COVID-19 Updates and Resources for Local Governments

Thursday, July 9, 2020
COVID-19 Updates and Resources for Local Governments - Fifth Webinar
Thursday, July 9, 2020
2 p.m. – 3 p.m.

I. Welcome & Introductions
Heather Frick, Bureau Director, Bureau of Local Government and School Services, Department of Treasury

II. CARES Act: Water Utility Assistance
Lewis Roubal, Chief Deputy Director for Opportunity, Department of Health and Human Services
Josh Rivera, Economic Stability Administration Policy Director, Department of Health and Human Services

III. CARES Act: First Responders Hazard Pay Premiums Program
Evah Cole, Division Administrator, Revenue Sharing and Grants Division, Department of Treasury

IV. CARES Act: Public Safety and Public Health Payroll Reimbursement Program
Evah Cole, Division Administrator, Revenue Sharing and Grants Division, Department of Treasury

V. Question and Answer

VI. Closing Remarks
Heather Frick, Bureau Director, Bureau of Local Government and School Services, Department of Treasury
Welcome & Introductions

Heather Frick
Bureau Director
Bureau of Local Government and School Services,
Department of Treasury
Water Assistance

**Lewis Roubal,**
Chief Deputy Director,
Michigan Department of Health and Human Services

**Josh Rivera,**
Economic Stability Administration Policy Director,
Michigan Department of Health and Human Services
Water Assistance
Senate Bill 690

Appropriates $25 million for municipal water system assistance
Water Utility Assistance

**Purpose**
Retain water service for food assistance eligible residential households through December 1, 2020

**Program**
Reimburse water utility providers for forgiving arrearages* and fees incurred during the COVID-19 state of emergency and for providing a 25% discount on the total water bill for eligible customers.

**Conditions on Program Participation**

- No water shutoffs for 90 days beyond when customer receives assistance
- Forgive 25% of water bill sent to residential customer before December 1, 2020
- No collections and no action that affects residential customer’s credit score
- Notify client of discount provided and bill forgiveness
- Benefits in addition to local water utility assistance program

*Maximum reimbursement for each arrearage is $700.00*
Implementation

Priority: Ensure timely & efficient delivery of relief with minimal action on part of residential customer

CAA Partnership

Partner with Community Action Agencies (CAAs) to be the implementing partner.

CAAs will handle reaching out to providers, receiving and vetting eligibility of residential customers, and disbursing funds

Strengthen SER

Provide residents an option for receiving relief in opt-out jurisdictions

Increase the SER cap to $700.
First Responders Hazard Pay Premiums Program

Evah Cole
Division Administrator,
Revenue Sharing and Grants Division,
Michigan Department of Treasury
CARES Act Basics

CORONAVIRUS RELIEF FUND
The Coronavirus Relief Fund (CRF) provides that payments from the Fund may only be used to cover costs that meet three criteria:

**Requirement 1:**
Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);

**Requirement 2:**
Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

**Requirement 3:**
Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.
Can payroll expenses, which are already budgeted in a most recently approved budget as of March 27, 2020, be funded by CRF funds?

Yes, CRF money can be used for payroll expenses for public safety and public health, whose services are “substantially dedicated” to mitigating or responding to COVID-19 public health emergency

In addition, personnel that were diverted to a “substantially different” function, due entirely to the COVID-19 public health emergency, to mitigating or responding to COVID-19 are allowable expenses
It is up to each jurisdiction to define its own thresholds of “substantial dedication” and to maintain clear documentation of the justification for that decision.

The State of Michigan, in its own use of the CRF funding, is utilizing the public safety presumption that all payroll expenses are presumed to be related to mitigating the COVID pandemic.
First Responder Hazard Pay Premiums Program (FRHPPP)

2020 PUBLIC ACT 123, SECTION 601
First Responder Hazard Pay Premiums (FRHPPP)

Program Overview

Purpose
• To reimburse/pay for qualifying first responder hazard pay premiums provided to first responders who have performed hazardous duty or work involving physical hardship related to COVID-19

Available Program Amount
• $100,000,000

Maximum Available Limits
• $1,000 per eligible employee
• $5,000,000 per applicant
Eligible Applicants

- Cities
- Villages
- Townships
- Counties
- Public Airport Operators
- Ambulance Operations licensed under section 20920 of the Public Health Code (1978 PA 368)
Program Overview

Application Period
• July 7 – September 30, 2020

Distribution Methodology
• Reimbursements and payments will be on a first-come, first-served basis
• An Application is deemed submitted when pages 1 – 15 have been completed and submitted to Treasury

Distributions
• November 14, 2020 (no later than)
Program Overview

Eligible Recipients

• Law Enforcement Officers
• Firefighters
• Emergency Medical Technicians (EMTs)
• Paramedics
• 9-1-1 Operators
• Local Unit of Government Corrections Officers
• Airport Public Safety Officers
• Eligible personnel associated with ambulance operations licensed under section 20920 of the Public Health Code (1978 PA 368)
• Private EMTs and paramedics who contract with municipalities or hospitals, if the hazard pay premiums are paid through the applicant.
Expenditures

• Incurred – The date the service occurs
  • Payments must be made by September 30, 2020

• Hazard Pay includes only the premium paid to an eligible recipient

• Do Not Include:
  • Any hazard pay premiums requested to be reimbursed under the Public Safety and Public Health Payroll Reimbursement Program or any other funding source
  • Fringes
  • Payroll Taxes
Program Overview

