



DANIEL P. MCCOY
COUNTY EXECUTIVE

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COMMISSIONER

COUNTY OF ALBANY
DEPARTMENT OF MANAGEMENT AND BUDGET
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PATRICK ALDERSON
DEPUTY COMMISSIONER

November 15, 2023

Honorable Andrew Joyce
Chairman, Albany County Legislature
112 State St, Suite 710
Albany, NY 12207

Chairman Joyce:

The Department of Management & Budget is requesting Legislative authorization to make several administrative adjustments to various 2023 departmental budgets, as shown on the attached amendment. These transfers are being requested to correct accounts that either are currently negative or are forecasted to go negative by year end. The net amount of transfers requested is \$1,387,035, but overall the amendment is cost neutral. Additionally, the Department is requesting to accept \$100,000 in grant funding through the Local Assistance and Tribal Consistency Fund program and an additional \$300,000 in grant funding from New York State to support the Law Enforcement Assisted Diversion initiative.

I look forward to discussing this request at the next round of Legislative Committee meetings. If you have any questions beforehand, please don't hesitate to reach out.

Respectfully submitted,

M. David Reilly, Jr

cc: Dennis Feeney, Majority Leader
Frank Mauriello, Minority Leader
Majority Counsel
Minority Counsel



County of Albany

Harold L. Joyce
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Building
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NY 12207

Legislation Text

File #: TMP-4859, **Version:** 1

REQUEST FOR LEGISLATIVE ACTION

Description (e.g., Contract Authorization for Information Services):

Request for Legislative Authorization for Administrative Adjustments to 2023 Budget and Acceptance of Local Assistance and Tribal Consistency Fund and NYS Legislative Initiative Funding grants

Date: 11/15/23
Submitted By: David Reilly
Department: Management and Budget
Title: Commissioner
Phone: 518-447-5525
Department Rep.
Attending Meeting: David Reilly

Purpose of Request:

- ☐ Adopting of Local Law
- ☐ Amendment of Prior Legislation
- ☐ Approval/Adoption of Plan/Procedure
- ☐ Bond Approval
- ☒ Budget Amendment
- ☒ Contract Authorization
- ☐ Countywide Services
- ☐ Environmental Impact/SEQR
- ☐ Home Rule Request
- ☐ Property Conveyance
- ☐ Other: (state if not listed) Click or tap here to enter text.

CONCERNING BUDGET AMENDMENTS

Increase/decrease category (choose all that apply):

- ☒ Contractual
- ☐ Equipment
- ☒ Fringe
- ☒ Personnel
- ☒ Personnel Non-Individual

☒ Revenue

Increase Account/Line No.: See attached.
Source of Funds: See attached.
Title Change: N/A

CONCERNING CONTRACT AUTHORIZATIONS

Type of Contract:

- ☐ Change Order/Contract Amendment
☐ Purchase (Equipment/Supplies)
☐ Lease (Equipment/Supplies)
☐ Requirements
☐ Professional Services
☐ Education/Training
☒ Grant

New

Submission Date Deadline Click or tap to enter a date.

- ☐ Settlement of a Claim
☐ Release of Liability
☐ Other: (state if not listed) Click or tap here to enter text.

Contract Terms/Conditions:

Party (Name/address):

US Department of the Treasury (Local Assistance and Tribal Consistency Fund (LATCF))

Additional Parties (Names/addresses):

New York State (Legislative Initiative Funding)

Amount/Raise Schedule/Fee: \$100,000 (LATCF); \$300,000 (NYS Legislative Initiative Funding)
Scope of Services: LATCF - Under this program, recipients have broad discretion on uses of funds, similar to how they may use funds generated from their own revenue sources; NYS Legislative Initiative Funding - Funds used to support development of LEAD in Albany County

Bond Res. No.: Click or tap here to enter text.
Date of Adoption: Click or tap here to enter text.

CONCERNING ALL REQUESTS

Mandated Program/Service: Yes ☐ No ☒
If Mandated Cite Authority: Click or tap here to enter text.

