

DEPARTMENT OF THE TREASURY WASHINGTON, D.C. 20220

TO: Alex Goodenough, Office of Information and Regulatory Affairs

FROM: Ryan Law, Deputy Assistant Secretary

Office of Privacy, Transparency, and Records

SUBJECT: Justification for Emergency Processing: State and Local Fiscal Recovery Funds (SLFRF) Updated Compliance and Reporting Guidance

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 Compliance and Reporting Guidance, 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 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 <u>Compliance and Reporting Guidance</u> that SLFRF recipients need to comply with to fulfill their reporting requirements.

On January 6, 2022, Treasury released the SLFRF final rule. The final rule was published on the Federal Register on <u>January 27, 2022</u>. The final rule delivers broader flexibility and greater simplicity in the program. Due to the changes introduced by the final rule, a series of updates to the Compliance and Reporting Guidance are required. The revisions incorporate programmatic information previously deferred as the final rule was finalized as well as updates to the information to be provided in the Project and Expenditure Report submissions, including expanded Expenditure Categories and project demographic information.

Treasury needs to start working on updating the reporting portal recipients will use to transmit the necessary information under the final rule. The online portal is expected to go live around March 31, 2022. However, Treasury will need to provide final development requirements to our information technology providers as soon as possible, to properly incorporate the changes from the final rule. In addition, Treasury will need to provide guidance to recipients well ahead of the portal launch date so that they can start gathering the necessary information needed to be reported. As a result of these needs, Treasury requests emergency processing and approval by February 7, 2022 of the updated Compliance and Reporting Guidance. Given the inability to seek public comment during such a short timeframe, Treasury requests a waiver from the requirement to publish notice in the Federal Register seeking public comment.