250.00</b>	<b>100%</b>
32202	2860	Boyce Volunteer Fire Co LODA	2,137.00	1,795.50	341.50	84%
32202	5600	Boyce Volunteer Fire Co Contr	65,000.00	65,000.00	-	100%
<b>32202</b>		<b>Total 32202 Boyce Volunteer Fire Co</b>	<b>67,137.00</b>	<b>66,795.50</b>	<b>341.50</b>	<b>99%</b>
32203	2860	Enders Volunteer Fire Co LODA	2,623.00	3,890.25	(1,267.25)	148%
32203	5600	Enders Volunteer Fire Co Contr	90,000.00	90,000.00	-	100%
<b>32203</b>		<b>Total 32203 Enders Volunteer Fire Co</b>	<b>92,623.00</b>	<b>93,890.25</b>	<b>(1,267.25)</b>	<b>101%</b>
32310	1100	EMS Salaries	773,871.27	596,484.89	177,386.38	77%
32310	1100	SAFER Grant Salaries	-	162,084.50	(162,084.50)	100%
32310	1200	EMS Overtime	74,182.00	106,112.16	(31,930.16)	143%
32310	1300	EMS Part Time Salaries	53,183.23	81,540.86	(28,357.63)	153%
32310	1300	EMS COVID19 PT Salaries	25,104.00	25,104.00	-	100%
32310	1660	EMS Employee Bonuses	40,282.24	19,597.24	20,685.00	49%
32310	1660	EMS COVID19 Hazard Pay	46,900.00	46,900.00	-	100%
32310	1660	SAFER Grant Employee Bonus	-	2,000.00	(2,000.00)	100%
32310	2100	EMS FICA	68,797.79	61,774.95	7,022.84	90%

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32310	2100	EMS COV19 FICA	5,077.71	5,077.71	-	100%
32310	2100	SAFER Grant FICA	-	12,243.51	(12,243.51)	100%
32310	2210	EMS VRS 1&2	39,111.95	41,136.72	(2,024.77)	105%
32310	2210	SAFER Grant VRS 1&2	-	8,926.66	(8,926.66)	100%
32310	2220	EMS VRS Hybrid	27,922.55	13,335.96	14,586.59	48%
32310	2220	SAFER Grant VRS Hybrid	-	5,700.16	(5,700.16)	100%
32310	2300	EMS Health Ins	130,184.00	92,261.62	37,922.38	71%
32310	2300	SAFER Grant Health Ins	-	22,401.81	(22,401.81)	100%
32310	2400	EMS Life Ins	10,534.00	7,734.01	2,799.99	73%
32310	2400	SAFER Grant Group Life Ins	-	2,078.61	(2,078.61)	100%
32310	2510	EMS Dis Ins Hybrid	2,365.00	790.28	1,574.72	33%
32310	2510	SAFER Grant Dis Ins Hybrid	-	345.86	(345.86)	100%
32310	2700	EMS Workers Comp	45,600.00	33,393.48	12,206.52	73%
32310	2800	EMS Annual Leave Payouts	28,200.00	51,678.66	(23,478.66)	183%
32310	2860	EMS LODA	20,000.00	13,973.88	6,026.12	70%
32310	3000	EMS Pur Svcs	69,100.00	44,216.49	24,883.51	64%
32310	3000	EMS COV19 Pur Svcs	339.15	339.15	-	100%
32310	5210	EMS Postal Services	200.00	80.96	119.04	40%
32310	5230	EMS Telephone	1,450.00	519.95	930.05	36%
32310	5230	EMS LEMPG Grant-Telephone	-	5,966.86	(5,966.86)	100%
32310	5500	EMS Travel	8,000.00	2,559.20	5,440.80	32%
32310	5800	EMS Miscellaneous	5,000.00	3,128.61	1,871.39	63%
32310	6000	EMS Mat & Sup	56,000.00	48,572.42	7,427.58	87%
32310	6000	EMS COV19 Mat & Sup	107,127.55	107,127.55	-	100%
32310	6000	EMS LEMPG Grant Mat & Sup	7,500.00	3,859.26	3,640.74	51%
32310	6000	Assist to Firefighters CV M&S	13,714.29	12,993.86	720.43	95%
32310	6008	EMS Vehicle Fuel	19,000.00	12,534.65	6,465.35	66%
32310	6011	EMS Clothing	13,000.00	9,771.75	3,228.25	75%
32310	6011	EMS COV19 Uniforms Apparel	10,912.22	10,912.22	-	100%
32310	6035	EMS Noncap Office Equip	2,000.00	-	2,000.00	0%
32310	6040	EMS Tech SW/OL	46,000.00	11,852.31	34,147.69	26%
32310	6040	EMS COV19 Tech SW/OL Content	10,700.00	10,700.00	-	100%
32310	8200	EMS Capital Outlay Adds	10,500.00	5,362.00	5,138.00	51%
32310	8200	EMS Equip COV19 Cap Outly	33,024.00	33,024.00	-	100%
32310	8200	EMS/RSAF Grant-Handtevy	8,000.00	7,223.82	776.18	90%
<b>32310</b>		<b>Total 32310 Fire and Rescue Services</b>	<b>1,812,882.95</b>	<b>1,743,422.59</b>	<b>69,460.36</b>	<b>96%</b>
32320	5600	Lord Fairfax EMS Contribution	6,575.00	6,575.00	-	100%
<b>32320</b>		<b>Total 32320 Lord Fairfax Emergency Medical</b>	<b>6,575.00</b>	<b>6,575.00</b>	<b>-</b>	<b>100%</b>
32400	5600	Forestry Svcs Entity Gift	2,874.00	2,873.34	0.66	100%
<b>32400</b>		<b>Total 32400 Forestry Services</b>	<b>2,874.00</b>	<b>2,873.34</b>	<b>0.66</b>	<b>100%</b>
33210	7000	Regional Jail Joint Ops	493,300.00	476,172.00	17,128.00	97%
<b>33210</b>		<b>Total 33210 Regional Jail</b>	<b>493,300.00</b>	<b>476,172.00</b>	<b>17,128.00</b>	<b>97%</b>
33220	3840	Juv Det Ctr Intergov Svc Agree	36,877.00	27,357.00	9,520.00	74%
<b>33220</b>		<b>Total 33220 Juvenile Detention Center</b>	<b>36,877.00</b>	<b>27,357.00</b>	<b>9,520.00</b>	<b>74%</b>
33300	5230	Probation Telephone	100.00	44.00	56.00	44%
33300	6000	Probation Mat & Sup	300.00	-	300.00	0%
<b>33300</b>		<b>Total 33300 Probation Office</b>	<b>400.00</b>	<b>44.00</b>	<b>356.00</b>	<b>11%</b>
34100	1100	Bldg Insp Salaries	162,895.00	145,412.39	17,482.61	89%
34100	1660	Bldg Insp Employee Bonuses	4,458.67	4,458.67	-	100%
34100	2100	Bldg Insp FICA	10,115.08	10,972.34	(857.26)	108%
34100	2210	Bldg Insp VRS 1&2	9,252.00	7,448.31	1,803.69	81%
34100	2220	Bldg Insp VRS Hybrid	3,560.00	6,442.70	(2,882.70)	181%
34100	2300	Bldg Insp Health Ins	27,587.00	26,698.95	888.05	97%
34100	2400	Bldg Insp Life Ins	1,945.00	1,986.49	(41.49)	102%
34100	2510	Bldg Insp Dis Ins Hybrid	240.00	357.50	(117.50)	149%
34100	2700	Bldg Insp Workers Comp	2,786.00	2,770.47	15.53	99%
34100	2800	Bldg Insp Leave Pay	-	8,475.50	(8,475.50)	100%
34100	3000	Bldg Insp Pur Svcs	600.00	-	600.00	0%
34100	3320	Bldg Insp Maint Contracts	500.00	684.25	(184.25)	137%
