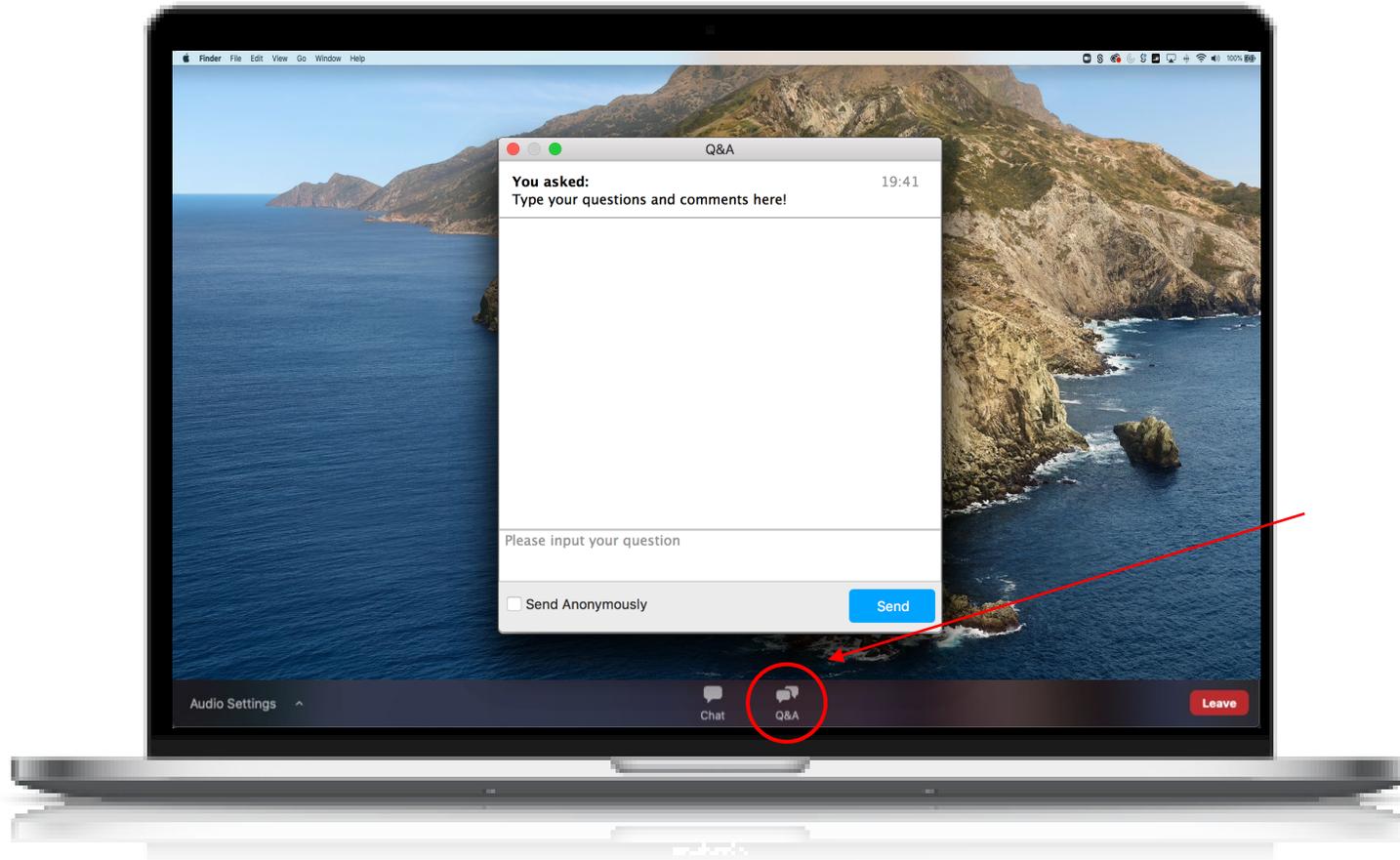




Department of
**Finance &
Administration**

Local Government Training Program

Eligibility: Premium Pay



Q&A

You asked: 19:41
Type your questions and comments here!

Please input your question

Send Anonymously Send

Audio Settings ^

Chat

Q&A

Leave

Objectives

- Premium Pay Overview
- Examples of Eligible Expenses
- Reporting Requirements



Premium Pay: Overview

Premium Pay: Overview

- Funds may be used “to respond to workers performing essential work during the COVID–19 public health emergency by **providing premium pay to eligible workers** of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.”

Premium Pay: Overview

- Eligible workers are those “needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as each chief executive officer of a metropolitan city, nonentitlement unit of local government, or county may designate as critical to protect the health and well-being of the residents of their metropolitan city, nonentitlement unit of local government, or county.”

Premium Pay: Overview

- Critical infrastructure sectors include healthcare, public health and safety, childcare, education, sanitation, transportation, and food production and services.
- Examples of eligible workers in critical infrastructure sectors include:
 - Staff at nursing homes, hospitals, and home care settings;
 - Workers at farms, food production facilities, grocery stores, and restaurants;
 - Janitors and sanitation workers;
 - Truck drivers, transit staff, and warehouse workers;
 - Public health and safety staff;
 - Childcare workers, educators, and other school staff;
 - Social service and human services staff.

