

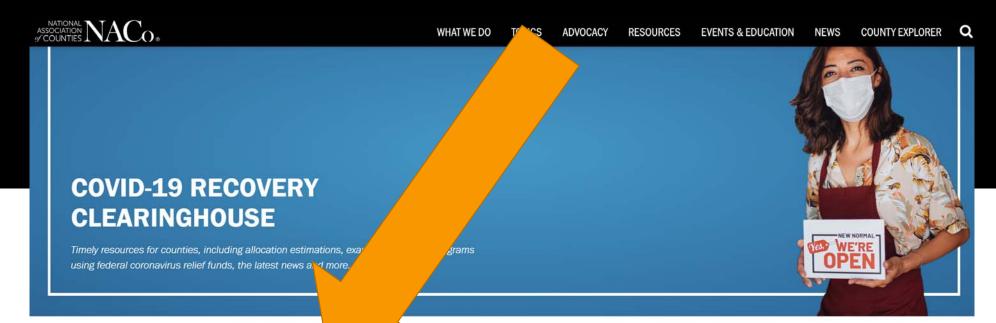








COVID-19 Recovery Clearinghouse (naco.org)











NACO ANALYSIS OF STATE AND LOCAL FUNDING IN THE AMERICAN RESCUE PLAN

AMERICAN RESCUE PLAN ACT TEXT

COUNTY-BY-COUNTY ALLOCATION ESTIMATES

CLICK here to access... State and Local Coronavirus Fiscal Recovery Funds (naco.org)

NACO LEGISLATIVE ANALYSIS FOR COUNTIES: U.S. SENATE'S SUBSTITUTE AMENDMENT STATE & LOCAL CORONAVIRUS FISCAL RECOVERY FUND UPDATED: MARCH 8, 2021



To find your county's estimated allocation through the U.S. Senate's Substitute Amendment of State and Local Coronavirus Recovery Funds, click here.

SUMMARY

On March 6, the U.S. Senate passed The American Rescue Plan Act of 2021. The amended Senate version moves back to the U.S. House on March 10 for final consideration before being sent to the president for his signature.

As part of the overall package, the Coronavirus State and local Fiscal Recovery Fund would provide (1) approximately \$550 billion in new federal fiscal assistance for our nation's states, territories, tribes, counties, and municipalities, (2) \$10 billion for coronavirus capital projects, and (3) \$1.5 billion over two years for revenue sharing counties (i.e. public lands counties).

The measure outlines that states, along with the District of Columbia, would receive \$195.3 billion, distributed mostly upon each state's share of unemployed workers over the 3-month period of October-December 2020. Each state and the District of Columbia would be guaranteed a minimum of \$500 million or no less than the state received in total (state plus local) under the CARES Act Coronavirus relative state recover in rocal practipus rocal and a recover a special allocation to compensate for its Relief Fund (CRF). D.C. would also recove a special allocation to compensate for its treatment under the CARES Act last year.

Local governments would receive \$130.2 billion, split evenly between municipalities and counties, resulting in a direct county a location based on population of \$65.1 billion. In addition, the final Senate bill added a nother \$1.5 popounomo 10 3 0 3,4 minori, in anoment, inc mino 3 cinate o monore unioneer 3 s. billion, spft evenly over federal FYs 2022 and 2023, for eligible revenue share country (i.e. public and country). These revenue share payments would be available for any governmental purpose other than a lobbying activity.

Tribal governments would receive \$20 billion and U.S. territories would receive

The U.S. Department of Treasury would still oversee and administer these payments to state and local governments, and every county would be eligible to receive a direct allocation from Treasury. Municipalities and countles would now receive funds in two tranches – both tranches would provide 50 percent of the entity's total allocation. States may receive funding in two tranches at the discretion of Treasury.

