

U.S. Department of the Treasury  
Information Collection Request – Supporting Statement

Coronavirus State and Local Fiscal Recovery Funds  
OMB No. 1505-0271

**Part A. Justification**

1. Circumstances necessitating the collection of information

Sections 602 and 603 of the Social Security Act (the “Act”), as added by section 9901 of the American Rescue Plan Act of 2021 (“ARPA”), Pub. L. No. 117-2 (Mar. 11, 2021) and amended by the Consolidated Appropriations Act, 2023 (“2023 CAA”), Pub. L. No. 117-328 (Dec. 29, 2022), authorized the Coronavirus State Fiscal Recovery Fund (“CSFRF”) and Coronavirus Local Fiscal Recovery Fund (“CLFRF”), respectively (referred to as the “Coronavirus State and Local Fiscal Recovery Funds” or “SLFRF”). The Coronavirus State and Local Fiscal Recovery Funds provide \$350 billion in total funding for the Department of the Treasury (“Treasury”) to make payments to States (defined to include the District of Columbia), U.S. Territories (defined to include Puerto Rico, U.S. Virgin Islands, Guam, Northern Mariana Islands, and American Samoa), Tribes, Metropolitan cities, Counties, Consolidated Governments, and (through States) Non-entitlement units of local government (“NEUs”) (collectively, the “eligible entities”) to (1) respond to the COVID-19 public health emergency or its negative economic impacts, including providing assistance to households, small business, nonprofits, and impacted industries, such as tourism, travel, and hospitality; (2) respond to workers performing essential work during the COVID-19 pandemic by providing premium pay to eligible workers of the State, U.S. Territory, Tribal government, Metropolitan city, County, or NEUs who are performing essential work or by providing grants to eligible employers that have eligible workers; (3) provide of government services, to the extent COVID-19 caused a reduction of revenues collected in the most recent full fiscal year of the State, U.S. Territory, Tribal government, Metropolitan city, County, or NEU; (4) make necessary investments in water, sewer, or broadband infrastructure; (5) provide emergency relief from natural disasters or the negative economic impacts of natural disasters including temporary emergency housing, food assistance, financial assistance for lost wages, and other immediate needs; (6) use funds for projects eligible under 26 programs administered by the Department of Transportation (“Surface Transportation projects”), or (7) use funds for projects eligible under Title I of the Housing and Community Development Act of 1974 (“Title I projects”).

Section 602(b) of the Act prescribes that \$219.8 billion must be allocated as follows: (1) \$4.5 billion reserved for making payments to the U.S. Territories; (2) \$20 billion reserved for making payments to Tribal governments; and (3) \$195.3 billion reserved for making payments to the 50 States and the District of Columbia.

Section 603(b) of the Act prescribes that \$130.2 billion must be allocated as follows: (1) \$45.57 billion reserved for making payments to Metropolitan cities; (2) \$19.53 billion reserved for making payments to States for distribution to NEUs; and (3) \$65.1 billion reserved for making payments to Counties. A unit of general local government that has formed a consolidated

government or is geographically (in full or in part) within the boundaries of another unit of general local government may receive a distribution from the funds reserved for making payment to a Metropolitan city, NEU, or county, as applicable based on the respective formula for such allocation to a Metropolitan city, NEU, or County.

Section 602(b)(6)(A)(i) provides that, to the extent practicable, Treasury shall make payments to States and U.S. Territories no later than 60 days after receipt of the required certification. Payments to Tribal governments are to be distributed, to the extent practicable, no later than 60 days after March 11, 2021, pursuant to section 602(b)(6)(B).

Section 603(b)(7)(A) provides that, to the extent practicable, Treasury shall make the first tranche of payments to Metropolitan cities, Counties, and States for distribution to NEUs no later than 60 days after March 11, 2021.

### **Acceptance of Award Terms Forms**

Eligible entities that elected to receive payment under SLFRF had to complete and sign the acceptance of award terms form that indicates their agreement to the award terms. There are two acceptance of award terms forms:

- (1) The first is for States, the District of Columbia, and U.S. Territories to complete. This first form includes certification language required by section 602(d)(1) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act, which requires certification that an entity requires the payment under section 602(b) to carry out the activities specified in section 602(c). The other acceptance of award terms form is for the other eligible entities to complete; this second form does not include the certification language as the other entities are not required to make such certification.

### **Recipient Payment Information Form**

In order to ensure proper payment by Treasury, all eligible entities must supply basic identifying and bank routing information. This information should be readily available to officials completing the form.

