



# **NACo INFORMATION SESSION: FISCAL RECOVERY FUND**

**ELIGIBLE USES TO SUPPORT  
UNDERSERVED COMMUNITIES**

**JUNE 10, 2021**



## KEY HIGHLIGHTS OF THE GUIDANCE

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.**
2. Funds may cover costs from **March 3, 2021 through December 31, 2024.**
3. There is **no deadline for counties to certify** for the Recovery Funds.
4. Broad flexibility to help those **disproportionately impacted by the COVID-19 pandemic.**
5. Recovery Funds can be distributed into **interest-bearing accounts.**
6. Understand the important differences between **CARES Act Coronavirus Relief Fund (CRF) and ARP Fiscal Recovery Fund**, especially for county employee payroll support.
7. Use of recouped **“lost revenue” is more flexible** than other Recovery Fund eligibility.
8. Recovery Funds **may not be used as non-federal match**, unless specifically authorized.
9. Re-hiring **local government staff** to pre-pandemic levels.
10. Counties may use Recovery Funds for **routine pension costs of employees.**
11. Counties may use Recovery Funds to invest in **certain critical infrastructure projects.**

# UPDATED FAQ DOCUMENT

Treasury released an updated FAQ document Tuesday, June 8

1. Recovery Funds can be used to **cover costs of consultants to assist with managing and administering the funds**
2. Recovery Funds can be used to **establish public jobs programs** (i.e. subsidized employment, combined education and on-the-job training, job training to accelerate rehiring or address negative economic impacts)
3. Clarification on revenue loss language (audited financial data, county data versus Census Bureau data)
4. Flexibility for costs incurred by March 3, 2021, for public health response/negative economic impacts, premium pay, revenue loss and water, sewer and broadband projects
5. New CFDA number – **21.027** – Counties should update systems and reporting to reflect final CFDA number for Recovery Fund
6. Counties **do not need approval from Treasury** to determine whether an investment in water, sewer or broadband project is eligible under the Recovery Fund IFR

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## ILLUSTRATION ONLY OF SAMPLE ALLOWABLE USES OF RECOVERY FUNDS, PER U.S. TREASURY GUIDANCE



### Support Public Health Response

Fund COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff



### Replace Public Sector Revenue Loss

Use funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic



### Water and Sewer Infrastructure

Make necessary investments to improve access to clean drinking water and invest in wastewater and stormwater infrastructure



### Address Negative Economic Impacts

Respond to economic harms to workers, families, small businesses, impacted industries, and the public sector



### Premium Pay for Essential Workers

Offer additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors



### Broadband Infrastructure

Make necessary investments to provide unserved or underserved locations with new or expanded broadband access

# PREMIUM PAY FOR ESSENTIAL EMPLOYEES

Fiscal Recovery Funds payments may be used by recipients to provide premium pay (\$13/per hour) 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.

## Essential employees are defined as:

- **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

## Essential work is defined 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

## Other provisions related to premium pay:

- Premium pay **can be retroactive**
- Recipients have discretion to designate additional sectors
- Additional reporting requirements in certain cases (*grants to third-party employers*)

# ADDRESS NEGATIVE ECONOMIC IMPACTS

**1**

## **WORKERS & FAMILIES**

- Assistance to unemployed workers and job training
- Food, housing, cash and other assistance to households (proportionate)
- Survivor's benefits for family members of COVID-19 victims

**2**

## **SMALL BUSINESS**

- Loans and grants to mitigate financial hardship
- Loans, grants and in-kind assistance to implement COVID-19 prevention or mitigation tactics
- Technical assistance

**3**

## **PUBLIC SECTOR**

- Rehire staff
- Replenish state unemployment insurance funds
- Administer economic relief programs

**4**

## **IMPACTED INDUSTRIES**

- Tourism, travel and hospitality
- Other similarly affected sectors

# PROVIDE EQUITY-FOCUSED SERVICES

**1**

## **ADDRESSING HEALTH DISPARITIES**

- Community health workers and public benefits navigators
- Remediation of lead paint and other lead hazards
- Community violence intervention programs

**2**

## **HOUSING & NEIGHBORHOODS**

- Services to support individuals experiencing homelessness
- Affordable housing development
- Housing vouchers, residential counseling, navigation assistance

**3**

## **EDUCATIONAL DISPARITIES**

- New or expanded early learning services
- Expanded resources for high-poverty school districts
- Educational services like tutoring and afterschool programs

**4**

## **PROMOTING HEALTHY CHILDHOOD ENVIRONMENTS**

- New and expanded high quality childcare
- Home visiting programs for families with young children
- Services for child welfare-involved families and foster youth



# ADDRESSING NEGATIVE ECONOMIC IMPACTS

Under Treasury's IFR, **counties can provide direct assistance to households to alleviate the economic impacts of COVID-19.** These services include:

- Proportionate cash assistance
- Food assistance
- Rent, mortgage, or utility assistance
- Counseling and legal aid to prevent eviction or homelessness
- Emergency assistance for burials
- Home repairs, weatherization, or other needs
- Internet access or digital literacy assistance
- Aid to unemployed workers
- Survivor's benefits for family members of COVID-19 victims





# ADDRESSING NEGATIVE ECONOMIC IMPACTS

Beyond providing direct cash assistance, **counties can use Recovery Funds to support small businesses and nonprofits:**