NACo LEGISLATIVE ANALYSIS: STATE AND LOCAL CORONAVIRUS FISCAL RECOVERY FUNDS | MAR. 8, 2021 | 1

PRESIDENT BIDEN'S

AMERICAN RESCUE PLAN

- Establish and fund national vaccine plan
- Boost funding for COVID-19 testing
- Extra \$350B for state and local govt. support with \$65.1 billion in direct federal aid for counties
- An additional \$1.5B for public land counties
- Provide additional assistance for rental, utility and homeless prevention
- Direct **financial assistance** for individuals
- Expand paid leave and family medical leave, incl. tax credits for public sector employees

NATIONAL ASSOCIATION OF COUNTIES

NACo's Focus

NACo's focus remains on the **COUNTY SHARE AND DISTRIBUTION FORMULA** as part of any new federal aid plan for state, tribal, county and municipal govts.

NACo's guiding principles include:

- direct, flexible aid for all counties,
- allowance for lost revenue due to COVID
- reasonable, practical safeguards to protect the public's interest

U.S. House Committee on Oversight & Reform: State and Local Coronavirus Fiscal Recovery Funds Access NACo's analysis of the latest COVID-19 federal relief bill, including county-level allocation estimates, and take action to support direct investments in counties of all sizes. https://www.naco.org/resources/featured/state-and-local-coronavirus-fiscal-recovery-funds

NATIONAL ASSOCIATION OF COUNTIES | FEBRUARY 2021

COUNTIES AND THE COVID-19 PANDEMIC



WE ARE

COUNTIES

MUZAL



THE COUNTY MESSAGE:

- Counties remain focused on our mission to end COVID-19, keep our local businesses alive, and serve our most vulnerable residents and frontline heroes. Every dollar in local government aid is at least a dollar in GDP growth.
- As this unprecedented global health pandemic continues to evolve and reach further into our communities, we urge Congressional support and immediate passage of the Coronavirus State and Local Fiscal Recovery Funds.
- Only 5 percent of counties received direct assistance from the CARES Act, and far too many counties never received any, or very limited, federal resources. Even with these much-appreciated federal dollars, the immense scale and growing needs facing our counties are far outstripping our local resources.
- County leaders are serious, prudent stewards of public dollars, and we are not looking for an unlimited federal handout. We remain very concerned about mounting federal debt. Yet, we also understand that we must overcome this devastating pandemic together, now, so we can make the smart investments needed to pursue a brighter, more resilient future for all our residents and communities.
- We know that the only way to unlock the full economic potential and protect the wellbeing of the nation is to overcome the current global public health emergency.
- We respectfully urge Congress and the White House to work together in a bipartisan manner to ensure our local communities have the resources, decision-making powers and flexibility necessary to overcome this massive national emergency and to



Of the approximately \$350 billion in the Senate bill for fiscal relief, \$7 percent would be allocated to states and 35 percent to local governments. The distribution formula is as follows:

- States and District of Columbia: \$195.3 billion
 - \$25.5 billion is equally divided with state minimum of \$500 million.
 - \$169 billion based on the state share of unemployed workers over a three-month period from October-December 2020.
 - \$1.25 billion in additional aid for the District of Columbia.
- Local governments: \$130.2 billion divided evenly between non-county municipalities and counties.
 - COUNTIES: \$65.1 billion in direct federal aid to all counties (including parishes in Louisian a, borough sin Alaska, consolidated city-county entities and the District of Columbia) based on the county share of the U.S. population. Counties that are CDBG redigients would receive the larger share, based on its population or calculated share under the CDBG allocation method. Treasury shall allocated these resources within 60 days of enactment.
 - NON-COUNTY MUNICIPALITIES: \$65.1 billion to cities and other non-county municipalities.
 - \$4557 billion in direct federal aid for municipalities with populations of at least 50,000, using a modified Community Development Block Grant formula.
 - \$1953 billion for municipalities with populations of less than \$0,000 based on each jurisdiction's percentage of the state's population. Amount per jurisdiction may not exceed 75 percent of its most recent budget as of January 27, 2020. Aid is distributed through the states, with the ability for states to request extensions if they are unable to distribute within a maximum of 120 days. Any amounts that are not distributed to non-entitlement municipalities shall be returned to the U.S. Treasury. However, if the state fails to distribute to these local entities, the penalty comes from the state portion of the State and Local Coronavirus Recovery Fund.
- U.S. Territories: \$4.5 billion.
- Tribal governments: \$20 billion to federally recognized Tribal governments.