34100	5210	Bldg Insp Postal Svcs	50.00	60.41	(10.41)	121%
34100	5230	Bldg Insp Telephone	2,500.00	1,897.75	602.25	76%
34100	5500	Bldg Insp Travel	2,500.00	-	2,500.00	0%
34100	5810	Bldg Insp Dues & Memb	1,000.00	-	1,000.00	0%
34100	6000	Bldg Insp Mat & Sup	2,000.00	1,173.48	826.52	59%
34100	6000	Bldg Insp COV19 Mat & Sup	12.89	12.89	-	100%
34100	6008	Bldg Insp Vehicle Fuel	2,500.00	1,413.57	1,086.43	57%
<b>34100</b>		<b>Total 34100 Building Inspections</b>	<b>234,501.64</b>	<b>220,265.67</b>	<b>14,235.97</b>	<b>94%</b>
35100	1100	AnimalCtrl Salaries	75,693.00	52,455.31	23,237.69	69%
35100	1200	AnimalCtrl Overtime	-	103.44	(103.44)	100%
35100	1300	AnimalCtrl Part Time Salaries	15,071.00	6,492.77	8,578.23	43%
35100	1300	Anml Cntrl COV19 PT Sal - Reg	3,067.26	3,067.26	-	100%
35100	1660	AnimalCtrl Employee Bonuses	2,447.80	2,447.80	-	100%
35100	2100	AnimalCtrl FICA	5,269.24	5,184.45	84.79	98%

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35100	2100	Animl Cntrl COV19 FICA	234.65	234.65	-	100%
35100	2210	AnimalCtrl VRS 1&2	4,124.00	2,469.47	1,654.53	60%
35100	2220	AnimalCtrl VRS Hybrid	2,604.00	2,569.13	34.87	99%
35100	2300	AnimalCtrl Health Ins	8,688.00	4,344.00	4,344.00	50%
35100	2400	AnimalCtrl Life Ins	1,016.00	733.80	282.20	72%
35100	2510	AnimalCtrl Dis Ins Hybrid	176.00	143.15	32.85	81%
35100	2700	AnimalCtrl Workers Comp	918.00	941.71	(23.71)	103%
35100	2800	AnimalCtrl Leave Pay	-	11,942.94	(11,942.94)	100%
35100	3000	AnimalCtrl Pur Svcs	8,000.00	4,292.99	3,707.01	54%
35100	3320	AnimalCtrl Maint Svc Contracts	100.00	47.48	52.52	47%
35100	3500	AnimalCtrl Printing & Binding	200.00	-	200.00	0%
35100	5110	AnimalCtrl Electric	750.00	-	750.00	0%
35100	5230	AnimalCtrl Telephone	700.00	615.66	84.34	88%
35100	5500	AnimalCtrl Travel	1,000.00	-	1,000.00	0%
35100	5510	AnimalCtrl Local Mileage	100.00	-	100.00	0%
35100	6000	AnimalCtrl Mat & Sup	7,500.00	1,678.13	5,821.87	22%
35100	6000	Animal Control COV19 Mat & Sup	64.67	64.67	-	100%
35100	6008	AnimalCtrl Vehicle Fuel	1,500.00	186.05	1,313.95	12%
35100	6011	AnimalCtrl Clothing	500.00	-	500.00	0%
<b>35100</b>		<b>Total 35100 Animal Control</b>	<b>139,723.62</b>	<b>100,014.86</b>	<b>39,708.76</b>	<b>72%</b>
35300	3000	Exam&Bury Pur Svcs	200.00	140.00	60.00	70%
<b>35300</b>		<b>Total 35300 Med Examiner &amp; Indigent Burial</b>	<b>200.00</b>	<b>140.00</b>	<b>60.00</b>	<b>70%</b>
42400	3840	RefuseDisp Intergov Svc Agreem	180,000.00	146,540.38	33,459.62	81%
<b>42400</b>		<b>Total 42400 Refuse Disposal</b>	<b>180,000.00</b>	<b>146,540.38</b>	<b>33,459.62</b>	<b>81%</b>
42410	1300	SWC PT Salaries - Regular	17,128.00	10,840.00	6,288.00	63%
42410	1660	Convenience Ctr Emp Bonuses	1,089.82	1,089.82	-	100%
42410	2100	SWC FICA	1,331.37	912.62	418.75	69%
42410	2700	Worker's Compensation	-	366.11	(366.11)	100%
42410	3000	SWC Pur Svcs	35,000.00	47,454.84	(12,454.84)	136%
42410	5110	SWC Electrical Services	2,000.00	1,146.22	853.78	57%
42410	5230	SWC Telephone	-	460.30	(460.30)	100%
42410	6000	SWC Mat & Sup	1,000.00	102.87	897.13	10%
<b>42410</b>		<b>Total 42410 Solid Waste Convenience</b>	<b>57,549.19</b>	<b>62,372.78</b>	<b>(4,823.59)</b>	<b>108%</b>
42600	3000	LitterCtrl Pur Svcs	4,000.00	2,162.57	1,837.43	54%
<b>42600</b>		<b>Total 42600 Litter Control</b>	<b>4,000.00</b>	<b>2,162.57</b>	<b>1,837.43</b>	<b>54%</b>
42700	3840	Sanitation Intergov Svc Agreem	37,000.00	26,164.90	10,835.10	71%
42700	5600	Sanitation Entity Gift	200,000.00	200,000.00	-	100%
<b>42700</b>		<b>Total 42700 Sanitation</b>	<b>237,000.00</b>	<b>226,164.90</b>	<b>10,835.10</b>	<b>95%</b>
43200	1100	Maintenanc Salaries	149,687.37	161,606.48	(11,919.11)	108%
43200	1660	Maintenanc Employee Bonuses	6,874.84	6,874.84	-	100%
43200	2100	Maintenanc FICA	15,542.33	15,936.04	(393.71)	103%
43200	2210	Maintenanc VRS 1&2	9,153.80	8,379.94	773.86	92%
43200	2220	Maintenanc VRS Hybrid	5,012.73	5,557.15	(544.42)	111%
43200	2300	Maintenanc Health Ins	18,950.01	21,654.42	(2,704.41)	114%
43200	2400	Maintenanc Life Ins	2,408.37	2,162.62	245.75	90%
43200	2510	Maintenanc Dis Ins Hybrid	348.14	314.24	33.90	90%
43200	2700	Maintenanc Workers Comp	1,553.12	1,553.12	-	100%
43200	2750	Maintenanc RHCC	153.63	120.34	33.29	78%
43200	2800	Maintenanc Leave Pay	2,938.42	45,594.40	(42,655.98)	1552%
43200	3000	Maintenanc Pur Svcs	32,000.00	48,289.14	(16,289.14)	151%
43200	3000	JGC Maintenanc Pur Svcs	25,000.00	4,945.69	20,054.31	20%
43200	3000	RT Maintenanc Pur Svcs	6,500.00	10,225.95	(3,725.95)	157%
43200	3000	ChurchSt Maint Pur Svcs	2,000.00	655.50	1,344.50	33%
43200	3000	104Church Maint Pur Svcs	11,000.00	4,316.53	6,683.47	39%
43200	3000	225Rams Maint Pur Svcs	5,000.00	8,206.58	(3,206.58)	164%
43200	3000	524West Maint Pur Svcs	1,500.00	567.00	933.00	38%
43200	3000	AlRec Maint Pur Svcs	14,500.00	4,779.00	9,721.00	33%
43200	3000	AlOff Maint Pur Svcs	20,000.00	1,770.00	18,230.00	9%
43200	3000	AlPool Maint Pur Svcs	9,500.00	-	9,500.00	0%
43200	3000	AlBase Maint Pur Svcs	750.00	-	750.00	0%
43200	3000	AlSoc Maint Pur Svcs	1,300.00	400.00	900.00	31%
43200	3000	106Church Maint Pur Svcs	500.00	361.51	138.49	72%
43200	3000	Kohn Maint Pur Svcs	5,000.00	720.00	4,280.00	14%
