American Rescue Plan Act

For Texas Counties

Getting Ready For Close Out





Analysis

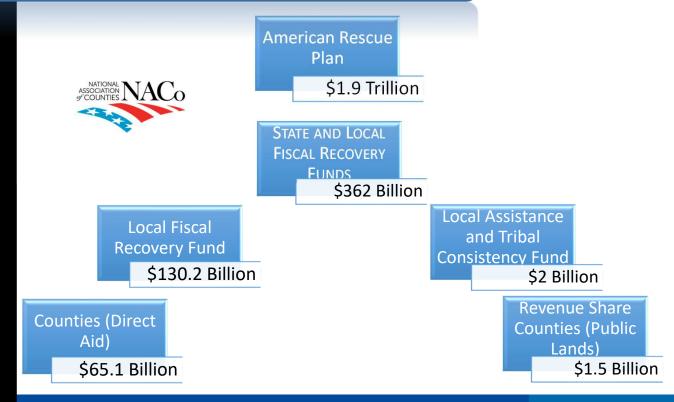
- On March 11, President Biden signed the \$1.9 trillion American Rescue Plan Act of 2021 (P.L. 11-2), which established the \$362 billion Coronavirus State and Local Fiscal Recovery Fund. Of this total, \$65.1 billion is provided in direct aid to counties and additional \$1.5 billion for public lands counties.
- Texas counties have received approximately \$5,667,794,838 of the \$65.1 billion in the form of direct payments.



AMERICAN RESCUE PLAN ACT OF 2021



How the Funds Flow...



county.org



NACo's role

- NACo focused on the County Share And Distribution Formula
- NACo's guiding principles include: Direct, flexible aid for *all* counties
- Allowance for *lost revenue* due to COVID
- Reasonable, practical safeguards to protect the public's interest



- We have received the funds. What now?
 - Take a breath. There is no immediate deadline pushing you to hurry.
 - Take the appropriate amount of time to find the best way to spend this money in a way that fits both the rules and the needs of your community.
 - Address the urgent needs first, plan for future revenue losses, then prioritize everything else.



- Time line Remaining
 - All funds will need to be obligated by 12/31/2024.
 - Obligated funds must be spent by 12/31/2026.



- What does "obligated" mean?
 - The American Rescue Plan Act of 2021 states that funds can be used to cover costs incurred by December 31, 2024.
 - Treasury's Final Rule specifies the "interpretation of 'incurred' to be equivalent to the definition of 'obligation,' based on the definition used in CFR § 200



- What does "obligated" mean?
 - In other words, funds must be committed to particular eligible uses by the end of 2024.
 - Funds may be expended after 2024 so long as the payment occurs before December 31, 2026.



- What happens if we don't?
 - The Final Rule states that recipients must return any funds not obligated by December 31, 2024.
 - A recipient must also return funds obligated by December 31, 2024 but not expended by December 31, 2026



- What rules will apply?
 - Counties <u>CAN NOT</u> use the money to offset tax cuts during the covered period or backfill revenue from a tax cut.
 - Counties *CAN NOT* deposit the funds in a pension program.
 - Counties *CAN NOT* use funds to pay a judgement.
 - Counties *CAN NOT* use funds to service debt.
 - Counties <u>CAN NOT</u> deposit funds into a "Rainy Day Fund".



- Do we still have any reporting requirements?
 - Counties will be required to file "periodic reports" that detail their use of the funds.
 - It will be important for counties to document every expenditure and connect their use of American Rescue Plan funds to the pandemic according to U.S. Treasury guidance.
 - A county that fails to comply with Treasury guidelines will be required to repay the federal government an amount equal to the funds used in violation.

Salary Assistance Grants (SB 22)

Grants to Qualified Sheriff's Offices, Constable's Offices and Prosecutor's Offices in Rural Counties



- SB 22 established a salary assistance grant program for sheriff's offices, constable's offices and prosecutor's offices in rural counties.
 - Local Government Code §130.911 (Sheriff)
 - Local Government Code §130.912 (Constable)
 - Local Government Code §130.913 (Prosecutor)



- Rural sheriff's office:
 - up to \$500,000, based on county population.
- Rural constable's office:
 - 25 percent of the minimum annual salary requirement, contingent on local match of 75 percent.
- Rural prosecutor's office:
 - up to \$275,000 based on population within the jurisdiction served by the office.

SB – 22 Rural Sheriff's



- For the Sheriff's, the first and primary use of the grant is to supplement salaries for certain law enforcement positions.
- The law outlines minimum annual salaries in the following amounts:
 - \$75,000 for a county sheriff
 - \$45,000 for each sheriff deputy
 - \$40,000 for each jailer

SB – 22 Rural Sheriff's



- After funding the minimum annual salaries, qualified sheriff's departments can also use the grant to:
 - increase the salary of county sheriffs, deputies who makes motor vehicle stops in the routine performance of their duties, and jailers whose duties include the safekeeping of prisoners and the security of a jail operated by the county;
 - hire additional deputies or jailers in the county; and
 - purchase vehicles, firearms, and safety equipment.