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https://www.naco.org/resources/featured/state-and-local-coronavirus-fiscal-recovery-funds

ALLOWABLE USES OF RECOVERY FUNDS

The Senate bill outlines that **funds may be used by counties to**:

- 1. Respond to the public health emergency with respect to the COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality
- 2. Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work
- 3. For the provision of government services to the extent of the reduction in revenue (i.e. online, property or income tax) due to the public health emergency relative to revenues collected in the most recent full fiscal year of the county prior to the emergency (I.e. January 20, 2020), or
- Make necessary investments in water, sewer, or broadband infrastructure.

It is important to note under #1 that the examples outlined are intended to clarify congressional intent that these activities would be eligible. However, state and local activities would NOT be limited only to these activities.

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The Senate bill also outlines that:

- States are not allowed to use the funds to either directly or indirectly
 offset a reduction in the net tax revenue that results from a change in
 law, regulation or administrative interpretation during the covered period
 that reduces any tax. If a state violates this provision, it would be required
 to repay the amount of the applicable reduction to net tax revenue.
- No funds shall be deposited into any pension fund.
- State and local governments are allowed to transfer to a private nonprofit organization, a public benefit corporation involved in the tran sportation of passengers or cargo or a special-purpose unit of State or local government.
- Any local government, including counties, that fail to comply with the federal law and related guidelines shall be required to repay the federal Treasury.
- "Premium pay" means a nadditional amount up to \$13 per hour that is paid to an eligible worker for work during the COVID-19 pandemic. The bill imposes a cap of \$25,000 for any single eligible worker.

NACO LEGISLATIVE ANALYSIS: STATE AND LOCAL CORONAVIRUS FISCAL RECOVERY FUNDS | MAR. 8, 2021 | 3

REPORTING REQUIREMENTS, CERTIFICATION & RECOUPMENT

The Senate bill would require state and local governments to fulfill reporting requirements, such as:

- States are required to report how funds are used and how their tax revenue was modified during the time that funds were spent during the covered period (covered period begins on March 3, 2021 and ends on the last day of the fiscal year a state or local government has expended or returned all funds to the U.S. Treasury).
- Local governments would be required to provide "period ic reports" providing a detailed accounting of the use of funds.
- If a state, county or municipality does not comply with any provision of this bill, they will be required to repay the U.S. Treasury an equal amount to the funds used in violation.

ADMINISTRATION OF RECOVERY FUNDS

The Senate bill further outlines that funds would be administered as follows:

- Funds would be distributed by the U.S. Department of Treasury.
- The deadline to spend funds would be December 31, 2024.
- In order to receive a payment either under the first or second tranche, local governments must provide the U.S. Treasury with a certification signed by an authorized officer. The U.S. Treasury is required to pay first tranche to counties not later than 60-days after enactment, and second payment no earlier than 12 months after the first payment.
- The bill would provide \$117 million for oversight and to promote transparency and accountability of all federal coronavirus relief funds, with \$77 million for the Government Accountability Office and \$40 million for the Pandemic Response and Accountability Committee.

CORONAVIRUS CAPITAL PROJECTS FUND (SEC. 604)

- \$10 billion for states, territories, and tribal governments to carry out critical capital projects, until expended, specifically related to enabling work, education, and health monitoring, including remote options, in response to the COMD-19 public health emergency.
- Each state, District of Columbia and Puerto Rico would receive a mininum allocation of \$100 million, plus another \$100 million is divided among other U.S. territories and another \$100 million is designated for Tribal governments and Native Hawaiian use.