Is there a Fiscal Impact: Yes ☒ No ☐
Anticipated in Current Budget: Yes ☐ No ☒

County Budget Accounts:

Revenue Account and Line: See attached.
Revenue Amount: \$1,387,035

Appropriation Account and Line: See attached.
Appropriation Amount: \$1,387,035

Source of Funding - (Percentages)

Federal: 7.2%
State: 21.6%
County: 71.2%
Local: [Click or tap here to enter text.](#)

Original Awarding Agency / Funder:

[US Department of Treasury](#)

New York State Pass-Through Agency (if applicable):

[Click or tap here to enter text.](#)

Term

Term: (Start and end date) No end date to use funds.
Length of Contract: [Click or tap here to enter text.](#)

Impact on Pending Litigation

If yes, explain: Yes ☐ No ☐
[Click or tap here to enter text.](#)

Previous requests for Identical or Similar Action:

Resolution/Law Number: [Click or tap here to enter text.](#)
Date of Adoption: [Click or tap here to enter text.](#)

Justification: (state briefly why legislative action is requested)

The Department of Management & Budget is requesting Legislative authorization to make several administrative adjustments to various 2023 departmental budgets, as shown on the attached amendment. These transfers are being requested to correct accounts that either are currently negative or are forecasted to go negative by year end. The net amount of transfers requested is \$1,387,035, but overall the amendment is cost neutral. Additionally, the Department is requesting to accept \$100,000 in grant funding through the Local Assistance and Tribal Consistency Fund program and an additional \$300,000 in grant funding from New York State to support the Law Enforcement Assisted Diversion initiative. These grants have no end date for the use of funds.