SB – 22 Rural Sheriff's



- After funding the minimum annual salaries, qualified sheriff's departments can also use the grant to:
- Purchase any tangible equipment used by a sheriff's office that is necessary to protect the health and physical safety of a county sheriff or deputy sheriff or county jailer while performing their duties.



- Rural constable's offices in counties with populations of 300,000 or less.
- Constable's office grant amount depends on county contribution toward salary; County must contribute at least 75% of the money required to meet the minimum annual salary and the other 25% will come from the grant.



- "Qualified constable" means a constable elected to an office created on or before January 1, 2023, who primarily makes motor vehicle stops in the routine performance of the constable's duties.
 - Local Government Code, 130.912(a)(2)



- The law outlines minimum annual salary in the following amount:
 - \$45,000 for each qualified constable
- County must contribute at least 75 percent of the funding required to meet the minimum annual salary.
- Remaining 25 percent can be paid using the grant funding provided by SB 22.

Texas Association of Counties



- Grant funds may be spent for the associated benefits that are incremental to the required increase in salary.
- Benefits that are not tied to the increase in salary, such as longevity pay, cannot be paid for with grant funding.
- Proposed rules state that grant funds may be spent on part-time or hourly employees.

SB – 22 Prosecutors Office



- Grant funds may be used to:
 - Increase the salary of an assistant attorney, investigator or victim assistance coordinator.
 - Hire additional staff for the office.



- The county submits the grant application for sheriff's and constable's offices to the Comptroller.
- The prosecutor's office submits the grant application for itself to the Comptroller.



- All eligible entities must apply not later than the 30th day after the start of their fiscal year.
- A county may not reduce the amount of funds provided to the sheriff's office, constable's office or prosecutor's office because of grant funds.
- Counties will be required to submit budget documentation annually for compliance.



- Grant recipients must comply with:
 - Terms and conditions of the grant agreement;
 - Texas Grant Management Standards and the State of Texas Procurement and Contract Management Guide; and
 - All applicable state or federal statutes, rules, regulations, or guidance applicable to the grant award.

SB – 22 Special Budget



• LGC 111.0106. SPECIAL BUDGET FOR GRANT OR AID MONEY. The county auditor or the county judge in a county that does not have a county auditor shall certify to the commissioners court the receipt of all public or private grant or aid money that is available for disbursement in a fiscal year but not included in the budget for that fiscal year. On certification, the court shall adopt a special budget for the limited purpose of spending the grant or aid money for its intended purpose. (Section 111.043 for counties over 225K)

Federal Grant Opportunities



<u>State Homeland Security Program – Competitive National Priority Area Projects (SHSP-NPA) – Federal Fiscal</u>

Year 2024

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

State Homeland Security Program – LETPA Projects (SHSP-L) – Federal Fiscal Year 2024

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

State Homeland Security Program – Regular Projects (SHSP-R) – Federal Fiscal Year 2024

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919



Body-Worn Camera Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Bullet-Resistant Shield Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Community-Based Services for Commercially Sexually Exploited Youth, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

County Solutions to Address Commercial Sexual Exploitation, FY2025

Date Due: 1/8/2024



Crime Stoppers Assistance Fund, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Criminal Justice Grant Program FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

District Attorney Testing of Forensic Evidence Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

First Responder Mental Health Program, FY2025

Date Due: 2/8/2024



General Victim Assistance Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Internet Crimes Against Children Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Juvenile Justice & Truancy Prevention Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Paul Coverdell Forensic Sciences Improvement Grant Program, FY2025

Date Due: 2/8/2024



Project Safe Neighborhoods Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Residential Substance Abuse Treatment Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Rifle-Resistant Body Armor Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Sexual Assault Evidence Testing Grant Program, FY2025

Date Due: 2/8/2024



Sexual Assault Forensic Exam (SAFE)-Ready Facilities Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Specialized Advocacy for Commercially Sexually Exploited Youth, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Specialty Courts Grant Program, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Statewide Solutions to Address Commercial Sexual Exploitation, FY2025

Date Due: 2/8/2024

Funding Agency Contact: eGrants@gov.texas.gov or (512) 463-1919

Violence Against Women Justice and Training Program, FY2025

Date Due: 2/8/2024

Visit Our Website



• Selected Grant Opportunities for Texas Counties (county.org)

Resources



- Resources for help and guidance
 - TAC
 - Education
 - Communications
 - CRO's
 - Legal
 - Legislative
 - NACo





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