43200	3000	32EMain Maint Pur Svcs	750.00	-	750.00	0%
43200	3000	36EMain Maint Pur Svcs	500.00	-	500.00	0%
43200	3000	311EMain Maint Pur Svcs	3,000.00	2,530.65	469.35	84%
43200	3000	309WMain Maint Pur Svcs	1,000.00	20.00	980.00	2%
43200	3000	129Rams Maint Pur Svcs	700.00	-	700.00	0%
43200	3320	Maintenanc Maint Contracts	85,000.00	8,063.10	76,936.90	9%
43200	3320	JGC Maint Contracts	10,000.00	3,655.43	6,344.57	37%
43200	3320	RT Maintenanc Maint Contracts	4,500.00	4,565.91	(65.91)	101%
43200	3320	ChurchSt Maint Contracts	3,500.00	3,186.16	313.84	91%
43200	3320	104Church Maint Contracts	3,500.00	3,618.16	(118.16)	103%

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<b>FUNCTION</b>	<b>OBJ</b>	<b>ACCOUNT DESCRIPTION</b>	<b>REVISED BUDGET</b>	<b>YTD EXPENDED</b>	<b>AVAILABLE BUDGET</b>	<b>% USED</b>
43200	3320	225Rams Maint Contracts	2,770.00	2,770.00	-	100%
43200	3320	524West Maint Contracts	742.00	190.00	552.00	26%
43200	3320	AlRec Maint Contracts	3,700.00	1,714.00	1,986.00	46%
43200	3320	106Church Maint Contracts	450.00	382.50	67.50	85%
43200	3320	36EMain Maint Contracts	450.00	432.00	18.00	96%
43200	3320	311EMain Maint Contracts	4,000.00	3,058.16	941.84	76%
43200	3320	309WMain Maint Serv Contracts	750.00	-	750.00	0%
43200	3320	129Rams Maint Contracts	750.00	341.00	409.00	45%
43200	3340	Maintenanc Custodial Contracts	42,000.00	49,830.77	(7,830.77)	119%
43200	3340	JGC Maintenanc Custodial Contr	28,500.00	13,065.25	15,434.75	46%
43200	3340	AlRec Maint Custodial Contract	3,500.00	-	3,500.00	0%
43200	3340	311EMain Maint Cus Contracts	3,600.00	5,073.75	(1,473.75)	141%
43200	3600	Maintenanc Advertising	1,200.00	-	1,200.00	0%
43200	5110	JGC Maintenanc Electric	40,000.00	29,367.09	10,632.91	73%
43200	5110	RT Maintenanc Electric	12,100.00	8,510.24	3,589.76	70%
43200	5110	ChurchSt Maint Electric	30,000.00	19,338.35	10,661.65	64%
43200	5110	104Church Maint Electric	12,000.00	7,569.79	4,430.21	63%
43200	5110	225Rams Maint Electric	7,500.00	4,017.53	3,482.47	54%
43200	5110	524West Maint Electric	2,000.00	1,492.86	507.14	75%
43200	5110	AlRec Maint Electric	31,000.00	17,697.73	13,302.27	57%
43200	5110	AlOff Maint Electric	5,000.00	4,434.17	565.83	89%
43200	5110	AlPool Maint Electric	7,500.00	6,664.64	835.36	89%
43200	5110	AlBase Maint Electric	840.00	393.66	446.34	47%
43200	5110	AlSoc Maint Electric	500.00	789.34	(289.34)	158%
43200	5110	Kohn Maint Elec Svcs	1,000.00	133.64	866.36	13%
43200	5110	311EMain Maint Electric	9,000.00	5,587.26	3,412.74	62%
43200	5110	309WMain Maint Electrical Svcs	2,000.00	437.22	1,562.78	22%
43200	5110	129Rams Maint Electric	3,000.00	2,150.36	849.64	72%
43200	5120	JGC Maintenanc Heating	5,500.00	4,283.91	1,216.09	78%
43200	5120	RT Maintenanc Heating	1,600.00	1,464.07	135.93	92%
43200	5120	104Church Maint Heating	3,800.00	3,210.52	589.48	84%
43200	5120	225Rams Maint Heating	6,000.00	4,606.94	1,393.06	77%
43200	5120	524West Maint Heating	3,000.00	292.66	2,707.34	10%
43200	5120	AlRec Maint Heating	5,000.00	4,392.63	607.37	88%
43200	5120	309WMain Maint Heating	2,000.00	327.84	1,672.16	16%
43200	5120	129Rams Maint Heating	3,000.00	3,369.84	(369.84)	112%
43200	5130	Maintenanc Water & Sewer	750.00	233.50	516.50	31%
43200	5130	JGC Maintenanc Water & Sewer	1,500.00	1,105.25	394.75	74%
43200	5130	RT Maintenanc Water & Sewer	4,000.00	4,260.58	(260.58)	107%
43200	5130	104Church Maint Water & Sewer	750.00	460.31	289.69	61%
43200	5130	225Rams Maint Water & Sewer	500.00	15.00	485.00	3%
43200	5130	AlRec Maint Water & Sewer	2,000.00	729.48	1,270.52	36%
43200	5130	AlOff Maint Water & Sewer	2,700.00	3,546.98	(846.98)	131%
43200	5130	AlPool Maint Water & Sewer	14,000.00	6,899.82	7,100.18	49%
43200	5130	311EMain Maint Water & Sewer	1,200.00	806.38	393.62	67%
43200	5130	309WMain Maint Water & Sewer	1,000.00	272.12	727.88	27%
43200	5130	129Rams Maint Water & Sewer	600.00	242.13	357.87	40%
43200	5230	Maintenanc Telephone	2,000.00	1,169.43	830.57	58%
43200	5300	Maintenanc Insurance	40,000.00	42,144.40	(2,144.40)	105%
43200	5400	Maintenanc Leases & Rentals	1,000.00	-	1,000.00	0%
43200	5500	Maintenanc Travel	750.00	-	750.00	0%
43200	6000	Maintenanc Mat & Sup	35,000.00	18,507.76	16,492.24	53%
43200	6000	Maintenanc COVID19 Mat & Sup	15,233.38	15,233.38	-	100%
43200	6000	JGC Maintenance Mat & Sup	3,500.00	1,132.19	2,367.81	32%
43200	6000	RT Maint Mat & Sup	1,500.00	459.63	1,040.37	31%
43200	6000	ChurchSt Maint Mat & Sup	1,000.00	2,243.34	(1,243.34)	224%
43200	6000	104Church Maint Mat & Sup	1,500.00	405.83	1,094.17	27%
43200	6000	225Rams Maint Mat & Sup	1,000.00	72.59	927.41	7%
43200	6000	524West Maint Mat & Sup	750.00	77.89	672.11	10%
43200	6000	AlRec Maint Mat & Sup	2,000.00	2,406.46	(406.46)	120%
43200	6000	AlOff Maint Mat & Sup	6,000.00	3,166.07	2,833.93	53%
43200	6000	AlPool Maint Mat & Sup	5,000.00	914.36	4,085.64	18%
43200	6000	AlBase Maint Mat & Sup	5,000.00	1,977.88	3,022.12	40%
43200	6000	AlSoc Maint Mat & Sup	8,500.00	7,103.88	1,396.12	84%
43200	6000	106Church Maint Mat & Sup	500.00	281.91	218.09	56%
43200	6000	Kohn Maint Mat & Sup	3,000.00	-	3,000.00	0%
43200	6000	32EMain Maint Mat & Sup	500.00	-	500.00	0%