BUDGET LINE				FOR POSITIONS ONLY		DESCRIPTION	INCREASE	DECREASE	UNIT COST	DEPARTMENT NAME
FUND	ORG	OBJ	PRO	STATE POS. CODE	POSITION CONTROL					
A	A91620	44037	10000			Insurance	\$12,254.00		\$183,536.05	General Services
A	A91164	44037	10000			Insurance	\$11,228.00		\$65,085.88	General Services
A	A94610	44037	10000			Insurance		\$4.00	\$2,549.00	Crime Victim & Sexual Violence
A	A91185	44037	10000			Insurance		\$31.00	\$1,104.00	Coroner
A	A91165	44037	10000			Insurance		\$67.00	\$24,651.00	District Attorney
A	A91432	44037	10000			Insurance		\$88.00	\$3,627.00	Human Resources
A	A91345	44037	10000			Insurance		\$132.00	\$4,334.00	General Services
A	A91411	44037	10000			Insurance		\$167.00	\$9,111.00	Hall of Records
A	A91170	44037	10000			Insurance		\$237.00	\$10,822.00	Public Defender
A	A91430	44037	10000			Insurance		\$273.00	\$3,609.00	Civil Service
A	A91420	44037	10000			Insurance		\$284.00	\$4,860.00	Law
A	A91355	44037	10000			Insurance		\$404.00	\$22,304.00	Management & Budget
A	A98020	44037	10000			Insurance		\$405.00	\$4,617.00	Economic Dev. Conservation and
A	A91171	44037	10000			Insurance		\$406.00	\$7,477.00	Alternate Public Defender
A	A91410	44037	10000			Insurance		\$431.00	\$17,385.00	County Clerk
A	A91010	44037	10000			Insurance		\$614.00	\$11,591.00	Legislature
A	A97310	44037	10000			Insurance		\$642.00	\$6,489.00	Children, Youth & Families
A	A91450	44037	10000			Insurance		\$653.00	\$9,037.00	Board of Elections
A	A96510	44037	10000			Insurance		\$676.00	\$6,235.00	Veterans
A	A96610	44037	10000			Insurance		\$682.00	\$6,335.00	General Services
A	A91230	44037	10000			Insurance		\$800.00	\$8,114.00	County Executive
A	A91340	44037	10000			Insurance		\$817.00	\$7,885.00	Management & Budget
A	A91315	44037	10000			Insurance		\$1,185.00	\$13,297.00	Audit and Control
A	A91310	44037	10000			Insurance		\$1,615.00	\$18,177.00	Management & Budget
A	A96772	44037	10000			Insurance		\$1,698.00	\$16,493.00	Aging
A	A94059	44037	10000			Insurance		\$4,055.00	\$37,917.00	Children, Youth & Families
A	A91172	44037	10000			Insurance		\$5,000.00	\$0.00	Assigned Counsel
A	A96010	44037	10000			Insurance		\$12,966.00	\$250,333.00	Social Services
D	D95110	44037	10000			Insurance	\$18,568.00		\$115,485.00	Public Works
D	D95110	44080	10000			Road Machinery Fund Payment		\$18,568.00	\$1,765,364.00	Public Works
A	A96010	19954	10000			Enhanced Pay	\$41,000.00		\$496,000.00	Social Services
A	A96010	12728	10000	001	460690	APPLICATIONS DEVELOPER		\$41,000.00	\$37,167.00	Social Services
A	A91185	44252	10000			Medical Services Therapy	\$125,000.00		\$425,000.00	Coroner
A	A91185	44048	10000			Laboratory Fees and Services	\$150,000.00		\$550,000.00	Coroner
A	A91185	44046	10000			Fees for Services	\$25,000.00		\$135,000.00	Coroner
A	1310	12914	10000	001	180084	Title Searcher	\$10,200.00		\$51,000.00	Finance
A	1310	16092	10000	001	180083	Abstractor	\$1,120.00		\$0.00	Finance
A	1310	44014				Bag Reduction Fee Expense	\$108,267.00		\$108,267.00	Finance
A	1310	44046				Fees for Services		\$108,267.00	\$527,633.00	Finance
A	1310	44117				TaxOnAdultUseCannabisDistMuni	\$30,535.00		\$30,535.00	Finance
A	1310	44116				TaxOnAdultUseCannabisCounty	\$10,178.00		\$10,178.00	Finance
A	1310	44046				Fees for Services		\$40,713.00	\$486,920.00	Finance
A	1310	44046	LATCF			Fees for Services	\$100,000.00		\$100,000.00	Finance
A	4322	44092	LIF23			LEAD Funding	\$300,000.00		\$300,000.00	Mental Health
A	1172	16199				Data Officer	\$5,960.00		\$0.00	Assigned Counsel
A	1680	19954				Enhanced Pay	\$3,000.00		\$81,000.00	Information Services
A	8021	19954				Enhanced Pay	\$3,000.00		\$6,000.00	Stormwater Coalition
A	1420	19954				Enhanced Pay	\$6,000.00		\$108,000.00	Law
A	1164	44046				Fees for Service	\$9,250.00			DGS
A	1164	44024				Housekeeping		\$2,845.00		DGS
A	1164	44070				Equipment Repair	\$9,140.00			DGS
A	1164	44071				Property Repair	\$9,775.00			DGS
A	1164	44998				Other Contractual Services	\$9,450.00			DGS
A	1345	44042				Print & Advertising	\$2,135.00			DGS
A	1610	44046				Fees for Service	\$9,858.00			DGS
A	1610	44071				Property Repair	\$9,791.00			DGS
A	1610	44725				Civic Ctr Park Garage	\$9,022.00			DGS
A	1610	44914				Plaza Walkway Maintenance		\$5,000.00		DGS
A	1620	19983				Boot Allowance		\$4,000.00		DGS
A	1620	44022				Maint Supplies		\$5,250.00		DGS
A	1620	44025				Electrical Supplies		\$6,125.00		DGS
A	1620	44038				Travel & Mileage		\$2,750.00		DGS
A	1620	44042				Print & Advertising	\$9.00			DGS
A	1620	44046				Fees for Service	\$9,955.00			DGS
A	1620	44050				Refuse Charge		\$11,500.00		DGS
A	1620	44065				Photocopier Lease		\$1,200.00		DGS
A	1620	44070				Equipment Repair	\$9,850.00			DGS

