

## USES OF RECOVERY FUNDS

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
4. **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.*

### 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 transportation 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 an additional 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.

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## REPORTING REQUIREMENTS,

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