43200	6000	36EMain Maint Mat & Sup	500.00	-	500.00	0%
43200	6000	311EMain Maint Mat & Sup	1,000.00	319.48	680.52	32%
43200	6000	309WMain Maint Mat & Sup	500.00	-	500.00	0%
43200	6000	129Rams Maint Mat & Sup	500.00	21.99	478.01	4%
43200	6008	Maintenanc Vehicle Fuel	5,000.00	4,251.12	748.88	85%
43200	6035	Maintenanc Noncap Office Equip	-	1,225.00	(1,225.00)	100%

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<b>FUNCTION</b>	<b>OBJ</b>	<b>ACCOUNT DESCRIPTION</b>	<b>REVISED BUDGET</b>	<b>YTD EXPENDED</b>	<b>AVAILABLE BUDGET</b>	<b>% USED</b>
<b>43200</b>		<b>Total 43200 General Property Maintenance - All Accounts</b>	<b>915,608.14</b>	<b>709,705.76</b>	<b>205,902.38</b>	<b>78%</b>
51100	5600	Local Health Dept Contribution	216,284.00	211,284.00	5,000.00	98%
<b>51100</b>		<b>Total 51100 Local Health Department</b>	<b>216,284.00</b>	<b>211,284.00</b>	<b>5,000.00</b>	<b>98%</b>
51200	5600	Our Health Entity Gift	6,500.00	3,250.00	3,250.00	50%
<b>51200</b>		<b>Total 51200 Our Health</b>	<b>6,500.00</b>	<b>3,250.00</b>	<b>3,250.00</b>	<b>50%</b>
52400	5600	N Shen Vally Sub Abuse Coal Co	15,000.00	11,250.00	3,750.00	75%
<b>52400</b>		<b>Total 52400 N Shen Valley Subst Abuse Coal</b>	<b>15,000.00</b>	<b>11,250.00</b>	<b>3,750.00</b>	<b>75%</b>
52500	5600	NW Community Svc Entity Gift	98,700.00	70,500.00	28,200.00	71%
<b>52500</b>		<b>Total 52500 Northwestern Community Svcs</b>	<b>98,700.00</b>	<b>70,500.00</b>	<b>28,200.00</b>	<b>71%</b>
52800	5600	Concern Hotline Entity Gift	1,000.00	1,000.00	-	100%
<b>52800</b>		<b>Total 52800 Concern Hotline</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>-</b>	<b>100%</b>
52900	5600	NW Works Entity Gift	5,000.00	-	5,000.00	0%
<b>52900</b>		<b>Total 52900 NW Works</b>	<b>5,000.00</b>	<b>-</b>	<b>5,000.00</b>	<b>0%</b>
53230	5600	SAAA Entity Gift	40,000.00	30,000.00	10,000.00	75%
<b>53230</b>		<b>Total 53230 Shenandoah Area Agency on Aging</b>	<b>40,000.00</b>	<b>30,000.00</b>	<b>10,000.00</b>	<b>75%</b>
53240	5600	Virginia Regional Transit Cont	19,302.00	19,302.00	-	100%
<b>53240</b>		<b>Total 53240 VA Regional Transp Assn</b>	<b>19,302.00</b>	<b>19,302.00</b>	<b>-</b>	<b>100%</b>
53250	5600	FISH of Clarke County Contr	1,000.00	-	1,000.00	0%
<b>53250</b>		<b>Total 53250 FISH of Clarke County</b>	<b>1,000.00</b>	<b>-</b>	<b>1,000.00</b>	<b>0%</b>
53600	5600	Access Independence Contr	1,000.00	1,000.00	-	100%
<b>53600</b>		<b>Total 53600 Access Independence</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>-</b>	<b>100%</b>
53700	5600	Laurel Center Contribution	6,000.00	-	6,000.00	0%
<b>53700</b>		<b>Total 53700 The Laurel Ctr (Women's Shltr)</b>	<b>6,000.00</b>	<b>-</b>	<b>6,000.00</b>	<b>0%</b>
53710	5600	Tax Relief for the Elderly	220,000.00	-	220,000.00	0%
<b>53710</b>		<b>Total 53710 Tax Relief for the Elde</b>	<b>220,000.00</b>	<b>-</b>	<b>220,000.00</b>	<b>0%</b>
69100	5600	Lord FairfaxComm College Cont	17,441.00	17,441.00	-	100%
<b>69100</b>		<b>Total 69100 Lord Fairfax Community College</b>	<b>17,441.00</b>	<b>17,441.00</b>	<b>-</b>	<b>100%</b>
71100	1100	Parks Adm Salaries	310,061.00	283,764.18	26,296.82	92%
71100	1100	Parks COV19 Adm Salaries	458.44	458.44	-	100%
71100	1300	Parks Adm Part Time Salaries	19,052.00	14,250.25	4,801.75	75%
71100	1660	Parks Adm Employee Bonuses	7,547.76	7,547.76	-	100%
71100	2100	Parks Adm FICA	25,196.41	21,386.72	3,809.69	85%
71100	2100	Parks Adm COV19 FICA	35.07	35.07	-	100%
71100	2210	Parks Adm VRS 1&2	26,979.00	26,820.36	158.64	99%
71100	2300	Parks Adm Health Ins	47,766.00	48,105.53	(339.53)	101%
71100	2400	Parks Adm Life Ins	4,158.00	3,808.42	349.58	92%
71100	2700	Parks Adm Workers Comp	8,935.00	6,606.39	2,328.61	74%
71100	3180	Parks Adm Credit Card Fees	8,000.00	1,710.29	6,289.71	21%
71100	3320	Parks Adm Maint Contracts	3,300.00	1,109.77	2,190.23	34%
71100	3500	Parks Adm Printing & Binding	510.00	-	510.00	0%
71100	3600	Parks Adm Advertising	1,175.00	125.00	1,050.00	11%
71100	5210	Parks Adm Postal Svcs	1,882.00	62.30	1,819.70	3%
71100	5230	Parks Adm Telephone	1,000.00	720.80	279.20	72%
71100	5400	Parks Adm Leases & Rentals	515.00	414.76	100.24	81%
71100	5500	Parks Adm Travel	2,190.00	1,074.00	1,116.00	49%
71100	5810	Parks Adm Dues & Memb	2,332.00	795.45	1,536.55	34%
71100	6000	Parks Adm Mat & Sup	5,156.00	1,855.94	3,300.06	36%
71100	6000	Parks Adm COV19 Mat & Sup	673.41	673.41	-	100%
71100	6008	Parks Adm Vehicle Fuel	700.00	186.82	513.18	27%
71100	6011	Parks Adm Clothing	1,100.00	496.50	603.50	45%
<b>71100</b>		<b>Total 71100 Parks Administration</b>	<b>478,722.09</b>	<b>422,008.16</b>	<b>56,713.93</b>	<b>88%</b>
71310	1100	Rec Center Salaries	52,891.00	48,382.98	4,508.02	91%
71310	1100	Recreation COV19 Regular	100.40	100.40	-	100%
71310	1300	Rec Center Part Time Salaries	33,868.00	30,236.38	3,631.62	89%
71310	1660	Rec Center Employee Bonuses	3,936.61	3,936.61	-	100%
71310	2100	Rec Center FICA	6,885.15	6,269.04	616.11	91%
71310	2100	Recreation COV19 FICA	7.68	7.68	-	100%
71310	2210	Rec Center VRS 1&2	4,602.00	4,575.06	26.94	99%
71310	2300	Rec Center Health Ins	7,961.00	7,708.21	252.79	97%
71310	2400	Rec Center Life Ins	709.00	649.66	59.34	92%
