

Local Government Training Program Eligibility: Economic Impact Expenses



Objectives

- Economic Impact Overview
- Examples of Eligible Expenses
- Reporting Requirements





Economic Impact: Overview

Economic Impact: Overview

- "to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality."
- <u>Eligibility Test</u>:
 - A negative impact or harmful consequences of the economic disruption resulting from or exacerbated by the COVID-19 public health emergency; and
 - 2. The intended program, service, or other intervention would **address and specifically responds to the harmful consequences**.



Economic Impact: <u>Overview</u>

• <u>Tranches of Eligible Expenditures Identified by Treasury:</u>

Workers & Families:

- Assistance to unemployed workers and job training.
- Food, housing, cash, directed assistance to households.
- Survivor's benefits for family of COVID-19 victims.

Small Businesses:

- Loans/grants to mitigate financial hardship.
- Loans/grants/direct assistance to implement COVID-19 prevention or mitigation tactics.
- Technical assistance.



Economic Impact: <u>Overview</u>

• <u>Tranches of Eligible Expenditures Identified by Treasury</u>:

Public Sector:

- Rehire staff.
- Replenish state UI funds.
- Administer economic relief programs.

Impacted Industries:

- Tourism, hospitality, travel
- Other similarly affected sectors.





Economic Impact: Examples of Eligible Expenses

Food program support

- Description: This program is intended to expand the function and support the increased load of nutrition assistance programs utilized during the COVID-19 pandemic. Many people were laid off or had their hours significantly cut due to the financial impact of COVID on businesses. This sudden loss of income resulted in the inability to afford healthy foods for individuals and families. This program plays an integral role in helping people to avoid food scarcity. Additionally, these funds may be used to increase the functionality of such programs to ordering groceries online or having groceries delivered.
- Documentation: Invoice, Proof of payment (receipt), Proof of delivery (if applicable), Detailed narrative describing how the expenses submitted were necessary as a result of the COVID-19 public health emergency
- **Expenditure Category:** 2.1 Household Assistance: Food Programs
- Programmatic Reporting Data: •Brief description of structure and objectives of assistance program(s) (e.g., nutrition assistance for low-income households) Number of individuals served (by program if recipient establishes multiple separate household assistance programs) Brief description of recipient's approach to ensuring that aid to households responds to a negative economic impact of Covid-19, as described in the Interim Final Rule



- Marketing Campaign to Promoting Tourism and Hospitality industries
 - Description: This program would promote local economic recovery and economic development to an industry impacted due directly to the restricted travel mandates necessary to prevent the spread of COVID-19. Funds would be used to promote tourism and adapt services for potential loss of income to tourism, travel, and hospitality business and employees. This includes promotion for state fairs, and local festivals, as well as music and entertainment events.
 - Documentation: Invoice, Proof of payment (receipt), Proof of delivery (if applicable), Detailed narrative describing how the expenses submitted were necessary as a result of the COVID-19 public health emergency
 - **Expenditure Category:** 2.11 Aid to Tourism, Travel, or Hospitality
 - Programmatic Reporting Data: •Brief narrative description of how the assistance provided responds to negative economic impacts of the COVID-19 pandemic • For each subaward: •Sector of employer (Note: additional detail, including list of sectors to be provided in a users' guide) •Purpose of funds (e.g., payroll support, safety measure implementation)



Financial assistance for household internet access

- Description: This program will help families and households struggling to afford internet service during the COVID-19 pandemic. This new benefit will connect eligible households to jobs, critical healthcare services, virtual classrooms. This program plays an integral role in helping individuals and families, including people of color who are disproportionately represented among those in underserved areas, people with limited English proficiency and people with disabilities.
- Documentation: Invoice, Proof of payment (receipt), Proof of delivery (if applicable), Detailed narrative describing how the expenses submitted were necessary as a result of the COVID-19 public health emergency
- **Expenditure Category:** 2.4 Household Assistance: Internet Access Programs
- Programmatic Reporting Data: •Brief description of structure and objectives of assistance program(s) (e.g., nutrition assistance for low-income households) Number of individuals served (by program if recipient establishes multiple separate household assistance programs) Brief description of recipient's approach to ensuring that aid to households responds to a negative economic impact of Covid-19, as described in the Interim Final Rule.



Job training and certification

- **Description**: This program is for job training to address negative economic or public health impacts experienced due to a worker's occupation or level of training. This includes assistance to unemployed workers, including services like job training to accelerate rehiring of unemployed workers; these services may extend to workers unemployed due to the pandemic or the resulting recession.
 - Documentation: Invoice/ Receipt supporting expenses claimed, Shipping/ Receiving documents showing date of receipt if applicable, check copy or other proof of payment, Detailed narrative describing expenses submitted were necessary as a result of the COVID-19 public health emergency.
 - **Expenditure Category**: 2.7 Job Training assistance
 - **Programmatic Reporting Data**: N/A



