Houston County Emergency Declaration information from County website. (Found on homepage under announcements section.)

May 20, 2020

RE: Houston County Emergency Declaration, Facility/Service Closures Memo #5

The health and safety of the staff and the entire community continues to be priority for Houston County. Houston County offices remain open but with modifications to protect the public and our employees from potential exposure in line with guidance from both the Minnesota Department of Health (MDH) and Center for Disease Control (CDC).

Houston County Board of Commissioner Chair Eric Johnson declared a local health emergency due to the COVID-19 virus pandemic effective March 18, 2020, ratified by the full board on Tuesday, 24 March. The emergency declaration allows County government to proceed with emergency measures needed to contain and control the spread of COVID-19.

On March 25, 2020, Governor Walz issued Executive Order 20-20, directing Minnesota residents to "Stay at Home" effective 11:59, 27 March through April 10, 2020. On April 8, 2020, Governor Walz issued Executive Order 20-33, which extends the "Stay at Home" provisions through Sunday, May 3, 2020. On April 30, 2020, Governor Walz issued Executive Order 20-48, which extends the "Stay at Home" provisions through Sunday, May 17. On May 13, 2020, Governor Walz issued Executive Order 20-56 which ends the "Stay at Home" provisions on May 17, 2020 at 11:59pm and initiates the "Stay Safe" provisions through Sunday, May 31, 2020 at 11:59pm.

Houston County Services

The following changes, closures, and additional measures will be taken for the safety of our residents and staff: All changes are effective until further notice, but at least through Tuesday, June 30, 2020 (Changes new this version will be highlighted in red).

All County facilities are currently closed to the public. Please maximize use of mail, e-mail, phone or facility drop boxes to conduct necessary business with county offices. Necessary business will be accepted by appointment only. Please contact the appropriate office to schedule an appointment or to determine if your business can be conducted over the phone or to obtain access to the facility.

Beginning May 26th, County offices will be open for business by appointment only during limited hours to allow for social distancing and extra facility cleaning between appointments. The County Justice Center (Sheriff's Office, County Attorney, Dept of Corrections, Court Administration) will be open by appointment only. The Historic Courthouse (Drivers' services, Auditor/Treasurer, Recorder, Zoning, Assessor) will be open for appointments from 12:00 to 4:00 daily. Public Health and Human Services, Veteran's Services, Surveyor, Human Resources, Highway Department and Extension remain available by appointment only (call each department for times available).

All residents are encouraged to continue to use the drop box, mail, or e-mail as the first means of accomplishing their business. All residents entering county buildings will be asked to review health questions posted at each entrance before entering the facility. Anyone experiencing COVID-19 symptoms or at an elevated risk of transmitting COVID-19 should reschedule their appointment. No person exhibiting symptoms or at elevated risk of transmitting COVID-19 will be allowed to enter any county buildings.

Passport services will not be available until the Department of State resumes accepting applications. Passport applications will be accepted by appointment when we are able to resume this service. - Marriage Licenses: By appointment only, after completing the online application. See https://co.houston.mn.us/departments/recorder for more information and link to the application.- Birth, Death, Marriage Certificate requests can be accomplished by mail or by appointment at the recorder's office (walk-in may be accepted if in conjunction with an appointment for a drivers' license).- Real Estate Searchers (public computer access): by appointment only – restricted to one researcher at a time.

Genealogy Searchers: in-person access not available – email and mail requests for information will be answered in order received.

All public fingerprinting services, programming services for inmates, inmate work crew (Sentence to Serve) activities, and jail/dispatch tours have been suspended. Public fingerprinting services will begin by appointment only on June 1st (mask wear required due to close proximity)

Permit to Carry applications will be accepted by appointment only. Applicants will need to provide a clear copy of their training certificate and driver's license. -

Permit to Purchase applications will be accepted by mail. Include a clear copy of driver's license with your application.

Inmate video visitation has been suspended. Normal phone-in visitation will still be allowed during the regular hours.