NACo LEGISLATIVE ANALYSIS: STATE AND LOCAL CORONAVIRUS FISCAL RECOVERY FUNDS | MAR. 8, 2021 | 4

COUNTY-BY-COUNTY FUNDING ESTIMATES:

https://www.naco.org/resources/featured/stat e-and-local-coronavirus-fiscal-recovery-funds

Please note that these are unofficial estimates and subject to modification by the U.S. Department of the Treasury

NAME	STATE	ESTIMATED ALLOCATION	
Autauga County	Alabama	\$10,932,105	
Baldwin County	Alabama	\$43,681,066	
Barbour County	Alabama	\$4,830,406	
Bibb County	Alabama	\$4,381,921	
Blount County	Alabama	\$11,315,038	
Bullock County	Alabama	\$1,976,502	
Butler County	Alabama	\$3,805,466	
Calhoun County	Alabama	\$22,229,533	
Chambers County	Alabama	\$6,506,940	
Cherokee County	Alabama	\$5,125,873	
Chilton County	Alabama	\$8,693,400	
Choctaw County	Alabama	\$2,463,339	
Clarke County	Alabama	\$4,622,209	
Clay County	Alabama	\$2,589,744	
Cleburne County	Alabama	\$2,917,498	
Coffee County	Alabama	\$10,241,963	
Colbert County	Alabama	\$10,809,221	
Conecuh County	Alabama	\$2,361,197	
Coosa County	Alabama	\$2,086,471	
Covington County	Alabama	\$7,249,522	
Crenshaw County	Alabama	\$2,694,821	

AMERICAN RESCUE PLAN: PUBLIC LANDS COUNTIES

Additional \$1.5 Billion for Revenue Share (Public Lands) Counties:

- An additional \$1.5 billion is provided for eligible revenue share counties (notably public land counties that receive Payment-in-Lieu-of-Taxes (PILT) and Secure Rural School (SRS) payments), with \$750 million allotted each year for federal Fiscal Years 2022 and 2023
- An additional \$500 million in total is provided for eligible Tribal governments
- Treasury will be responsible for determining the funding formula, taking into account the economic conditions of each eligible revenue sharing county, using measurements of poverty rates, household income, land values, and unemployment rates as well as other economic indicators, over the 20-year period ending with Sept. 30, 2021
- Eligible counties may use these funds for any governmental purpose other than a lobbying activity
- Counties shall be required to **provide periodic reports** with a detailed accounting of the use of funds
- Failure to submit required reports or misuse of funds will result in the recoup of funds by the federal government

AMERICAN RESCUE PLAN: PUBLIC LANDS COUNTIES

Additional \$1.5 Billion for Revenue Share (Public Lands) Counties:

According to a statement for the record by U.S. Senate Finance Chairman Ron Wyden (D-Ore.),

"I also fully expect Treasury to consult with others in government who have history in this arena on the

creation of this new formula such as the Secretaries of Agriculture and Interior, as well as the National

Association of Counties, state county associations, including the Association of O&C Counties Oregon, and

many other groups with a deep understanding of these impacts across the United States."



ADDITIONAL COVID-19 RESOURCES FOR COUNTIES

















COUNTIES ARE INVESTING \$22.5 BILLION FROM THE CORONAVIRUS RELIEF FUND (CRF) TO RESTORE AND SUSTAIN COMMUNITIES



SMALL BUSINESS AND NONPROFIT SUPPORT

Developing loan and grant fund programs to quickly disperse emergency relief dollars to stabilize local business and support essential operational costs such as rent, utilities, payroll and protective gear.



SUPPLIES AND RESOURCES



Purchasing supplies and resources needed for COVID-19 response, like personal protective equipment (PPE) for essential workers.

HOUSING AND UTILITY ASSISTANCE

Providing rental, mortgage and utility assistance to individuals - both tenants and landlords - financially impacted by COVID-19.



UNEMPLOYMENT AND WORKFORCE DEVELOPMENT



furloughed or laid off due to

COVID-19 TESTING

Providing COVID-19 testing for uninsured residents free charge.