71310	2700	Rec Center Workers Comp	1,930.00	2,993.67	(1,063.67)	155%
71310	3600	Rec Center Advertising	890.00	836.00	54.00	94%
71310	5830	Rec Center Refunds	1,000.00	200.00	800.00	20%
71310	6000	Rec Center Mat & Sup	7,595.00	700.46	6,894.54	9%
71310	6000	Rec Center COV19 Mat & Sup	1,189.62	1,189.62	-	100%
71310	6012	Rec Center Merch for Resale	3,000.00	783.34	2,216.66	26%
<b>71310</b>		<b>Total 71310 Recreation Center</b>	<b>126,565.46</b>	<b>108,569.11</b>	<b>17,996.35</b>	<b>86%</b>
71320	1200	Pool Overtime	-	42.84	(42.84)	100%
71320	1300	Pool Part Time Salaries	64,580.00	38,852.48	25,727.52	60%
71320	2100	Pool FICA	4,941.00	2,963.81	1,977.19	60%
71320	2300	Pool Health Ins	-	1,125.85	(1,125.85)	100%
71320	3000	Pool Pur Svcs	1,500.00	352.00	1,148.00	23%
71320	5500	Pool Travel	375.00	-	375.00	0%

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71320	5810	Pool Dues & Memb	1,800.00	-	1,800.00	0%
71320	5830	Pool Refunds	1,160.00	780.00	380.00	67%
71320	6000	Pool Mat & Sup	2,700.00	1,186.34	1,513.66	44%
71320	6000	Pool COV19 Mat & Sup	17.50	17.50	-	100%
71320	6011	Pool Clothing	1,746.00	97.70	1,648.30	6%
71320	6012	Pool Merch for Resale	680.00	-	680.00	0%
71320	6026	Pool Chemicals	10,000.00	5,770.63	4,229.37	58%
<b>71320</b>		<b>Total 71320 Swimming Pool</b>	<b>89,499.50</b>	<b>51,189.15</b>	<b>38,310.35</b>	<b>57%</b>
71350	1100	Programs Salaries	40,662.00	37,273.50	3,388.50	92%
71350	1200	Programs Overtime	-	21.68	(21.68)	100%
71350	1300	Programs Part Time Salaries	93,882.00	52,119.84	41,762.16	56%
71350	1300	Programs COV19 PT Salaries	22,125.57	22,125.57	-	100%
71350	1660	Programs Employee Bonuses	3,968.04	3,968.04	-	100%
71350	2100	Programs FICA	10,505.53	7,063.64	3,441.89	67%
71350	2100	Programs COV19 FICA	1,692.61	1,692.61	-	100%
71350	2210	Programs VRS 1&2	3,538.00	3,517.25	20.75	99%
71350	2300	Programs Health Ins	7,961.00	7,308.26	652.74	92%
71350	2400	Programs Life Ins	545.00	499.51	45.49	92%
71350	2700	Programs Workers Comp	3,046.00	2,661.44	384.56	87%
71350	3000	Programs Pur Svcs	46,283.00	13,491.53	32,791.47	29%
71350	3000	Programs COV19 Pur Svcs	482.48	402.48	80.00	83%
71350	3500	Programs Printing & Binding	7,000.00	163.69	6,836.31	2%
71350	3600	Programs Advertising	2,000.00	460.00	1,540.00	23%
71350	5210	Programs Postal Svcs	100.00	-	100.00	0%
71350	5400	Programs Leases & Rentals	300.00	-	300.00	0%
71350	5500	Programs Travel	1,000.00	55.00	945.00	6%
71350	5500	Programs COV19 Travel	115.00	115.00	-	100%
71350	5560	Programs Group Trip	42,284.00	-	42,284.00	0%
71350	5810	Programs Dues & Memb	200.00	200.00	-	100%
71350	5830	Programs Refunds	7,000.00	1,185.50	5,814.50	17%
71350	6000	Programs Mat & Sup	13,000.00	6,888.89	6,111.11	53%
71350	6000	Programs COV19 Mat & Sup	6,930.77	6,153.90	776.87	89%
71350	6011	Programs Clothing	1,500.00	-	1,500.00	0%
71350	6011	Programs COV19 Clothing	455.64	455.64	-	100%
71350	6012	Programs Merch for Resale	6,500.00	-	6,500.00	0%
<b>71350</b>		<b>Total 71350 Parks Programs</b>	<b>323,076.64</b>	<b>167,822.97</b>	<b>155,253.67</b>	<b>52%</b>
71360	1300	Concession Part Time Salaries	4,860.00	3,273.25	1,586.75	67%
71360	2100	Concession FICA	372.00	250.38	121.62	67%
71360	6000	Concession Mat & Sup	100.00	-	100.00	0%
71360	6012	Concession Merch for Resale	11,100.00	2,480.81	8,619.19	22%
<b>71360</b>		<b>Total 71360 Concession Stand</b>	<b>16,432.00</b>	<b>6,004.44</b>	<b>10,427.56</b>	<b>37%</b>
72240	5600	Barns of Rose Hill Contr	6,750.00	6,750.00	-	100%
<b>72240</b>		<b>Total 72240 Barns of Rose Hill</b>	<b>6,750.00</b>	<b>6,750.00</b>	<b>-</b>	<b>100%</b>
72700	5600	VA Comm for Arts Contr	9,000.00	9,000.00	-	100%
<b>72700</b>		<b>Total 72700 VA Commission for the Arts</b>	<b>9,000.00</b>	<b>9,000.00</b>	<b>-</b>	<b>100%</b>
73200	5600	Handley Regional Library Contr	279,238.00	241,150.00	38,088.00	86%
<b>73200</b>		<b>Total 73200 Handley Regional Library</b>	<b>279,238.00</b>	<b>241,150.00</b>	<b>38,088.00</b>	<b>86%</b>
81110	1100	Plan Adm Salaries	307,184.00	273,186.82	33,997.18	89%
81110	1300	Plan Adm Part Time Salaries	-	1,648.00	(1,648.00)	100%
81110	1660	Plan Adm Employee Bonuses	4,595.51	4,595.51	-	100%
81110	2100	Plan Adm FICA	23,398.55	21,641.07	1,757.48	92%
81110	2210	Plan Adm VRS 1&2	25,885.00	24,908.42	976.58	96%
81110	2220	Plan Adm VRS Hybrid	891.00	1,197.93	(306.93)	134%
81110	2300	Plan Adm Health Ins	33,582.00	30,306.13	3,275.87	90%
81110	2400	Plan Adm Life Ins	4,118.00	3,701.20	416.80	90%
81110	2510	Plan Adm Dis Ins Hybrid	60.00	65.34	(5.34)	109%
81110	2700	Plan Adm Workers Comp	6,942.00	5,872.67	1,069.33	85%
81110	2800	Plan Adm Leave Pay	-	11,920.15	(11,920.15)	100%
81110	3000	Plan Adm Pur Svcs	15,000.00	12,125.50	2,874.50	81%
81110	3000	Plan Adm Pur Svcs-Brdnd Imp	3,000.00	-	3,000.00	0%
81110	3140	Plan Adm Engineer & Architect	10,000.00	3,918.75	6,081.25	39%
81110	3140	Plan Adm Pass Thru Eng Fees	5,000.00	4,370.00	630.00	87%
81110	3320	Plan Adm Maint Contracts	-	2,742.24	(2,742.24)	100%
81110	3500	Plan Adm Printing & Binding	1,500.00	-	1,500.00	0%
81110	3600	Plan Adm Advertising	-	1,150.48	(1,150.48)	100%
81110	3600	Plan Adm Advert-Brdnd Imp	1,000.00	-	1,000.00	0%