The Houston County Third Judicial District Court is following State guidance on Court scheduling and encourages parties and persons wishing to attend a court hearing to call (507-725-5806) before they come to court or if they need any clarification on scheduling. Super High and High Priority case types, including in custody first appearances, will be heard via ZOOM; medium and low priority case types will begin to be scheduled as well. All court hearings will be conducted via Zoom unless specifically authorized by both the Houston County Court Administrator and Houston County District Court Judge. In the event of a hearing requiring in person appearances all efforts will be made to provide at least 7 calendar day notice to maintenance and the Houston County

Sheriff's Office; social distancing will be implemented. Please refer to www.mncourts.gov for more information. In person Court Administration services only for those with a scheduled hearing notice until further notice. All other court administration business will be conducted by drop box or remotely.

Houston County Public Meetings

Board of Commissioners meetings remain as scheduled. Commissioners will participate via conference call or video conferencing. The number will be posted on the website prior to the meeting and public may listen via phone. All other public meetings will be held via conference call or video conferencing. Check the County webpage for schedule.

Houston County Drop Sites

Drop sites will remain open on the regular schedule including the weekends with the following changes in operations: Sites will accept all items (including mattresses beginning 23 May). Customers should be prepared to unload their items without assistance from drop site staff. Normal fees apply. Drop Sites will NOT provide change or receipts, please bring correct change or pay by check. Customers are asked to maintain a six foot distance between themselves, other customers and drop site employees. Residents are encouraged to avoid unnecessary trips to drop sites—if disposal of an item is not urgent, please postpone it.

These temporary measures will be in effect until further notice, but at least through June 30, 2020. This date may be modified or extended as the situation changes. Residents are encouraged to check our website for updates and county department contact information.

Respectfully,

Jeffrey L. Babinski
Houston County Administrator
JLB:jlb

It is mandatory for employees and members of the public to wear a mask or facial covering in County facilities when entering/exiting buildings, offices, elevators and halls or when working with a member of the public or county employee. For employees, it is voluntary to wear a mask or facial covering at work when you are at your desk/work are and are not working with a member of the public or county employee. Where possible, maintain six feet of social distancing.

We will make accommodations for employees and members of the public where mask wear is prohibitive for health or safety reasons. We will do what we can to accommodate and continue to provide service to the public if an individual cannot comply with the mask policy.

We continue to follow the CDC and Minnesota Department of Health (MDH) recommendations to keep employees and the public safe and healthy.

Click here for more information.

November 18, 2020

Dear Houston County community members,

Our communities are currently experiencing a rapid rise in individuals testing positive for COVID-19. In the first six months of the pandemic, Houston County had a total of 80 lab confirmed cases. Since the 1st of September, we have had over 400 cases, and in the last two weeks alone we have had over 200 confirmed cases. During this unprecedented time, we remain deeply committed to the health and well-being of our residents, employees, and communities. However, we need everyone to continue to take the fight against COVID-19 seriously. If we all do our part, together we can help slow the spread in our community.

Houston County COVID Positivity Rate

As of November 16, 2020, we have reached over 500 positive COVID-19 cases in Houston County. Houston County also currently has an overall COVID positivity rate of greater than 5%. The positivity rate shows the percent of COVID-19 tests that were positive in Houston County residents over the last two weeks of data collection. This rate is a key marker in determining how rapidly the virus is spreading within out county, with 5% representing a threshold of greater concern. Higher rates of virus transmission in the county increase the risk for all members of our communities.

COVID positivity rates in Houston County have steadily increased in the past few weeks:

- The week of October 4 – October 10: 2% to <3%
- The week of October 11 – October 17: 3% to <5%
- The week of October 18 – October 24: 7% to <10%
- The week of October 25 – October 31: 15+%

Seniors and Long-Term Care Facilities

Higher rates of virus transmission in the community increase the risk for all members of our community, but especially for those at high risk for severe illness and death. Our seniors living in our community and in long-term care (LTC) facilities are among our most vulnerable. Despite the aggressive action to limit infections taken by LTC facilities, as cases in our community continue to rise the residents and staff in these facilities are put at serious risk.

