

Guidance on CRF funding

1. Little in the law Sec. 601 Cares Act;

(d) Use of funds. A State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government that—

“(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);

“(2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and

“(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

(f) Inspector General oversight; recoupment.—

“(1) OVERSIGHT AUTHORITY—The Inspector General of the Department of the Treasury shall conduct monitoring and oversight of the receipt, disbursement, and use of funds made available under this section.

“(2) RECOUPMENT.—If the Inspector General of the Department of the Treasury determines that a State, Tribal government, or unit of local government has failed to comply with subsection (d), the amount equal to the amount of funds used in violation of such subsection shall be booked as a debt of such entity owed to the Federal Government. Amounts recovered under this subsection shall be deposited into the general fund of the Treasury.

- The Treasury has issued guidance and updated frequently asked questions- both are with the Committee.
- Treasury staff have also met with various lobbying entities and offered further guidance orally.

CRF - Primarily designed for funding immediate response. Vermont has obligated about \$180 million of \$1.250,000

- **Pandemic Imposed immediate direct financial pressures on the state** – *Federal relief is targeted to that. How broadly it can be used to prepare for the potential second wave is not clear.*
- **Pandemic requires us to adjust to a new world - planning, strategic support and redesign of institutions and services are critical** – *It is difficult but important to use federal resources for this. ...thinking about how we address today’s issues in a way that strengthens our state and economy, preparing us for second waves and leaving us in a stronger place for the economic and social changes we will face.*

Themes

1. When Gray area
 - a. intent language to explain the connection with COVID 19 CRF construct
 - b. Finding other states that have done similar things
2. When allowed
 - a. Think of administration issues
 - i. Can this program feed an existing effort?
 - ii. Do you need new program construct?
 1. Essential services example
 2. Can the program be accomplished within the time frame

Housing Proposals

1. Additional rental vouchers,
 - a. Rental assistance
 - i. Back rent DCF
 - ii. Section 8 State Housing
2. Increased permanent housing for people in motels,
 - a. Gray area – Critical activity but risk
 1. Clear intent language to explain the connection with COVID 19 and guidance
 2. Finding other states that have done
3. More services to low-income Vermonters
 - Mortgage assistance
 - Program language needed
 - implementation concerns