81110	5210	Plan Adm Postal Svcs	1,200.00	826.02	373.98	69%
81110	5210	Plan AdmPostal Svcs-Brdnd Imp	1,000.00	-	1,000.00	0%
81110	5230	Plan Adm Telephone	400.00	132.00	268.00	33%
81110	5500	Plan Adm Travel	1,000.00	-	1,000.00	0%
81110	5510	Plan Adm Local Mileage	1,000.00	66.07	933.93	7%
81110	5810	Plan Adm Dues & Memb	300.00	-	300.00	0%
81110	6000	Plan Adm Mat & Sup	2,500.00	1,224.56	1,275.44	49%

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FUNCTION	OBJ	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD EXPENDED	AVAILABLE BUDGET	% USED
81110	6000	Plan Adm COVID19 Mat & Sup	133.58	133.58	-	100%
<b>81110</b>		<b>Total 81110 Planning Administration</b>	<b>449,689.64</b>	<b>405,732.44</b>	<b>43,957.20</b>	<b>90%</b>
81120	1300	Plan Com Part Time Salaries	500.00	2,610.00	(2,110.00)	522%
81120	2100	Plan Com FICA	39.00	188.95	(149.95)	484%
81120	2300	Plan Com Health Ins	-	155.38	(155.38)	100%
81120	3160	Plan Com Board Member Fees	8,000.00	6,400.00	1,600.00	80%
81120	3600	Plan Com Advertising	4,000.00	-	4,000.00	0%
81120	5210	Plan Com Postal Svcs	100.00	-	100.00	0%
81120	5500	Plan Com Travel	1,750.00	-	1,750.00	0%
<b>81120</b>		<b>Total 81120 Planning Commission</b>	<b>14,389.00</b>	<b>9,354.33</b>	<b>5,034.67</b>	<b>65%</b>
81130	3160	BryDevAuth Board Member Fees	900.00	100.00	800.00	11%
<b>81130</b>		<b>Total 81130 Berryville Dev Authority</b>	<b>900.00</b>	<b>100.00</b>	<b>800.00</b>	<b>11%</b>
81140	5600	Regional Airport Auth Contr	2,500.00	2,500.00	-	100%
<b>81140</b>		<b>Total 81140 Regional Airport Authority</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>-</b>	<b>100%</b>
81310	5600	Help with Housing Contrib	5,000.00	-	5,000.00	0%
<b>81310</b>		<b>Total 81310 Help With Housing</b>	<b>5,000.00</b>	<b>-</b>	<b>5,000.00</b>	<b>0%</b>
81400	1300	BrdZonApp Part Time Salaries	250.00	-	250.00	0%
81400	2100	BrdZonApp FICA	20.00	-	20.00	0%
81400	3000	BrdZonApp Pur Svcs	2,000.00	6,765.00	(4,765.00)	338%
81400	3160	BrdZonApp Board Member Fees	500.00	350.00	150.00	70%
81400	3600	BrdZonApp Advertising	700.00	615.00	85.00	88%
81400	5210	BrdZonApp Postal Svcs	50.00	-	50.00	0%
<b>81400</b>		<b>Total 81400 Board of Zoning Appeals</b>	<b>3,520.00</b>	<b>7,730.00</b>	<b>(4,210.00)</b>	<b>220%</b>
81510	1100	Econ Dev Salaries	69,348.00	66,050.97	3,297.03	95%
81510	1300	Econ Dev Part Time Salaries	-	630.00	(630.00)	100%
81510	1660	Econ Dev Employee Bonuses	1,129.06	1,129.06	-	100%
81510	2100	Econ Dev FICA	86.37	5,237.45	(5,151.08)	6064%
81510	2220	Econ Dev VRS Hybrid	-	6,055.00	(6,055.00)	100%
81510	2400	Econ Dev Life Ins	-	859.87	(859.87)	100%
81510	2510	Econ Dev Dis Ins Hybrid	-	342.42	(342.42)	100%
81510	3000	Econ Dev Pur Svcs	652.00	3,852.00	(3,200.00)	591%
81510	3000	Econ Dev COVID19 Pur Svcs	37,981.00	37,981.00	-	100%
81510	3320	Econ Dev Maint Svc Contracts	1,000.00	1,500.00	(500.00)	150%
81510	3500	Econ Dev Printing & Binding	500.00	-	500.00	0%
81510	5210	Econ Dev Postal Svcs	50.00	5.00	45.00	10%
81510	5210	Econ Dev COVID19 Postal Svcs	1,126.40	1,126.40	-	100%
81510	5230	Econ Dev Telephone	550.00	458.20	91.80	83%
81510	5500	Econ Dev Travel	1,000.00	-	1,000.00	0%
81510	5800	Econ Dev Miscellaneous Expendi	2,000.00	131.19	1,868.81	7%
81510	5810	Econ Dev Dues & Memb	12,000.00	8,500.00	3,500.00	71%
81510	6000	Econ Dev Mat & Sup	1,000.00	953.13	46.87	95%
<b>81510</b>		<b>Total 81510 Office of Economic Development</b>	<b>128,422.83</b>	<b>134,811.69</b>	<b>(6,388.86)</b>	<b>105%</b>
81530	5600	Small Bus Dev Ctr Contrib	2,000.00	2,000.00	-	100%
<b>81530</b>		<b>Total 81530 Small Business Dev Center</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>-</b>	<b>100%</b>
81540	5600	Blandy Exp Farm Contrib	3,000.00	3,000.00	-	100%
<b>81540</b>		<b>Total 81540 Blandy Experimental Farm</b>	<b>3,000.00</b>	<b>3,000.00</b>	<b>-</b>	<b>100%</b>
81550	5600	B'ville Main St Contribution	2,500.00	2,500.00	-	100%
<b>81550</b>		<b>Total 81550 Berryville Main Street</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>-</b>	<b>100%</b>
81800	1300	HstPrvCom Part Time Salaries	-	200.00	(200.00)	100%
81800	2100	HstPrvCom FICA	-	15.29	(15.29)	100%
81800	3000	HstPrvCom Pur Svcs	9,500.00	6,809.40	2,690.60	72%
81800	3000	HstPrvCom Pur Svcs	15,000.00	-	15,000.00	0%
81800	3000	HPC Battle Bound Stdy Pur Svcs	39,427.00	2,933.46	36,493.54	7%
81800	3160	HstPrvCom Board Member Fees	1,000.00	400.00	600.00	40%
81800	3600	HstPrvCom Advertising	300.00	-	300.00	0%
81800	5210	HstPrvCom Postal Svcs	50.00	-	50.00	0%
81800	5500	HstPrvCom Travel	50.00	-	50.00	0%
<b>81800</b>		<b>Total 81800 Historic Preservation Comm</b>	<b>65,327.00</b>	<b>10,358.15</b>	<b>54,968.85</b>	<b>16%</b>
81910	5600	NSVRC EntityGift	11,656.00	11,655.57	0.43	100%
<b>81910</b>		<b>Total 81910 Northern Shen Valley Reg Comm</b>	<b>11,656.00</b>	<b>11,655.57</b>	<b>0.43</b>	<b>100%</b>
82210	3000	Water Qual Pur Svcs	30,000.00	30,000.00	-	100%
<b>82210</b>		<b>Total 82210 Water Quality Management</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>-</b>	<b>100%</b>
82220	5600	Friends of Shenandoah Contr	8,000.00	8,000.00	-	100%
