

# Fire and Emergency Districts & the American Rescue Plan Act

*Advocating and  
Preparing for Relief*



**NSDC**  
NATIONAL SPECIAL DISTRICTS COALITION

Presenting

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1

## Program Overview

- Advocating for State and Local Fiscal Recovery Funds
- State/Local Government Relief Overview
  - Advocacy for Relief Fund Access
  - Preparing for State/Local Relief Fund Access
  - How CARES Act Coronavirus Relief Fund could be a model
- Brief FEMA Public Assistance Overview

2

# How We Got Here: CARES Act Oversight



H.R. 748

One Hundred Sixteenth Congress  
of the  
United States of America

AT THE SECOND SESSION

Began and held at the City of Washington on Friday,  
the third day of January, two thousand and twenty

An Act

To amend the Internal Revenue Code of 1986 to repeal the excise tax on high cost employer-sponsored health coverage.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Coronavirus Aid, Relief, and Economic Security Act" or the "CARES Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- DIVISION A—KEEPING WORKERS PAID AND EMPLOYED, HEALTH CARE SYSTEM ENHANCEMENTS, AND ECONOMIC STABILIZATION
- TITLE I—KEEPING AMERICAN WORKERS PAID AND EMPLOYED ACT
- Sec. 1101. Definitions.
- Sec. 1102. Psychiatric protection program.
- Sec. 1103. Entrepreneurial development.
- Sec. 1104. State trade expansion program.
- Sec. 1105. Waiver of matching funds requirement under the women's business owner program.
- Sec. 1106. Loan forgiveness.
- Sec. 1107. Direct appropriations.
- Sec. 1108. Minority business development agency.
- Sec. 1109. United States Treasury Program Management Authority.
- Sec. 1110. Repeal of 2019.

**H.R. 748, the Coronavirus Aid, Relief and Economic Security (CARES) Act**

- Emergency measure providing \$2 trillion in relief measures.
- **Airports:** \$10 billion via Federal Aviation Administration support of public airports
- **Transit:** \$25 billion supporting public transit
- **Port/Harbor:** HMTF Utilization
- **Utilities:** Additional \$900 billion for LIHEAP
- **Coronavirus Relief Fund:** \$150 Billion for the state/local government assistance

3

# How We Got Here: CARES Act Oversight

**TITLE V—CORONAVIRUS RELIEF FUNDS**

State, tribal, and local governments, Territories.

**SEC. 5001. CORONAVIRUS RELIEF FUND.**

(a) IN GENERAL.—The Social Security Act (42 U.S.C. 301 et seq.) is amended by inserting after title V the following:

“(g) DEFINITIONS.—In this section:

“(1) INDIAN TRIBE.—The term ‘Indian Tribe’ has the meaning given that term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304(e)).

“(2) LOCAL GOVERNMENT.—The term ‘unit of local government’ means a county, municipality, town, township, village, parish, borough, or other unit of general government below the State level with a population that exceeds 500,000.

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(4) STATE.—The term ‘State’ means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the

- **Coronavirus Relief Fund:** \$150 Billion for the state/local government assistance
- “Local Government” definition omits special purpose governments.
- Treasury guidelines based on population.
- Leaves to states to distribute funds to cities and counties with fewer than 500,000.
- Decision to allocate funds to special districts came down to the local level in California.
- FY2021 Appropriations, COVID Response Legislation extends CRF to Dec. 31, 2021.

4

## American Rescue Plan Act: Coronavirus State & Local Fiscal Recovery Fund

- \$350 billion in state and local relief + \$10 billion in State Capital Project Fund
- Recovery fund release date: May 10
  - Direct allocations to states, counties, metropolitan cities
  - Indirect allocations to “non-entitlement units of local governments” no later than June 9.
- States and localities have the authority to transfer relief to “*special-purpose unit of State or local government*” (special districts). No requirements.
- Allocations:
  - States: \$219.8 billion
  - Counties: \$65.1 billion
  - Cities, pop. 50,000+: \$45.57 billion
  - Cities, pop. <50,000: \$19.53 billion

5

## American Rescue Plan Act: Coronavirus State & Local Fiscal Recovery Fund

- Eligible Use of Section 9901 Recovery Funds
  - Responding to the public health emergency or its negative economic impacts, including:
    - assistance to households, small businesses, and nonprofits, or aid to impacted industries.
  - Providing “premium pay” to public employees performing “*essential work*” during the COVID-19 public health emergency.
  - Revenue losses relative to the completed fiscal year prior to the public health emergency declaration.
  - “*Necessary investments*” in water, sewer, or broadband infrastructure.

6

## Likely Expenditure Guidance Coronavirus Relief Fund & Potential Future Aid

- Treasury expected to replicate existing guidance to streamline regulatory process and release of funds.
- Eligible costs (Coronavirus Relief Fund):
  - Necessary expenditures incurred due to COVID-19
  - Unaccounted for in budgets approved prior to March 27, 2020.