Requirements to Apply for Funding

- Must register with Federal System for Award Management (SAM) prior to submitting an Application to Treasury
- Submit to Treasury - Application Packet Pages 1 -15
  - All pages initialed and dated
  - Form 5723 completed
  - Hazard Pay Premiums Payment Report
  - Certification signed and notarized
Program Overview

Application Submissions

• Due by 11:59 pm on September 30, 2020

• Email
  • Treas-CARES@michigan.gov

• Fax
  • 517-335-3298
Public Safety and Public Health Payroll Reimbursement (PSPHPR) Program

2020 PUBLIC ACT 123, SECTION 604
Purpose

• To reimburse for eligible public safety and public health payroll expenditures under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136

Available Program Amount

• $200,000,000
Eligible Applicants

• Cities
  • Excluding Detroit
• Villages
• Townships
• Counties
  • Excluding Kent, Macomb, Oakland, Wayne

• Note: Cities, Villages, Townships, and Counties that received a direct allocation from the CARES Act are not eligible for this program
Funding Rounds

• Round One
  • Open Now until July 17 at 11:59 pm
  • Public safety and public health payroll expenditures incurred during the months of April and May 2020

• Round Two – if funding is available
  • Treasury will announce when the round opens
  • Public safety and public health payroll expenditures incurred during the months of April through July 2020
Distributions
• Round One
  • September 18 (no later than)

• Round Two
  • November 7 (no later than)

• Payments will be prorated if eligible submitted expenditures exceed the program funding
  • Prorated based on each local unit’s proportionate share of expenditures submitted
Program Overview

Expenditures
• Incurred – The date the service occurs
  • Payments need not be made during that time
    • i.e. An employee works May 25 – 31 but most likely will not be paid until June – the payroll expenses is incurred in May

• Do Not Include
  • Bonuses or Lump sum payments except for Hazard Pay and Overtime
  • Retirement payouts
  • Long-Term Leave and FMLA not due to COVID-19
Eligible Expenditures

- Public safety and public health payroll expenditures that have not or will not be reimbursed under the First Responder Hazard Pay Premiums Program (FRHPPP) or by any other federal funds
- Overtime
- Normal Leave (Sick and Vacation)
- Long-Term Leave and FMLA due to COVID-19
- Hazard Pay – cannot also request under the First Responder Hazard Pay Premiums Program
- Fringes
  - Employer sponsored insurance premiums
  - Employer paid payroll taxes
  - Employer retirement contributions
Contracts

• Federal grants do not allow recipients to be reimbursed from two places for the same expense
• To receive reimbursement under the PSPHPR program, a local unit cannot receive funding for the payroll expenses from another local unit
• If a local unit has received funding from another local unit and wants to seek reimbursement for those payroll costs under the PSPHPR program, the local unit must first refund the payroll portion of the contract
Under the Public Safety and Public Health Payroll Reimbursement Program, a County, City, Village, or Township can seek reimbursement for any payroll costs that are not funded by other local units of government. If payments for these services have already been received, the county can seek reimbursement through the program if it refunds the associated fees that were related to payroll, as illustrated in the below example.

County A provides police service for a Township.

The County spent a total of $5.0 million on police costs, of which $4.5 million is attributable to payroll costs for April and May 2020. The county received $2.2 million from the Township, of which $2.0 million was for payroll costs.

Under the Public Safety and Public Health Payroll Reimbursement Program, the County’s eligible unreimbursed expenses is $2.5M. The County must refund the township’s payment for payroll expenses of $2.0 million, from non-federal funds, in order to seek full reimbursement of the $4.5 million payroll costs.

For County A to be eligible for $4.5 million of PSPHPR funding, it must refund $2.0 million to Township.
Requirements to Apply for Funding

• Must register with Federal System for Award Management (SAM)
  • Round 1 – Must register by July 26, 2020
  • Round 2 – Must register prior to submitting an Application to Treasury

• Submit to Treasury - Application Packet Pages 1 -15
  • All pages initialed and dated
  • Form 5722 completed
  • Payroll Summary Report
  • Certification signed and notarized
Application Submissions

• Due by 11:59 pm on July 17, 2020

• Email
  • Treas-CARES@michigan.gov

• Fax
  • 517-335-3298
Contact Information

Phone: 517-335-0155
Email: Treas-CARES@michigan.gov
www.Michigan.gov/revenuesharing
Questions
Contact & Website Information

Websites:

- [Treasury Local Government Website](http://www.Michigan.gov/Treasury)
- [Treasury COVID-19 Updates for Local Governments and School Districts](http://www.Michigan.gov/Treasury)

Contact Information:

- View [Treasury Local Government Contact List](http://www.Michigan.gov/Treasury)
- Michigan Finance Authority (MFA): [TreasMFA@michigan.gov](mailto:TreasMFA@michigan.gov)
- Revenue Sharing: [TreasRevenueSharing@michigan.gov](mailto:TreasRevenueSharing@michigan.gov)
- Treasury’s CARES Act programs: [Treas-CARES@michigan.gov](mailto:Treas-CARES@michigan.gov)
Upcoming Association CARES Act-related Webinars

**MML**
- Monday Morning Live: Monday, July 13 at 12 p.m.
- ServeMICity Office Hours: Monday, July 13 at 1:30 p.m. (for MML members)

Register at: mml.org/events/calendar.htm

**MAC’s Governmental Affairs Team**
- Monday, July 13 at 11 a.m.
  Register at: https://attendee.gotowebinar.com/register/3312688205100823311

**MTA**
- Friday, July 10 at 1 p.m.
  Register at: https://us02web.zoom.us/webinar/registrer/VVN_9EbdN-SS-s20ode5iuJw