<b>82220</b>		<b>Total 82220 Friends of the Shenandoah</b>	<b>8,000.00</b>	<b>8,000.00</b>	<b>-</b>	<b>100%</b>
82230	1300	BrdSepApp Part Time Salaries	200.00	-	200.00	0%
82230	2100	BrdSepApp FICA	16.00	-	16.00	0%
82230	3000	BrdSepApp Pur Svcs	500.00	-	500.00	0%
82230	3160	BrdSepApp Board Member Fees	250.00	50.00	200.00	20%
82230	3600	BrdSepApp Advertising	500.00	400.40	99.60	80%
82230	5210	BrdSepApp Postal Svcs	100.00	-	100.00	0%
<b>82230</b>		<b>Total 82230 Board of Septic Appeals</b>	<b>1,566.00</b>	<b>450.40</b>	<b>1,115.60</b>	<b>29%</b>
82400	5600	Lord Fairfax S&W Contr	5,000.00	-	5,000.00	0%
<b>82400</b>		<b>Total 82400 LF Soil &amp; Water Cons Dist</b>	<b>5,000.00</b>	<b>-</b>	<b>5,000.00</b>	<b>0%</b>



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<b>FUNCTION</b>	<b>OBJ</b>	<b>ACCOUNT DESCRIPTION</b>	<b>REVISED BUDGET</b>	<b>YTD EXPENDED</b>	<b>AVAILABLE BUDGET</b>	<b>% USED</b>
82600	1300	Biosolids Part Time Salaries	1,000.00	100.00	900.00	10%
82600	2100	Biosolids FICA	77.00	7.65	69.35	10%
82600	2700	Biosolids Workers Comp	132.00	22.44	109.56	17%
<b>82600</b>		<b>Total 82600 Bio-solids Application</b>	<b>1,209.00</b>	<b>130.09</b>	<b>1,078.91</b>	<b>11%</b>
83100	3320	Coop Ext Maint Contracts	800.00	6.77	793.23	1%
83100	3841	Coop Ext VPI Agent	48,152.00	29,186.56	18,965.44	61%
83100	5210	Coop Ext Postal Svcs	500.00	-	500.00	0%
83100	5230	Coop Ext Telephone	200.00	-	200.00	0%
83100	5810	Coop Ext Dues & Memb	150.00	-	150.00	0%
83100	6000	Coop Ext Mat & Sup	1,500.00	231.19	1,268.81	15%
<b>83100</b>		<b>Total 83100 Cooperative Extension Program</b>	<b>51,302.00</b>	<b>29,424.52</b>	<b>21,877.48</b>	<b>57%</b>
83400	5600	4-H Center EntityGift	2,300.00	2,300.00	-	100%
<b>83400</b>		<b>Total 83400 4-H Center</b>	<b>2,300.00</b>	<b>2,300.00</b>	<b>-</b>	<b>100%</b>
91600	1000	Reserve Personal	106.60	-	106.60	0%
91600	3140	Reserve Engineer & Architect	190.00	-	190.00	0%
91600	3150	Reserve Legal Svcs	-	-	-	0%
91600	8000	Reserve Capital Outlay	20,000.00	-	20,000.00	0%
<b>91600</b>		<b>Total 91600 Contingency Reserves</b>	<b>20,296.60</b>	<b>-</b>	<b>20,296.60</b>	<b>0%</b>
91621	1000	FY21 Contingency Personal Svcs	107,082.58	-	107,082.58	0%
91621	2000	FY21 Contingency Emplie Benfts	74,910.65	-	74,910.65	0%
91621	3000	FY21 Contingency Pur Svcs	-	-	-	0%
91621	6000	FY21 Contingency Mat'l Supls	3,250.00	-	3,250.00	0%
91621	6015	FY21 Contingency Ammunition	-	-	-	0%
91621	6040	FY21 Contingency Tech SW/OL	-	-	-	0%
<b>91621</b>		<b>Total 91621 FY21 Contingency Items</b>	<b>185,243.23</b>	<b>-</b>	<b>185,243.23</b>	<b>0%</b>
92600	5830	Rev Rf Ambulance Svcs Refunds	-	2,956.69	(2,956.69)	100%
<b>92600</b>		<b>Total 92600 Rev Refunds - Ambulance</b>	<b>-</b>	<b>2,956.69</b>	<b>(2,956.69)</b>	<b>100%</b>
92900	5830	Rev Rf Miscellaneous Refunds	-	592.80	(592.80)	100%
<b>92900</b>		<b>Total 92900 Rev Refunds - Other Misc</b>	<b>-</b>	<b>592.80</b>	<b>(592.80)</b>	<b>100%</b>
		<b>Grand Total</b>	<b>13,036,243.82</b>	<b>10,834,526.39</b>	<b>2,201,717.43</b>	<b>83%</b>

Date	Total	General Fund	Soc Svcs Fund	CSA Fund	Sch Oper Fund	Food Serv Fund	GG Cap Fund	School Cap Fund	GG Debt Fund	School Debt Fund	Joint Fund	Conservation Easements	Unemploy. Fund	CARES Fund	TOTAL
<b>04/28/20 Appropriations Resolution: Total</b>	<b>43,900,233</b>	<b>12,750,865</b>	<b>1,670,575</b>	<b>303,768</b>	<b>23,456,526</b>	<b>842,650</b>	<b>862,300</b>	<b>517,000</b>	<b>251,700</b>	<b>2,374,428</b>	<b>815,421</b>	<b>45,000</b>	<b>10,000</b>	<b>0</b>	
<i>Adjustments:</i>															
6/16/2020 Sheriff's School Resource Officer (DGCEs)		56,432													
6/16/2020 EMS Materials & Supplies Program		20,000													
6/16/2020 EMS Fuel Program		5,000													
7/13/2020 Barns of Rose Hill Endowment Fund		5,000													
9/8/2020 Assistance to Firefighters Grant		13,714													
9/8/2020 CARES Act Expenses		17,990	273		14,172						108			6,108	38,651
10/13/2018 CARES Act Expenses		36,811	203		53,676	12,277				2,156	105			256,814	362,042
11/17/2020 CARES Act Expenses		123,972			29,090					942				74,100	228,104
11/17/2020 Hazard Duty Pay for Sheriff's Ofc Communications Staff		31,542													
1/19/2021 FY20 Government Capital Carryover							1,309,098								
1/19/2021 Claude Moore Foundation Grant								88,000							
1/19/2021 School Security Equipment Grant								66,073							
1/19/2021 Title III & IDEA Grant supplementals					13,713										
1/19/2021 Conservation Easment (Smithfield Farm)												569,029			
1/19/2021 HPC Grant - Battle of Berryville Boundaries		39,427													
1/19/2021 Clerk of Circuit Court-Deed Book Restoration Grant		18,913													
1/19/2021 CARES Act Funds - School					516,347										
1/19/2021 CARES Act Funds - Balance		282,836	421		32,387		20,219				9,096		24,091	111,887	480,937
2/8/2021 FY20 School Capital Carryover								1,025,113							
4/12/2021 Social Services - Additional mid-year funding			26,171												
4/12/2021 Sheriff's Office - Body Worn Cameras		14,046													
4/12/2021 Dunn Land Survey-Warren County boundry Line adj		12,000													
5/10/2021 Social Services - Additional funding			1,500												
