

Eligible Uses of the Coronavirus State and Local Fiscal Recovery Funds

Supporting the public health response			
Services and programs to contain and mitigate the spread of COVID-19	Examples: <ul style="list-style-type: none"> • Vaccination programs • Medical expenses • Testing • Contact tracing • PPE purchases • Enforcement of public health orders • Support for vulnerable populations to access health services 	<ul style="list-style-type: none"> • Public communication efforts • Enhancement of healthcare capacity, including alternative care facilities • Support for prevention, mitigation, or other services in congregate living facilities and schools • Enhancement of public health data systems • Isolation or quarantine Mental health treatment • Ventilation improvements in key settings like healthcare facilities 	<ul style="list-style-type: none"> • Substance misuse treatment • Other behavioral health services • Hotlines or warmlines • Crisis intervention • Services or outreach to promote access to health and social services • Capital investments in public facilities • Public health surveillance (e.g., monitoring for variants)
Services to address behavioral needs exacerbated by the pandemic			
Payroll and benefits for public health, healthcare, human services, public safety and similar employees.			
Addressing the negative economic impacts caused by the public health emergency			
Assistance to individuals and households, small businesses, and impacted industries, and	Examples: <ul style="list-style-type: none"> • Assistance to workers and families, including aid to unemployed workers and job training • Replenishing unemployment insurance (UI) trust funds up to pre-pandemic levels. • Survivor’s benefits for family members of COVID-19 victims 	<ul style="list-style-type: none"> • Support for small businesses, including investments in COVID-19 prevention and mitigation tactics • Technical assistance and counseling programs to enable small businesses to rebound from the downturn. • Investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations 	<ul style="list-style-type: none"> • Economic relief programs, including Aid to households facing food, housing, or other financial insecurity. • Recovery of tourism, travel, and hospitality sectors, as well as similarly impacted sectors • Rehiring public sector staff
Enabling governments to rehire public sector staff and rebuild capacity.			
Loan, grant, and in-kind assistance			
Serving the hardest-hit communities and families			
Addressing disproportionate public health and economic impacts of the crisis on the hardest-hit communities, including health disparities.	Examples: <ul style="list-style-type: none"> • Services to address homelessness, including affordable housing development, housing vouchers, and residential counseling and housing navigation assistance • Funding for community health workers and public benefits navigators 	<ul style="list-style-type: none"> • New or expanded early learning services including new or expanded high quality childcare • Additional resources to high-poverty school districts • Tutoring or afterschool programs as well as services to address social, emotional, and mental health needs • Promoting healthy childhood environments 	<ul style="list-style-type: none"> • Home visiting programs for families with young children • Enhanced services for child welfare-involved families and foster youth. • Remediation of lead hazards • Community violence intervention programs
Must be within a Qualified Census Tract (low income area designated by HUD) impacted by the pandemic			
Replacing lost public sector revenue			
Recipients may calculate the reduction in revenue that occurred in 2020 and deploy funds to address any shortfall.	Additional background <ul style="list-style-type: none"> • Recipients may presume that any decrease in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. 	<ul style="list-style-type: none"> • Analysis begins with the last full fiscal year prior to the public health emergency and projects forward at either the recipient’s average annual revenue growth over the 3 full fiscal years prior to the emergency or 	<ul style="list-style-type: none"> • Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a
Recipients will have broad latitude to use this funding to			

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<p>support government services, up to the amount of lost revenue.</p>	<p>4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data).</p>		<p>lagged impact of the crisis on revenues.</p>
<p>Providing premium pay for essential workers</p>			
<p>Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present</p>	<p>Examples:</p> <ul style="list-style-type: none"> • Staff at nursing homes, hospitals, and home-care settings • Workers at farms, food production facilities, grocery stores, and restaurants • Childcare workers, educators, and school staff 	<ul style="list-style-type: none"> • Janitors and sanitation workers • Public health and safety staff • Truck drivers, transit staff, and warehouse workers • Third-party contractors • Social service and human services staff • Priority for low-income workers • Includes retrospective pay 	
<p>Increases of 150% of total pay requires specific justification.</p>			
<p>Investing in water and sewer infrastructure</p>			
<p>Allows recipients flexibility to identify projects that are the highest priority for their own communities.</p>	<p>Eligible projects under the EPA's Clean Water State Revolving Fund:</p> <ul style="list-style-type: none"> • Construction of publicly owned treatment works • Nonpoint source • National estuary projects • Decentralized wastewater treatment systems • Stormwater 	<ul style="list-style-type: none"> • Water conservation, efficiency, and reuse • Watershed pilot projects • Energy efficiency • Water reuse • Security measures at publicly owned treatment works • Technical assistance 	<p>Eligible projects under the EPA's Drinking Water State Revolving Fund:</p> <ul style="list-style-type: none"> • Treatment • Transmission and distribution • Source • Storage • Consolidation • Creation of new systems
<p>Encourages strong labor standards</p>			
<p>Investing in broadband infrastructure</p>			
<p>Focus on unserved areas households and businesses.</p>	<p>Unserved areas include:</p> <ul style="list-style-type: none"> • Areas lacking 25 Mbps download and 3 Mbps upload. 	<p>Strong network standards:</p> <ul style="list-style-type: none"> • Encourages recipients to build networks with reliable 100 Mbps download and 100 Mbps upload, including fiber, unless impracticable due to topography, geography, or financial cost. 	<p>Eligible uses:</p> <ul style="list-style-type: none"> • Deployment of broadband infrastructure • Assistance to households to support internet access • Digital literacy efforts
<p>Prioritizes projects that achieve last-mile connections</p>			
<p>Prioritizes projects with strong download/upload speeds</p>			
<p>Ineligible Uses</p>			
<p>May not use funding to directly or indirectly offset a reduction in net tax revenue</p>	<p>Additional background:</p> <ul style="list-style-type: none"> • If cutting taxes, recipients must demonstrate how they paid for the tax cuts from other sources • Other sources include revenue-raising, spending cuts, or higher revenue due to economic growth 	<ul style="list-style-type: none"> • Deposit is defined as an extraordinary contribution to a pension fund for the purpose of reducing accrued, unfunded liability • While recipients may not deposit funds to pension funds, funds may be used for routine payroll contributions 	<ul style="list-style-type: none"> • Other ineligible uses include debt service, legal settlements, and deposits to rainy day funds or financial reserves, and general infrastructure spending beyond water, sewer, & broadband
<p>May not use funding to make a deposit to a pension fund.</p>			
<p>Other ineligible uses</p>			