**DEPARTMENT OF THE TREASURY**

 **WASHINGTON, D.C. 20220**

**TO:** Alex Goodenough, Office of Information and Regulatory Affairs

**FROM:** Ryan Law, Deputy Assistant Secretary for Privacy, Transparency, and Records

**SUBJECT:** Justification for Emergency Processing: State and Local Fiscal Recovery Funds (SLFRF) NEUs and non-UGLGs Agreements and Supporting Documentation

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 C.F.R. § 1320.13, the Department of the Treasury (Treasury) requests emergency processing for the State and Local Fiscal Recovery Funds (SLFRF) program’s Non-entitlement units of local government (NEUs) User Guide, revising OMB Control Number 1505-0271.

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Funds, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.

On November 15, 2021, Treasury published updated [Compliance and Reporting Guidance](https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf) that SLFRF recipients need to comply with to fulfill their reporting requirements. Treasury has directly engaged with various interested agencies and stakeholders as well as SLFRF recipients plans to provide input on reporting. Due to policy and technical constraints, and recognition of open questions from recipients and external stakeholders on SLFRF eligible uses, the SLFRF program, in coordination with policy, OGC and ORP leadership, recommended a series of updates to reporting requirements and timelines included in the Compliance and Reporting Guidance.

Concurrently, Treasury has been working on onboarding NEUs based on information provided by States and U.S. territories into the online portal. Since the potential population of NEUs could reach 27,000 it is critical that outreach and documentation be provided as quickly as possible to ensure all NEUs are fully prepared to meet their upcoming reporting requirements. NEUs will be required to confirm their account set-ups as well as provide certain documentation noted in the Compliance and Reporting Guidance. The online portal for NEUs to confirm accounts and start providing the Agreements and Supporting Documentation is expected to go live around December 13, 2021. Due to the need to provide guidance to NEUs in the User Guide in order to properly report through the Treasury reporting portal and address the goal of publishing the data provided by recipients, Treasury requests emergency processing and approval by December 13, 2021. In preparation for the renewal of the OMB approval, Treasury has published a 60-day notice soliciting comments on September 16, 2021 at 86 FR 51727.