<b>Revised Appropriation</b>	<b>48,392,177</b>	<b>13,428,549</b>	<b>1,699,143</b>	<b>303,768</b>	<b>24,115,910</b>	<b>854,927</b>	<b>2,191,617</b>	<b>1,699,284</b>	<b>251,700</b>	<b>2,374,428</b>	<b>824,730</b>	<b>614,029</b>	<b>34,091</b>		
<b>Change to Appropriation</b>	<b>4,491,944</b>	<b>677,684</b>	<b>28,568</b>	<b>0</b>	<b>659,384</b>	<b>12,277</b>	<b>1,329,317</b>	<b>1,182,284</b>	<b>0</b>	<b>0</b>	<b>9,309</b>	<b>569,029</b>	<b>24,091</b>		
<b>Original Revenue Estimate</b>	<b>16,995,835</b>	<b>3,736,693</b>	<b>983,457</b>	<b>156,675</b>	<b>10,305,442</b>	<b>842,650</b>	<b>557,935</b>	<b>154,000</b>	<b>4,955</b>	<b>209,028</b>	<b>0</b>	<b>45,000</b>	<b>0</b>		
<i>Adjustments:</i>															
6/16/2020 Sheriff's School Resource Officer (BES)		29,480													
6/16/2020 Sheriff's School Resource Officer (DGCEs)		23,323													
9/8/2020 Assistance to Firefighters Grant		13,714													
9/8/2020 CARES Act Revenue		17,990	273		14,172						108			6,108	38,651
10/13/2018 CARES Act Revenue		36,811	203		68,849	12,277				2,156	105			256,814	377,216
11/17/2020 CARES Act Revenue		123,972			44,231					942				74,100	243,246
1/19/2021 FY20 Government Capital Carryover							248,982								
1/19/2021 Claude Moore Foundation Grant								88,000							
1/19/2021 School Security Equipment Grant								66,073							
1/19/2021 Title III & IDEA Grant supplementals					17,904										
1/19/2021 Conservation Easment (Smithfield Farm)												507,202			
1/19/2021 HPC Grant - Battle of Berryville Boundaries		39,427													
1/19/2021 Clerk of Circuit Court-Deed Book Restoration Grant		18,913													
1/19/2021 CARES Act Funds - School					516,347										
1/19/2021 CARES Act Funds - Balance		1,025,262	421		32,387		20,219				9,096		24,091	111,887	1,223,363
2/8/2021 FY20 School Capital Carryover								220,470							
4/12/2021 Social Services - Additional mid-year funding			26,171												
4/12/2021 Sheriff's Office - Body Worn Cameras		14,046													
4/12/2021 Dunn Land Survey-Warren County boundry Line adj		0													
5/10/2021 Social Services - Additional funding			1,500												
<b>Revised Revenue Estimate</b>	<b>20,260,953</b>	<b>5,079,631</b>	<b>1,012,025</b>	<b>156,675</b>	<b>10,999,332</b>	<b>854,927</b>	<b>827,136</b>	<b>531,641</b>	<b>4,955</b>	<b>209,028</b>	<b>9,309</b>	<b>552,202</b>	<b>24,091</b>		
<b>Change to Revenue Estimate</b>	<b>3,265,118</b>	<b>1,342,938</b>	<b>28,568</b>	<b>0</b>	<b>693,890</b>	<b>12,277</b>	<b>269,201</b>	<b>377,641</b>	<b>0</b>	<b>0</b>	<b>9,309</b>	<b>507,202</b>	<b>24,091</b>		
<b>Original Local Tax Funding</b>	<b>26,904,398</b>	<b>9,014,172</b>	<b>687,118</b>	<b>147,093</b>	<b>13,151,084</b>	<b>0</b>	<b>304,365</b>	<b>363,000</b>	<b>246,745</b>	<b>2,165,400</b>	<b>815,421</b>	<b>0</b>	<b>10,000</b>		
<b>Revised Local Tax Funding</b>	<b>28,131,223</b>	<b>8,348,917</b>	<b>687,118</b>	<b>147,093</b>	<b>13,116,578</b>	<b>0</b>	<b>1,364,481</b>	<b>1,167,643</b>	<b>246,745</b>	<b>2,165,400</b>	<b>815,421</b>	<b>61,827</b>	<b>10,000</b>		
<b>Change to Local Tax Funding</b>	<b>1,226,825</b>	<b>-665,255</b>	<b>0</b>	<b>0</b>	<b>-34,506</b>	<b>0</b>	<b>1,060,116</b>	<b>804,643</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61,827</b>	<b>0</b>		

*Italics = Proposed actions*

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2600bbennett

Clarke County  
YEAR-TO-DATE BUDGET REPORT

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FOR 2021 11

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
301 General Govt Capital Proj Fund							
94110 HVAC System Replacement	0	149,417	149,417	129,324.00	7,385.00	12,708.00	91.5%
94120 Roofing	0	42,731	42,731	8,265.00	11,520.00	22,946.00	46.3%
94130 Painting and Flooring	0	10,000	10,000	.00	.00	10,000.00	.0%
94140 Landscaping	0	10,375	10,375	.00	.00	10,375.00	.0%
94150 Asphalt, Sidewalk, Path	0	25,377	25,377	.00	24,999.99	377.01	98.5%
94180 Courthouse Complex Repairs	0	23,586	23,586	17,531.75	9,250.00	-3,195.75	113.5%
94181 Courtroom Furniture	30,000	0	30,000	.00	2,569.90	27,430.10	8.6%
94310 Sheriff's Equipment	29,000	339	29,339	7,313.50	.00	22,025.50	24.9%
94320 Auto Replacement	25,000	5,990	30,990	.00	.00	30,990.00	.0%
94329 AFG-Radio Replacements	587,300	0	587,300	.00	.00	587,300.00	.0%
94331 Sheriff's Vehicles	171,000	7,490	178,490	116,810.15	69,252.80	-7,572.95	104.2%
94509 Morgan's Mill Appalachian Trl	0	11,730	11,730	11,730.00	.00	.00	100.0%
94601 Technology Improvements	0	21,329	21,329	5,000.00	.00	16,329.00	23.4%
94603 Mobile Radio System	20,000	585,074	605,074	181,352.41	401,667.09	22,054.50	96.4%
94604 911 Phone System	0	206,772	206,772	24,292.83	.00	182,479.17	11.7%
94702 Swimming Pool	0	44,446	44,446	11,302.01	.00	33,143.99	25.4%
94703 Park Repairs	0	72,977	72,977	1,739.07	.00	71,237.93	2.4%
94709 New Park Shelter	0	20,723	20,723	611.20	11,650.00	8,461.80	59.2%
94802 Reassessment	0	70,742	70,742	45,116.40	25,625.60	.00	100.0%
GRAND TOTAL	862,300	1,309,098	2,171,398	560,388.32	563,920.38	1,047,089.30	51.8%

\*\* END OF REPORT - Generated by Brenda Bennett \*\*