Small Business Loans and Grants

- **Description:** Program to provide forgivable loans to small businesses in order to mitigate financial hardship such as declines in revenues or impacts of periods of business closure. As of April 2021, approximately 70 percent of small businesses reported that the pandemic has had a moderate or large negative effect on their business, and over a third expect that it will take over 6 months for their business to return to their normal level of operations. This negative outlook is likely the result of many small businesses having faced periods of closure and having seen declining revenues as customers stayed home. In general, small businesses can face greater hurdles in accessing credit, and many small businesses were already financially fragile at the outset of the pandemic.
 - Documentation: Invoice/ Receipt supporting expenses claimed, Shipping/ Receiving documents showing date of receipt if applicable, check copy or other proof of payment, Detailed narrative describing expenses submitted were necessary as a result of the COVID-19 public health emergency.
 - **Expenditure Category**: 2.9 Small Business Economic Assistance
 - Programmatic Reporting Data: Brief Description of the structure of assistance programs, Number
 of small businesses served, Brief description of recipients' approach to ensuring that aid to small
 businesses responds to ensuring that aid to small businesses responds to a negative economic
 impact of COVID-19 as described in the interim rule.



Non-Profit Organization Assistance

- Description: Non-profits, which provide vital services to communities, have faced economic and financial challenges due to the pandemic. The purpose of this program is to issue forgivable loans to Non-Profits in order to mitigate financial hardship such as declines in revenues or impacts of periods of closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs. The pandemic and the necessary actions taken to control the spread of COVID had a severe impact on households, including in particular low-income workers and communities and people of color. While eligible uses under sections 602(c)(1)(A) and 603(c)(1)(A) provide flexibility to recipients to identify the most pressing local needs, Treasury encourages recipients to provide assistance to those households, businesses, and non-profits in communities most disproportionately impacted by the pandemic.
- Documentation: Invoice/ Receipt supporting expenses claimed, Shipping/ Receiving documents showing date of receipt if applicable, check copy or other proof of payment, Detailed narrative describing expenses submitted were necessary as a result of the COVID-19 public health emergency.
- **Expenditure Category:** 2.10 Aid to Nonprofit Organizations
- **Programmatic Reporting Data**: N/A





Reporting Requirements

Economic Impact: <u>Reporting Requirements Reminders</u>

- Expenses are reported on a project-by-project basis.
- Projects must align to one expenditure category ONLY.
- Required reporting for each project include:
 - Project information
 - Obligation and expenditure amounts
 - Subaward types and amounts
 - Programmatic data (if applicable)
 - Project demographic distribution (if applicable)



Economic Impact: <u>Expenditure Categories</u>

- 2.1 Household Assistance: Food Programs *^
- **2.2 Household Assistance:** Rent, Mortgage, Utility Aid *^
- **2.3 Household Assistance:** Cash Transfers *^

2.4 Household Assistance:

Internet Access Programs *^

2.5 Household Assistance: Eviction Prevention *^

- 2.6 Unemployment Benefits or Cash Assistance to Unemployed Workers *^
- 2.7 Job Training Assistance *^
- 2.8 Contributions to UI Trust
- 2.9 Small Business Economic Assistance (general) *^
- **2.10** Aid to Nonprofit Organizations*

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidencebased interventions

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities



Economic Impact: <u>Expenditure Categories</u>

- 2.11 Aid to Tourism, Travel, or Hospitality
- 2.12 Aid to Other Impacted Industries
- 2.13 Other Economic Support*^
- 2.14 Rehiring Public Sector Staff

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidencebased interventions

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities



Economic Impact: Programmatic Data

• Expense Categories 2.1-2.5 Household Assistance:

- Brief description of structure and objectives of assistance program(s) (e.g., nutrition assistance for low-income households)
- Number of individuals served (by program if recipient establishes multiple separate household assistance programs)
- Brief description of recipient's approach to ensuring that aid to households responds to a negative economic impact of Covid-19, as described in the Interim Final Rule



Economic Impact: Programmatic Data

- 2.9 Small Business Economic Assistance (General):
 - Brief description of the structure and objectives of assistance program(s) (e.g., grants for additional costs related to Covid-19 mitigation)
 - Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)
 - Brief description of recipient's approach to ensuring that aid to small businesses responds to a negative economic impact of COVID-19, as described in the Interim Final Rule



Economic Impact: <u>Programmatic Data</u>

• 2.11 Aid to Tourism, Travel, Hospitality:

- Brief narrative description of how the assistance provided responds to negative economic impacts of the COVID-19 pandemic
- For each subaward:
 - Sector of employer (Note: additional detail, including list of sectors to be provided in a users' guide)
 - Purpose of funds (e.g., payroll support, safety measure implementation)

• 2.12 Aid to Other Impacted Industries:

- If aid is provided to industries other than travel, tourism, and hospitality (EC 2.12), a description
 of pandemic impact on the industry and rationale for providing aid to the industry
- Brief narrative description of how the assistance provided responds to negative economic impacts of the COVID-19 pandemic

• 2.14 Rehiring Public Sector Staff:

Number of FTEs rehired by governments under this authority





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