### **Assurances of Compliance with Title VI of the Civil Rights Act of 1964**

As a condition of receipt of federal financial assistance from Treasury, all non-tribal eligible entities under SLFRF are required to provide assurances pursuant to 31 C.F.R. § 22.5 that they will comply with the requirements of Title VI of the Civil Rights Act of 1964 and Treasury's Title VI implementing regulations, which prohibit discrimination on the basis of race, color, or national origin in all programs or activities receiving federal financial assistance.

### **Tribal Employment Information Form**

Tribes will need to confirm or amend employment information previously provided under the Coronavirus Relief Fund, which will be used to determine distributions to Tribal governments under the SLFRF program. This information should be readily available to officials completing the form.

### **Request for Extensions**

The SLFRF program, established by sections 602 and 603 of the Social Security Act, as added by section 9901 of ARPA and amended by the 2023 CAA, appropriates \$19.53 billion through states to tens of thousands of smaller local governments called NEUs. Pursuant to ARPA, states are required to distribute SLFRF funds to NEUs within 30 days of receiving payment from Treasury, and also directs Treasury to grant an initial 30-day extension if a state certifies an “excessive administrative burden” in writing before the end of the 30-day distribution period. It also allows a state to request further 30-day extensions by submitting a request, that, among other requirements, details a state plan that is designed to distribute funds by the deadline. Treasury can grant these extensions at the discretion of the Secretary.

Treasury has created a streamlined process for a second 30-day extension of the distribution deadline by providing a standardized form for states/territorial governments to use. This does not constitute a new collection of information since states/territories are already permitted by the statute to request this extension in writing. The new form merely provides a simple and consistent format for them to do so, which should reduce the burden on respondents for making this request.

### **2022 Final Rule**

On January 6, 2022, Treasury released the SLFRF 2022 final rule. The final rule delivers broader flexibility and greater simplicity in the program, including:

- 1) Offering the standard allowance for revenue loss or complete a full-revenue calculation;
- 2) Clarifying that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response;
- 3) Providing an expanded set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic;
- 4) Streamlining options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work; and
- 5) Broadening eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adding additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

The final rule was posted in the Federal Register on January 27, 2022, and became effective April 1, 2022.

### **2023 Interim Final Rule**

On August 10, 2023, Treasury released the SLFRF 2023 interim final rule that implements the three eligible use categories added by Congress in the 2023 CAA, by providing the following:

- 1) A framework for how recipients may use SLFRF funds to provide emergency relief from a natural disaster that has occurred or is expected to occur imminently, or a natural disaster that is threatened to occur in the future;
- 2) Three pathways for how recipients may use SLFRF funds for Surface Transportation projects, subject to additional statutory requirements; and

- 3) An illustrative list of the Community Development Block Grant and ICDBG activities that are eligible Title I projects, for which recipients may use SLFRF funds subject to additional statutory requirements.

Supplemental Guidance for Environmental Review Compliance for SLFRF Title I Projects Under the Housing and Community Development Act of 1974 includes instructions for satisfying environmental review requirements of the National Environmental Policy Act (NEPA) that apply to Title I projects. This includes submission of an environmental review certification form that must be approved by Treasury before using SLFRF funds.

### **2023 Obligation Interim Final Rule**

On November 9, 2023, Treasury released the Obligation interim final rule that revised the definition of “obligation” in Treasury’s implementing regulations for the SLFRF program and provided related guidance to give additional flexibility and clarity to recipients to support their use of SLFRF award funds.

### **Compliance and Reporting Guidance**

In February 2022, Treasury published the updated [Compliance and Reporting Guidance](#) with which SLFRF recipients must comply to fulfill their reporting requirements under the SLFRF program. Treasury continues to update the Compliance and Reporting Guidance, as needed, including to address the three new eligible use categories described in the 2023 interim final rule and the additional guidance and flexibility outlined in the Obligation interim final rule. As noted in the Compliance and Reporting Guidance, recipients are required to fulfill the following reporting requirements:

- The first Project and Expenditure Report for certain recipients was due January 31, 2022. All recipients were required to submit a Project and Expenditure Report by April 30, 2022. Future reporting will vary on a quarterly or annual basis depending on the recipient’s “reporting tier” provided in the Compliance and Reporting Guidance.
- The first Recovery Plan Performance Report (“Recovery Plan”) was due August 31, 2021, or 60 days after receiving SLFRF funding. The next Recovery Plan was due for certain recipients on July 31, 2022, and annually thereafter.
- NEUs were asked to provide certain information once their accounts were established in Treasury’s online portal and prior to the due date of their first Project and Expenditure Report (due April 30, 2022).