TRANSFERS TO LOCAL **GOVERNMENTS**

PERSONNEL COSTS

Funding payroll and benefits costs for public health, public safety and human services employees who are responding to COVID-19.



LOCAL HEALTH DEPARTMENTS



Providing assistance to local health for public outreach and COVID-19 safety

VACCINE DISTRIBUTION

Preparing vaccine distribution plans and purchasing the necessary supplies, like syringes, refrigeration bags, trucks and storage facilities.



BROADBAND AND TECHNOLOGY



COUNTY JAILS AND CORRECTIONAL FACILITIES





SOCIAL SAFETY NET SERVICES

Source: NACo analysis of County Coronavirus Relief Fund (CRF) spending plans, available at www.naco.org/crf

Note: The Coronavirus Relief Fund (CRF) was established under the CARES Act and provides \$150 billion in direct aid for state, county and municipal governments with populations of over 500,000 people to address necessary expenditures incurred due to the COVID-19 public health emergency. Counties received approximately \$22.5 billion in CRF. With those funds, counties invested in small business support, housing and utility assistance, cash assistance and more.



COVID-19 Recovery Clearinghouse (naco.org)

How Can We Help?

Please ask your question here.

Please use the form below to ask a question, and NACo staff will respond via email.

SUBMIT

Share Your Story

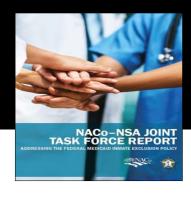
How is your county responding to the coronavirus pandemic and driving the recovery in your community. Please use the form below to share how your county is using federal relief funds.

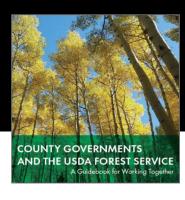
Please share your county's story here.

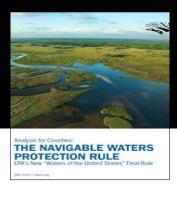
SUBMIT



NACO FEDERAL POLICY PRIORITIES









The NACo Board approved **10 national policy priorities** for 2021:

- Restore the **balance of federalism** and optimize intergovernmental partnerships
- Advocate for additional federal COVID-19 relief in the form of direct, flexible aid to counties of all sizes
- Promote county infrastructure priorities
- Promote mental health and substance use treatment and address essential criminal justice reforms
- Boost advanced broadband deployment and accessibility while preserving local decision-making
- Support full funding for Payments in Lieu of Taxes and the Secure Rural Schools program
- Promote county priorities in federal rulemaking, including Environmental Protection Agency
- Strengthen election security and safety
- Enhance community resilience through regional and local disaster preparedness
- Promote workforce opportunities and supportive services for county residents in changing economies

You asked. We listened.

New and improved County Explorer...

simple.

accessible.



...we're changing the way you see county data - literally.



County Explorer is now more accessible and user-friendly. The new tool sports a redesigned user interface which makes navigation simple, while maintaining familiarity. County Explorer now works on mobile devices, and it looks particularly great on tablets. Check out the new design, functionality, and more at Explorer.NACo.org. #CE2 @NACoTweets





U.S. HOUSE PASSED - THE AMERICAN RESCUE PLAN ACT'S

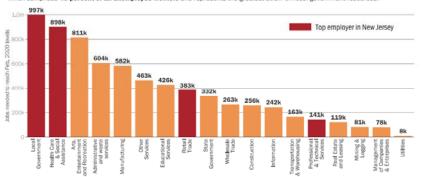
STATE AND LOCAL CORONAVIRUS FISCAL RECOVERY FUNDS

FUNDS TO NEW JERSEY COUNTIES

\$1.7 B

JOBS NEEDED TO REACH FEBRUARY 2020 EMPLOYMENT LEVELS¹

More than 10 million Americans remain unemployed as of Jan. 2021, indicating a stalling economic recovery process. One in ten of the jobs yet to be recovered is a local government job. Especially concerning is the nine-month long increase in long-term unemployment, which comprises 40 percent of all unemployed workers and represents the greatest strain on local government resources.