Local School Districts

As Houston County case numbers increase, local schools are moving to more restrictive learning models to prevent virus spread in school environments. Thresholds for moving to a different learning model are established by the State Department of Education, and rely heavily on positivity rates within the county. While necessary, these changes have significant impacts on students, school staff, families, employers, and the community as a whole.

For these reasons, Houston County Commissioners urge you to help protect our communities.

Houston County Board Chair, Eric Johnson, emphasized the importance of community vigilance and mitigation strategies:

“In the days and weeks ahead, we expect to see the number of cases continue to climb even higher. Houston County is fortunate to have strong and knowledgeable teams of experts in the medical field, public health sector and emergency preparedness working together. We appreciate the caring and vigilant community members who help to keep our residents safe and healthy,” said Commissioner Johnson. “All of us, need to continue to work together on slowing the spread of COVID-19. Not only does our public health depend on it but our economy does too.”

Reducing Community Spread is Critical

Reducing community spread is critical for successfully preventing COVID-19 infections and deaths in LTC facilities and throughout our county. We need you to help protect Houston County and reduce community spread. The most effective ways to reduce the spread of the virus are to:

- **Limit in-person gatherings,**
- **Wash hands frequently,**
- **Maintain social distance of at least 6 feet, and**
- **Wear a face mask every time you are around people from outside your household.**

Sincerely,

The Houston County Board, Houston County Administrator, Houston County Public Health & Human Services Director

- Jack Miller, Houston County Commissioner - District 1
- Eric Johnson, Chair, Houston County Commissioner - District 2
- Bob Burns, Houston County Commissioner - District 3
- Teresa Walter, Houston County Commissioner District 4
- Greg Myhre, Houston County Commissioner District 5
- Jeff Babinski, Houston County Administrator
- John Pugleasa, Houston County Public Health & Human Services Director

Contact:

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Public Health & Human Services Director

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FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver $350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs

May 10, 2021

Aid to state, local, territorial, and Tribal governments will help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery

Today, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide $350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. Treasury also released details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions will be able to access this funding in the coming days to address these needs.

State, local, territorial, and Tribal governments have been on the frontlines of responding to the immense public health and economic needs created by this crisis – from standing up vaccination sites to supporting small businesses – even as these governments confronted revenue shortfalls during the downturn. As a result, these governments have endured unprecedented strains, forcing many to make untenable choices between laying off educators, firefighters, and other frontline workers or failing to provide other services that communities rely on. Faced with these challenges, state and local governments have cut over 1 million jobs since the beginning of the crisis. The experience of prior economic downturns has shown that budget pressures like these often result in prolonged fiscal austerity that can slow an economic recovery.

To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, the American Rescue Plan Act of 2021 established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver $350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. Today, Treasury is launching this much-needed relief to:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs;
- Support immediate economic stabilization for households and businesses; and,
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

Starting today, eligible state, territorial, metropolitan city, county, and Tribal governments may request Coronavirus State and Local Fiscal Recovery Funds through the Treasury Submission Portal. Concurrent with this program launch, Treasury has published an Interim Final Rule that implements the provisions of this program.

FUNDING AMOUNTS

The American Rescue Plan provides a total of $350 billion in Coronavirus State and Local Fiscal Recovery Funds to help eligible state, local, territorial, and Tribal governments meet their present needs and build the foundation for a strong recovery. Congress has allocated this funding to tens of thousands of jurisdictions. These allocations include:

Type	Amount ($ billions)
States & District of Columbia	$195.3
Counties	$65.1
Metropolitan Cites	$45.6
Tribal Governments	$20.0
Territories	$4.5
Non-Entitlement Units of Local Government	$19.5

Treasury expects to distribute these funds directly to each state, territorial, metropolitan city, county, and Tribal government. Local governments that are classified as non-entitlement units will receive this funding through their applicable state government. Treasury expects to provide further guidance on distributions to non-entitlement units next week.