7

## Likely Expenditure Guidance Coronavirus Relief Fund & Potential Future Aid

- Medical Expenses
  - COVID-19 expenses for public medical facilities, transport, and equipment
  - COVID-19 testing
- Public Health
  - Public communications informing public health guideline compliance.
  - Personal protective equipment (PPE)
  - Sanitization
  - Any material to ensure health of employees and general public

8

## Likely Expenditure Guidance Coronavirus Relief Fund & Potential Future Aid

- Payroll for employees “substantially dedicated” to response, mitigation
  - Medical staff (and support staff)
  - Firefighters and police officers (and support staff)
  - Wages may be reimbursed for non-substantially-dedicated employees for hours worked to respond to COVID beyond the scope of their duties.
- Public health order compliance
  - Paid sick leave and FMLA for public employees
  - Food delivery to vulnerable populations
  - Telework capabilities

9

## Likely Expenditure Guidance Coronavirus Relief Fund & Potential Future Aid

- Non-reimbursed unemployment costs incurred due to COVID-19 layoffs and furloughs
- “Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Funds’ eligibility criteria”
- Non-federal cost-share balance of FEMA Public Assistance pandemic programming
- Tax anticipation notes’ (TANs’) interest, if applicable

10

## Unlikely to be Eligible for ARP Relief/Reimbursement

- Payroll for employees not substantially dedicated to response and mitigation efforts.
- Any costs other federal pandemic response programs have already covered or are expected to be covered.
- Reimbursement for donations
- Workforce bonuses
  - Acceptable: hazard pay and overtime.
- Severance pay
- Legal settlements

11



12

## American Rescue Plan Act: Pre-Award Requirements

- Districts must register with the System for Awards Management (SAM)
  - All entities receiving federal financial assistance must maintain an active SAM registration. Renewal is required on an annual basis.
  - Register: <https://www.sam.gov/SAM/>
  - Processing: ~3 weeks
- Districts must acquire a Data Universal Numbering System (DUNS) number, which is used to track federal financial assistance.
  - Register: <https://fedgov.dnb.com/webform/> or call (866) 705-5711
  - Processing: Couple business days
- Treasury guidance: units of government receiving pass-through relief are required to have updated SAM and DUNS.

13

## Best Practice for Relief Access Prep

- Prepare a document in three-parts:
  1. Record all COVID-19-related expenditures since March 27, 2020. Identify supporting documents. Breakdown in categories:
    - i. Eligible payroll expenses
      - a. **Separately:** calculation of eligible premium pay
    - ii. Personal protective equipment
    - iii. Public health order enforcement
    - iv. Sanitization
    - v. Telecommuting costs

14

## Best Practice for Relief Access Prep

- Prepare a document in three-parts:
  2. Revenue loss statement
    - i. Prepare FY2019 revenues (anticipated measurement)
    - ii. Prepare FY2020 revenues
    - iii. Contrast with FY2021.
    - iv. Provide necessary documentation
  3. Water and/or wastewater infrastructure projects
    - i. Gather figures for delayed/deferred/previously canceled projects
    - ii. Consider projects that are shovel-ready
    - iii. Place each on individual lines in a preliminary report (just in case)
    - iv. Do not aggregate until ARP “necessary investment” is defined (May 10)

15



16

## Advocating for ARP Funding

### • **Tell Your Story**

- Use prepared impacts to quantify impacts in dollars
- Appeal to human impacts
  - Reduction in district services
  - Reduction in district employment
  - Impacts on districts staff (COVID exposure on the frontlines)
- Is there a memorable, impactful COVID event that impacted your district?
- How has your district shifted operations to meet community needs?
- COVID testing, vaccination hub?
- Have you received relief funds?

17

## Advocating for ARP Funding

### • **Telling the Story: State Elected Leaders**

- Check state association for advocacy in-progress, get engaged
- Write a letter (see template) to elected officials:
  - Introduce the district and services provided.
    - Define geographic area and population estimate
  - State top line impact figure whether the district has received relief, ask for Fiscal Recovery Fund Access.
  - Share highlight of the district's story
  - Close to thank the official for consideration, provide a point of contact.
- Send via "contact me" webform and/or on letterhead via USPS.
  - Leverage email contacts if available.
  - Request field meeting

18

## Advocating for ARP Funding

- **Simultaneously Communicate Needs to County, City Officials**
  - While advocating at state level
  - Best initial contacts:
    - County commissioner/supervisor
    - County administrative officers/CAO/CEO
  - Explain situation, impacts, story
  - **First request: supporting districts' state ask.**
    - No deferral of guaranteed ARP funds
  - Second request: local fiscal recovery funds access (if state unsuccessful)

19

## Advocating for ARP Funding

- **Other tips:**
  - Power in numbers – form local, regional, statewide coalitions
  - Newspaper op-eds, letters to editors
  - Engage the community
    - social media, billing statements, newsletters, etc.
  - Invite for tour (if local restrictions allow)

20

## Template Resources Available

- Virtual packet/DropBox link:
  - State coalition letter sample documents
  - Background information including state, county and city relief allocations
  - Template letters to state elected officials and county officials
  - Template meeting request content
  - Examples of Op-Ed pieces

21

## Other ARP Resources of Note

- Additional \$200 million: Staffing for Adequate Fire and Emergency Response (SAFER) Grant (FY21-25)
- Additional \$100 million: Assistance to Firefighter Grants (FY21-25)
- Additional \$100 million: FEMA Emergency Management Performance Grant (FY21-25)
- CISA boosted \$625 million (FY21-23)

22

## Other ARP Resources of Note

- \$50 billion for the FEMA Disaster Relief Fund to respond to COVID-19 and other presidentially-declared major disasters and emergencies declared
  - Eligible to reimburse state, local, tribal, and territorial governments:
    - Personal protective equipment.
    - Vaccine distribution.
    - Sanitization of schools, public transit, and courthouses.
    - Health care overtime costs.
    - Other related needs.

23

Questions?

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24