CURRENT SITUATION IN NEW JERSEY

TOTAL COVID-19 INFECTIONS 2 778K

COVID-19 CASES IN 2021³ **253K**

00 447

COVID-19 RELATED DEATHS 23,147

JOBS NEEDED TO REACH FEBRUARY 2020 LEVELS 5 165

165K

Every dollar of local government aid is at least a dollar increase in GDP growth.

Local government spending will drive COVID-19
economic recovery, help restore the nation's
workforce and prepare communities for future
growth through vital infrastructure, health, safety
and resiliency investments.

NAGo Analysis of: 1: U.S. Department of Labor, Bureau of Labor Statistics, The Employment Situation — February 2021. Accommodations and Food Services (not included on graph) has 3 million jobs to recover. The Federal government and finance and insurance sectors not included as they have reached February 2020 levels of employment, 2, 3, 4; <u>USAFpsic.</u> Coronavirus Locations as of 2/26/2011. Bt U.S. Department of Labor, Bureau of Labor Statistics - employment status of the civilian noninstitutional population data, seasonally adjusted. — January 2021. 6: National Association of Counties (NACO), "<u>Counties and COVID-19: Positioning America for Recover</u>" (Feb. 10, 2021). Notes: 1. The projected amount for county allocations is informed by the House Oversight Committee and the Congressional Research Service (CRS). The estimates are not official values from the U.S. Treasury and are subject to change.

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COUNTY	POPULATION	PILT AMOUNT	PERCENT OF PILT ENTITLEMENT LAND	TOTAL PILT ENTITLEMENT LAND	PILT PER ACRE
Albany County	38,601	\$1.6M	24.6%	674.1K Acres	\$2.39
Big Horn County	11,881	\$1.2M	77.0%	1.5M Acres	\$0.77
Campbell County	46,140	\$935.7K	11.9%	366.1K Acres	\$2.56
Carbon County	14,971	\$1.5M	53.8%	2.7M Acres	\$0.55
Converse County	13,640	\$960.3K	14.8%	403.9K Acres	\$2.38
Crook County	7,450	\$803.4K	18.3%	333.8K Acres	\$2.41
Fremont County	39,531	\$2.8M	54.2%	3.2M Acres	\$0.88
Goshen County	13,376	\$77.3K	1.9%	27.3K Acres	\$2.83
Hot Springs County	4,555	\$840.8K	44.4%	569.8K Acres	\$1.48
Johnson County	8,460	\$1.1M	31.2%	830.4K Acres	\$1.27
Laramie County	98,976	\$26.9K	0.6%	9.5K Acres	\$2.83
Lincoln County	19,434	\$1.4M	74.7%	1.9M Acres	\$0.74
Natrona County	79,115	\$3.8M	43.4%	1.5M Acres	\$2.56
Niobrara County	2,388	\$354.9K	7.5%	125.9K Acres	\$2.82
Park County	29,324	\$2.0M	80.9%	3.6M Acres	\$0.55
Platte County	8,566	\$300.4K	8.0%	106.5K Acres	\$2.82
Sheridan County	30,233	\$1.1M	27.2%	438.8K Acres	\$2,44
Sublette County	9,813	\$968.1K	77.5%	2.4M Acres	\$0.40

VISION

HEALTHY, SAFE AND VIBRANT COUNTIES ACROSS AMERICA.

MISSION

STRENGTHEN AMERICA'S COUNTIES.

ABOUT NACo

THE NATIONAL ASSOCIATION OF COUNTIES (NACO) STRENGTHENS AMERICA'S COUNTIES,

serving nearly 40,000 county elected officials and 3.6 million county employees.

Founded in 1935, NACo unites county officials to:

- Advocate county priorities in federal policymaking
- Promote exemplary county policies and practices
- Nurture leadership skills and expand knowledge networks
- Optimize county and taxpayer resources and cost savings, and
- Enrich the public's understanding of county government.





STRONGER COUNTIES. STRONGER AMERICA.

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