Local governments should expect to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered 12 months later. States that have experienced a net increase in the unemployment rate of more than 2 percentage points from February 2020 to the latest available data as of the date of certification will receive their full allocation of funds in a single payment; other states will receive funds in two equal tranches. Governments of U.S. territories will receive a single payment. Tribal governments will receive two payments, with the first payment available in May and the second payment, based on employment data, to be delivered in June 2021.

USES OF FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures,** by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency,** including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **Replace lost public sector revenue,** using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- **Provide premium pay for essential workers,** offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury's Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider. As described below, Treasury has also designed these provisions to take into consideration the disproportionate impacts of the COVID-19 public health emergency on those hardest-hit by the pandemic.

1. **Supporting the public health response**

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Coronavirus State and Local Fiscal Recovery Funds provide resources to meet these needs through the provision of care for those impacted by the virus and through services that address disparities in public health that have been exacerbated by the pandemic. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

- **Services and programs to contain and mitigate the spread of COVID-19, including:**
  - ✓ Vaccination programs
  - ✓ Medical expenses
  - ✓ Testing
  - ✓ Contact tracing
  - ✓ Isolation or quarantine
  - ✓ PPE purchases
  - ✓ Support for vulnerable populations to access medical or public health services
  - ✓ Public health surveillance (e.g., monitoring for variants)
  - ✓ Enforcement of public health orders
  - ✓ Public communication efforts
  - ✓ Enhancement of healthcare capacity, including alternative care facilities
  - ✓ Support for prevention, mitigation, or other services in congregate living facilities and schools
  - ✓ Enhancement of public health data systems
  - ✓ Capital investments in public facilities to meet pandemic operational needs
  - ✓ Ventilation improvements in key settings like healthcare facilities

- **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**
  - ✓ Mental health treatment
  - ✓ Substance misuse treatment
  - ✓ Other behavioral health services
  - ✓ Hotlines or warmlines
  - ✓ Crisis intervention
  - ✓ Services or outreach to promote access to health and social services

- **Payroll and covered benefits expenses** for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response. For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

2. **Addressing the negative economic impacts caused by the public health emergency**

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020. Although many have since returned to work, as of April 2021, the economy remains more than 8 million jobs below its pre-pandemic peak, and more than 3 million workers have dropped out of the labor market altogether since February 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- **Delivering assistance to workers and families**, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity. In addition, these funds can support survivor's benefits for family members of COVID-19 victims.

- **Supporting small businesses,** helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.

- **Speeding the recovery of the tourism, travel, and hospitality sectors**, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend. Similarly impacted sectors within a local area are also eligible for support.

- **Rebuilding public sector capacity,** by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

3. **Serving the hardest-hit communities and families**

While the pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000.

Coronavirus State and Local Fiscal Recovery Funds allow for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households. Eligible services include:

- **Addressing health disparities and the social determinants of health,** through funding for community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs;
- **Investments in housing and neighborhoods**, such as services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity;
- **Addressing educational disparities** through new or expanded early learning services, providing additional resources to high-poverty school districts, and offering educational services like tutoring or afterschool programs as well as services to address social, emotional, and mental health needs; and,
- **Promoting healthy childhood environments,** including new or expanded high quality childcare, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

Governments may use Coronavirus State and Local Fiscal Recovery Funds to support these additional services if they are provided:

- within a Qualified Census Tract (a low-income area as designated by the Department of Housing and Urban Development);
- to families living in Qualified Census Tracts;
- by a Tribal government; or,
- to other populations, households, or geographic areas disproportionately impacted by the pandemic.

4. **Replacing lost public sector revenue**

State, local, territorial, and Tribal governments that are facing budget shortfalls may use Coronavirus State and Local Fiscal Recovery Funds to avoid cuts to government services. With these additional resources, recipients can continue to provide valuable public services and ensure that fiscal austerity measures do not hamper the broader economic recovery.