### **Annual Recovery Plan Performance Report**

The Recovery Plan is required to be published annually on the recipient’s website and provided to Treasury. The Recovery Plan will contain detailed project performance data, including information on efforts to improve equity and engage communities. As noted in the Compliance and Reporting Guidance, Treasury shared a recommended template covering the main topics that recipients may modify as appropriate for their jurisdiction.

### **Non-entitlement Units of Government (NEU) Template**

States and territories are required to provide updates to Treasury on distributions to individual NEUs, including whether the NEU has 1) received funding; 2) declined funding and requested a transfer to the State; or 3) not taken action on its funding.

## **Units of general local government within counties that are not units of general local government (Non-UGLG) Template**

States and territories are required to provide updates to Treasury on distributions to Non-UGLGs, including whether the Non-UGLG has received the funding. Recipients must gather the information requested in the Non-UGLG template and upload the information into the Treasury reporting portal.

### **NEU Agreements and Supporting Documents**

NEUs are required to provide certain documentation in accordance with the Compliance and Reporting Guidance. This information needs to be provided to Treasury prior to the submission by NEUs of their first Project and Expenditure Report due April 30, 2022.

### **Project and Expenditure Report**

The Project and Expenditure Report is required to be submitted by recipients quarterly or annually based on their “reporting tier” provided in the Compliance and Reporting Guidance. The first quarterly reports were due January 31, 2022 for certain recipients. The first annual reports were due April 30, 2022. The Project and Expenditure Report requires recipients to provide detailed project information, including obligations and expenditures, subaward and subrecipient information, and programmatic data for certain Expenditure Categories. In July 2024, recipients that elect to take advantage of the flexibility for costs associated with fulfilling administrative and other legal requirements of the SLFRF program after the obligation deadline has passed, as described in the 2023 Obligation interim final rule, will be required to report estimates for such costs as outlined in the updated Compliance and Reporting Guidance.

#### **2. Use of the data**

The information reported will allow Treasury to ensure proper payments to eligible entities.

The information in the Recovery Plan and the Project and Expenditure Report will allow Treasury to obtain a status, as of the date of reporting, of the recipient’s use of SLFRF award funds. Treasury will make the data submitted by recipients publicly available to address transparency and share information about program status.

#### **3. Use of information technology**

Treasury will manage the payment, certification submission and reporting submission process with the use of existing and widely available technology such as e-mail. When requesting bank routing information or other sensitive information, Treasury will provide entities with additional submission guidance to ensure privacy and security. If entities are not able submit sensitive information electronically, Treasury will provide alternative submission options, such as fax or mail.

#### **4. Efforts to identify duplication**

The information collections are under new statutory mandates. The information is not known to overlap with any other data collected under any other information collections at Treasury. Furthermore, the information collection is tailored to leverage data that already exists and require only additional data that is necessary for making payments to eligible entities.

5. Impact on small entities

This collection of information will minimally affect small entities. However, Treasury will attempt to minimize the burden on small entities to the greatest extent practicable, such as by providing assistance to small entities.

6. Consequences of less frequent collection and obstacles to burden reduction

If the eligible entities are unable to provide their completed Certification, Acceptance of Award Terms form, and Recipient Payment Information form, Treasury will not be able to verify the eligibility of those entities or collect required reporting.

For the NEU template and the Non-UGLG template, Treasury will collect only the information required to collect their reporting. The eligible entities will submit a limited amount of information that should be readily available to the entity in the ordinary course of business.

If the data in the Recovery Plan are not collected, Treasury may not be able to properly assess a recipient's compliance under the program guidelines or report on how the funds were used to Congress, the public, and other oversight bodies.

If the data in the Project and Expenditure Report are not collected, Treasury may not be able to properly assess a recipient's current status of use of SLFRF award funds in compliance with program guidelines or report on how the funds were used to Congress, the public, and other oversight bodies. In addition, Treasury will not be able to provide the subaward information required by FSRS.

7. Circumstances requiring special information collection

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

8. Solicitation of comments on information collection and justification for expedited processing pursuant to 5 C.F.R. § 1320.13

As this is being submitted under emergency review procedures in connection with an interim final rule, no advanced notice and public comment has been conducted. However, comments on the reporting forms have been collected in connection with previous ICR submissions. Additionally, Treasury has solicited comments for 60 days on the Interim Final Rule published Sept. 20, 2023 (88 FR 64986).