- **Assistance to small businesses and nonprofit organizations, including:**
  - Loans and grants to mitigate financial hardship
  - Loans, grants and in-kind assistance to implement COVID-19 prevention or mitigation tactics
  - Technical assistance

## ADDRESSING NEGATIVE ECONOMIC IMPACTS

Counties can use Recovery Funds to rehire public sector workers, support unemployed workers and strengthen economic relief programs:

- Coverage of payroll and benefits costs of public health and safety staff primarily dedicated to COVID-19 response and **rehiring of public sector staff up to pre-pandemic levels**
- **Assistance to unemployed workers**, including job training, public jobs programs, subsidized employment, child care or transportation assistance
- **Expenses to improve efficacy of economic relief programs** addressing use of data analysis, targeted consumer outreach, improvements to data or technology infrastructure and impact evaluations



# INVESTING IN UNDERSERVED COMMUNITIES

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 COVID-19:

- **As outlined in the IFR, a [QCT](#) is defined as:**
  - Census tract or equivalent geographic area defined by the Census Bureau
  - At least 50 percent of households have an income less than 60 percent of the Area Median Gross Income (AMGI) **OR**
  - At least 25 percent of households below the Federal Poverty Line
- **Counties have broad flexibility when determining if a population was disproportionately impacted by COVID-19.**

# INVESTING IN UNDERSERVED COMMUNITIES



## SERVICES & PROGRAMS FOR QUALIFIED CENSUS TRACTS

- **Programs or services that facilitate access to health and social services:**
  - Assistance accessing or applying for public benefits or services
  - Remediation of lead paint or other lead hazards
  - Community violence intervention programs
- **Programs or services that address housing insecurity, lack of affordable housing, or homelessness:**
  - Supportive housing or other housing programs for homeless individuals
  - Affordable housing development
  - Housing vouchers and neighborhood relocation assistance

# INVESTING IN UNDERSERVED COMMUNITIES

## SERVICES & PROGRAMS FOR QUALIFIED CENSUS TRACTS



- **Address educational disparities:** Funds may also enhance educational supports to help mitigate impact on students, such as:
  - New or expanded early learning services
  - Assistance to high-poverty school districts to advance equitable funding
  - Educational and evidence-based services to address the academic, social, emotional, and mental health needs of students
  - Services that support students' social, emotional and mental health

# INVESTING IN UNDERSERVED COMMUNITIES



## SERVICES & PROGRAMS FOR QUALIFIED CENSUS TRACTS

- **Promoting healthy childhood development:** Programs or services that address or mitigate the impacts COVID-19 on childhood health or welfare
  - New or expanded child care
  - Home visiting programs that provide education and assistance for economic support, health needs, or child development
  - 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

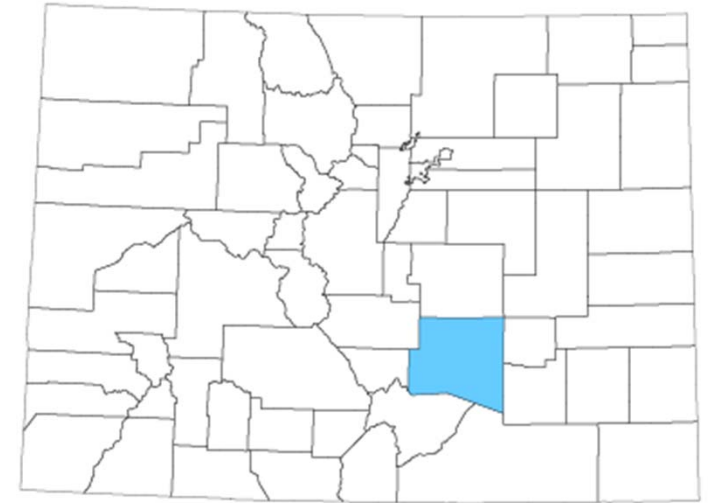
## SKAGIT COUNTY, WASH.

- \$2.6 million in initial ARP funds targeting community health and underserved populations, including:
  - Motel vouchers and mental health services for the homeless population
  - Addressing the behavioral health needs of children and adolescents by embedding social workers and clinical services in schools
  - Education supports to address disparities
  - Senior outreach services to address social isolation
  - Funding for a COVID-19 family resource center to promote healthy child environments and access to basic needs



## PUEBLO COUNTY, COLO.

- \$1 million in combined funding with Pueblo City to address learning loss related to COVID-19
  - Funds will support a “Reading Pays” program with Pueblo County-City Unified Library District
  - Youth age 0-17 can receive \$100 gift cards for borrowing library resources and submitting reflection responses





# COUNTY SNAPSHOT

## **SAN DIEGO COUNTY, CALIF.**

- \$85 million for homeless services
- \$10 million for senior and youth services
- \$16 million for child care, including incentives to hire more workers, help providers stay open and promote affordability for vulnerable families
- \$40 million for direct stimulus payments to individuals experiencing disproportionate impacts
- \$15 million for legal services and counseling for tenants facing eviction and landlords in financial need
- \$32 million for mental health services
- \$20 million for food assistance for vulnerable populations



## MULTNOMAH COUNTY, ORE.

- \$5.4 million for wraparound supports for youth and families, including enhanced summer school resources and new family resource navigators
- \$1.1 million for deepening safety net services, including culturally specific case management and domestic violence services
- \$1.9 million for building community assets and resilience, such as a new Library Mobile Resource Center, monthly basic income assistance for a cohort of women-led families and a Baby Bonds pilot program





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