Many state, local, territorial, and Tribal governments have experienced significant budget shortfalls, which can yield a devastating impact on their respective communities. Faced with budget shortfalls and pandemic-related uncertainty, state and local governments cut staff in all 50 states. These budget shortfalls and staff cuts are particularly problematic at present, as these entities are on the front lines of battling the COVID-19 pandemic and helping citizens weather the economic downturn.

Recipients may use these funds to replace lost revenue. Treasury's Interim Final Rule establishes a methodology that each recipient can use to calculate its reduction in revenue. Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic. Analysis of this expected trend begins with the last full fiscal year prior to the public health emergency and projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data).

For administrative convenience, Treasury's Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. Upon receiving Coronavirus State and Local Fiscal Recovery Funds, recipients may immediately calculate the reduction in revenue that occurred in 2020 and deploy funds to address any shortfall. Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a lagged impact of the crisis on revenues.

Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.

5. **Providing premium pay for essential workers**

Coronavirus State and Local Fiscal Recovery Funds provide resources for eligible state, local, territorial, and Tribal governments to recognize the heroic contributions of essential workers. Since the start of the public health emergency, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.

Many of these essential workers have not received compensation for the heightened risks they have faced and continue to face. Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others:

- ✓ Staff at nursing homes, hospitals, and home-care settings
- ✓ Workers at farms, food production facilities, grocery stores, and restaurants
- ✓ Janitors and sanitation workers
- ✓ Public health and safety staff
- ✓ Truck drivers, transit staff, and warehouse workers
- ✓ Childcare workers, educators, and school staff
- ✓ Social service and human services staff

Treasury's Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. 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.

In addition, employers are both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Staff working for third-party contractors in eligible sectors are also eligible for premium pay.

6. **Investing in water and sewer infrastructure**

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change.

Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

To help jurisdictions expedite their execution of these essential investments, Treasury's Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

Treasury's Interim Final Rule also encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions.

7. **Investing in broadband infrastructure**

The pandemic has underscored the importance of access to universal, high-speed, reliable, and affordable broadband coverage. Over the past year, millions of Americans relied on the internet to participate in remote school, healthcare, and work.

Yet, by at least one measure, 30 million Americans live in areas where there is no broadband service or where existing services do not deliver minimally acceptable speeds. For millions of other Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan aims to help remedy these shortfalls, providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure.

Recognizing the acute need in certain communities, Treasury's Interim Final Rule provides that investments in broadband be made in areas that are currently unserved or underserved—in other words, lacking a wireline connection that reliably delivers minimum speeds of 25 Mbps download and 3 Mbps upload. Recipients are also encouraged to prioritize projects that achieve last-mile connections to households and businesses.

Using these funds, recipients generally should build broadband infrastructure with modern technologies in mind, specifically those projects that deliver services offering reliable 100 Mbps download and 100

Mbps upload speeds, unless impracticable due to topography, geography, or financial cost. In addition, recipients are encouraged to pursue fiber optic investments.

In view of the wide disparities in broadband access, assistance to households to support internet access or digital literacy is an eligible use to respond to the public health and negative economic impacts of the pandemic, as detailed above.

8. **Ineligible Uses**

Coronavirus State and Local Fiscal Recovery Funds provide substantial resources to help eligible state, local, territorial, and Tribal governments manage the public health and economic consequences of COVID-19. Recipients have considerable flexibility to use these funds to address the diverse needs of their communities.

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two ineligible uses of funds:

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent.** The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury's Interim Final Rule implements this requirement. If a state or territory cuts taxes, they must demonstrate how they paid for the tax cuts from sources other than Coronavirus State Fiscal Recovery Funds—by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be paid back to the Treasury.
- **No recipient may use this funding to make a deposit to a pension fund.** Treasury's Interim Final Rule defines a "deposit" as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

Treasury's Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions will help ensure that funds are used to augment existing activities and address pressing needs.