9. Provision of payments to respondents

No payments or gifts are provided to respondents.

10. Assurance of confidentiality

Information collected through reporting carries no assurance of confidentiality, consistent with Treasury’s commitment to transparency and accountability, and with the Freedom of Information Act and other applicable laws.

11. Justification of sensitive questions

No sensitive questions will be asked of eligible entities.

12. Estimate of the hour burden of information collection

The Recipient Payment Information form, Acceptance of Award Terms form, Title VI Assurances, Tribal Employment Information, Request for Extensions, Recovery Plans, NEU Distribution Templates, Non-UGLG Distribution Templates, Local Government Transfer Forms, NEU and non-UGLG Agreements, and the Project and Expenditure Report burden estimates are as follows:

<b>Reporting</b>	<b># Respondents</b>	<b># Responses Per Respondent</b>	<b>Total Responses</b>	<b>Hours per response</b>	<b>Total Burden in Hours</b>	<b>Cost to Respondent (\$48.80 per hour*)</b>
Recipient Payment Form	5,050	1	5,050	.25 (15 minutes)	1,262.5	\$61,610
Acceptance of Award Terms	5,050	1	5,050	.25 (15 minutes)	1,262.5	\$61,610
Title VI Assurances	5,050	1	5,050	.50 (30 minutes)	2,525	\$123,220
Tribal employment information form	584	1	584	.75 (45 minutes)	438	\$21,374
Request for Extension Form	96	1	96	1	96	\$4,685
Annual Recovery Plan Performance	430	1	430	100	43,000	\$2,098,400

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Report						
NEU Distribution Template	55	2	110	10	1,100	\$53,680
Non-UGLG Distribution Template	55	2	110	5	550	\$26,840
Local Government Transfer Form	1,500	1	1,500	1	1,500	\$73,200
NEU Agreements and Supporting Documents	27,000	1	27,000	.5	13,500	\$658,800
Project and Expenditure Report (quarterly)	2,000	4	8,000	6	48,000	\$2,342,400
Project and Expenditure Report (annually)	26,000	1	26,000	6	156,000	\$7,612,800
NEPA Environmental Review Certification for Title I Projects	40	1	40	2	80	\$3,904
<b>Total</b>	<b>72,910</b>		<b>79,020</b>		<b>269,315</b>	<b>\$13,412,097</b>

\* Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Accountants and Auditors, on the Internet at <https://www.bls.gov/ooh/business-and-financial/accountants-and-auditors.htm> (visited March 28, 2020). Base wage of \$33.89/hour increased by 44% to account for fully loaded employer cost of employee compensation (benefits, etc.) for a fully loaded wage rate of \$48.80.

13. Estimated total annual cost burden to respondents

There are no annualized capital/startup costs for the eligible entities to provide the information in the form or certification.

14. Estimated cost to the federal government

As this is a new program being set up in response to emergency circumstances, federal costs have not been estimated yet.

15. Reasons for change in burden

This submission is to address the reporting and certification requirements for the NEPA environmental reviews for Title I projects, as outlined in the 2023 interim final rule, and the new reporting in connection with the costs associated with satisfying the administrative and other legal requirements of the SLFRF program after the obligation deadline has passed, as implemented in the 2023 Obligation interim final rule. Recipients using funds for Title I projects must satisfy NEPA environmental review requirements based on the procedures set forth in Title I of the Housing and Community Development Act, which Treasury anticipates will add up to two hours of reporting for such recipients. Treasury does not anticipate that the fields associated with cost estimates for the administrative and other legal requirements will increase the burden associated with the Project and Expenditure Report or the Recovery Plan Performance Report.

16. Plans for tabulation, statistical analysis, and publication

Treasury plans to publish the data for disbursements.

Treasury plans to publish the Recovery Plans on Treasury's public website. As noted in the Compliance and Reporting Guidance, SLFRF recipients must post on their public-facing websites the Recovery Plan submitted to Treasury. As such, the information submitted by the recipients is already accessible to the public through other means.

Treasury plans to publish the reporting data submitted by recipients, including information provide in the Project and Expenditure Report.

The information is planned to be displayed by recipient on Treasury's website. No complex analytical techniques are being used to post the information as the information will be a direct extract of the information reported through Treasury's online portal.

17. Display of the expiration date for OMB approval

Treasury plans to display the expiration date for OMB approval of the information collection on all instruments.

18. Exceptions to certification requirement

There are no exceptions to the certification statement.

**Part B. Describe the use of statistical methods such as sampling or imputation**

This collection does not employ statistical methods.