Premium Pay: Overview

- Governments have the authority to designate additional sectors as critical, but governments must be able to show that the sector is critical to protect health and well-being of residents.
- Premium pay may be granted to essential workers in critical sectors. Essential workers include workers who:
 - Regularly perform in person work;
 - Interact with others at work;
 - Or physically handle items handled by others.
- Premium pay must “respond to” workers providing essential work.

Premium Pay: Overview

- Premium pay “responds to” essential workers if it addresses the “disparity between the critical services and risks taken by essential workers and the relatively low compensation they tend to receive in exchange.”
- Governments should prioritize compensation of lower income eligible workers that perform essential work.

Premium Pay: Overview

- Amount of premium pay is limited to \$13 per hour for work performed during the public health emergency and is not to exceed \$25,000 per eligible worker.
- Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers, which must be provided to Treasury in writing and made publicly available.

Premium Pay: Overview

- Premium pay must be granted in addition to regular wages or other remuneration the worker receives.
- Premium pay may be granted retroactively for work already performed during the public health emergency but must have been paid on or after March 3, 2021.

Premium Pay: Summary

Eligible workers:

- Must work in critical sector;
- Must be considered “essential.”

Premium pay:

- Must “respond to” the needs of essential workers;
- May not exceed \$13 per hour for work performed during the pandemic;
- May not exceed \$25,000 per worker.

Premium pay that increases a worker’s total pay above 150% of the greater of the state or county average annual wage requires additional justification.



Premium Pay:
Examples of Eligible Expenses

Premium Pay: Eligible Expenses

- **Premium Pay for Public Transit Workers**

- **Description:** The county will provide premium pay to all public transit workers who interacted with members of the public during the COVID-19 public health emergency. Premium pay of up to \$5,000 per employee will be provided in the amount of \$10 per hour of work performed during from March 1, 2020 to October 31, 2021. Upon examination of payroll records, no employee's compensation will exceed 150% of the greater of the state or county average annual wage after the maximum amount of premium pay is granted.
- **Documentation:** Proof of payment, payroll documentation showing hours worked for covered period, Comparison of actual wages to average annual wage, documentation of evaluation of eligible workers.
- **Expenditure Category:** 4.1 Public Sector Employees
- **Programmatic Reporting Data:** List of critical sectors, number of workers to be served

Premium Pay: Eligible Expenses

- **Premium Pay for Cafeteria Workers**

- **Description:** While schools were shut down and learning was taking place remotely, the schools continued to prepare and provide lunch through a drive-through pick-up. Cafeteria workers who worked to prepare lunches and worked the drive-through during this period will receive premium pay in the amount of \$10 per hour up to \$5,000 per employee. Upon examination of payroll records, no employee's compensation will exceed 150% of the greater of the state or county average annual wage after the maximum amount of premium pay is granted.
- **Documentation:** Proof of payment, payroll documentation showing hours worked for covered period, Comparison of actual wages to average annual wage, documentation of evaluation of eligible workers.
- **Expenditure Category:** 4.1 Public Sector Employees
- **Programmatic Reporting Data:** List of critical sectors, number of workers to be served

Premium Pay: Eligible Expenses

- **Grants to Restaurants to Provide Premium Pay to Employees**
 - **Description:** The city will provide grants to restaurants who were open during the public health emergency to provide premium pay to restaurant employees. Restaurants will be eligible to receive \$2,500 per employee. Restaurants will be required to show proof of number of employees and certify that no employees will receive compensation exceeding \$13 per hour of work performed during the public health emergency. Based on the average compensation for restaurant workers in the area, the city does not anticipate any individual employee's compensation will exceed 150% of the state or county average annual wage.
 - **Documentation:** Proof of payment, payroll documentation showing hours worked for covered period, Comparison of actual wages to average annual wage, documentation of evaluation of eligible workers.
 - **Expenditure Category:** 4.2 Private Sector: Grants to Other Employees
 - **Programmatic Reporting Data:** Number of workers to be served; employer sector for all subawards to third-party employers



Reporting Requirements

Equitable Outcomes: Reporting Requirements Reminders

- 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)

Expenditure Categories:

EC 4. Premium Pay

4.1 Public Sector Employees

4.2 Private Sector: Grants to
Other Employers

Premium Pay: Programmatic Data

- **Expense Categories 4.1-4.2 Premium Pay:**
 - List of sectors designated as critical to the health and well-being of residents by the chief executive of the jurisdiction, if beyond those included in the Interim Final Rule (Note: a list of sectors will be provided in the forthcoming users' guide).
 - Number of workers to be served
 - Employer sector for all subawards to third-party employers (i.e., employers other than the State, local, or Tribal government) (Note: a list of sectors will be provided in the forthcoming users' guide).

Premium Pay: Programmatic Data

- **Expense Categories 4.1-4.2 Premium Pay:**
 - For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, for whom premium pay would increase total pay above 150 percent of their residing State’s average annual wage, or their residing county’s average annual wage, whichever is higher, on an annual basis:
 - A brief written narrative justification of how the premium pay or grant is responsive to workers performing essential work during the public health emergency. This could include a description of the essential workers’ duties, health or financial risks faced due to COVID-19, and why the recipient government determined that the premium pay was responsive to workers performing essential work during the pandemic. This description should not include personally identifiable information; when addressing individual workers, recipients should be careful not to include this information. Recipients may consider describing the workers’ occupations and duties in a general manner as necessary to protect privacy.

Questions?

Please contact TNARPA.Support@hornellp.com.