A	1620	44071	Property Repair	\$9,900.00		DGS
A	1620	44201	Uniforms		\$5,895.00	DGS
A	1620	44301	Taxes		\$22,750.00	DGS
A	1620	44999	Misc Contractual Exp	\$9,925.00		DGS
A	1640	44046	Fee for Service		\$10,000.00	DGS
A	1660	44070	Equipment Repair		\$6,250.00	DGS
A	1670	44070	Equipment Repair		\$17,750.00	DGS
A	6610	44072	Auto Maintenanc	\$1,250.00		DGS
A	6610	44999	Misc Contractual Exp	\$1,995.00		DGS
A	8754	44301	Flood & Erosion		\$9,990.00	DGS
A	6989	44901	Payments to Debt Service	\$152,106.00	\$2,302,106.00	Management & Budget
A	6989	44920	Convention Center Planning Ctr	\$228,159.00	\$3,453,159.00	Management & Budget
A	6989	44999	Misc Contractual Expense	\$76,053.00	\$115,053.00	Management & Budget
A	1985	44000	Distribution to Municipalities	\$212,287.00	\$130,632,287.00	Management & Budget
TOTAL APPROPRIATIONS				<u>\$1,741,220.00</u>	<u>\$354,185.00</u>	

ESTIMATED REVENUES

BUDGET LINE				DESCRIPTION	DECREASE	INCREASE	UNIT COST	DEPARTMENT NAME
FUND	ORG	OBJ	PRO	FOR POSITIONS ONLY				
				STATE POS. CODE				
				POSITION CONTROL				
A	1310	04790	LATCF		Local Assistance & Tribal Consistency Fund	\$100,000.00	\$100,000.00	Finance
A	4322	03398	LIF23		LEAD Funding NYS	300,000.00	300,000.00	Mental Health
A	6989	01113			Hotel Occupancy Tax	456,318.00	6,906,318.00	Management & Budget
A	1985	01110			Sales Tax	530,717.00	326,580,717.00	Management & Budget
TOTAL REVENUES					<u>\$0.00</u>	<u>\$1,387,035.00</u>		
GRAND TOTAL					<u>\$1,741,220.00</u>	<u>\$1,741,220.00</u>		

GUIDANCE FOR THE LOCAL ASSISTANCE AND TRIBAL CONSISTENCY FUND

U.S. Department of the Treasury Updated September 2023

INTRODUCTION

The U.S. Department of the Treasury (Treasury) is updating this guidance issued in July 2022 regarding the Local Assistance and Tribal Consistency Fund (LATCF), established by Section 605 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021 (American Rescue Plan) and as amended by Section 103 of Division LL of the Consolidated Appropriations Act, 2023. This guidance provides a summary of the structure and terms of the program, including information about eligible uses of funds, program administration, and other requirements under the LATCF program. This guidance may be updated, revised, or modified, and Treasury may waive these standards to the extent permitted by law.

The American Rescue Plan appropriated \$2 billion to Treasury across fiscal years 2022 and 2023 to provide payments to eligible revenue sharing counties and eligible Tribal governments, and Section 103 of Division LL of the Consolidated Appropriations Act, 2023 made additional funding available from LATCF funds unclaimed by eligible revenue sharing counties after January 31, 2023 or unobligated Treasury administrative funds, across fiscal years 2023 and 2024 for payments to eligible revenue sharing consolidated governments, for use on any governmental purpose except for a lobbying activity. Treasury determined the allocation for eligible revenue sharing consolidated governments to be approximately \$10.5 million in total for fiscal years 2023 and 2024. Eligible recipients must submit a request for funding in the Treasury Submission Portal to receive their payments, and further instructions can be found on the Treasury website. There is no pre-approval process for projects funded by the program. Recipients must submit periodic reports to Treasury on their expenditures.

The purpose of the LATCF program is to serve as a general revenue enhancement program. Many eligible revenue sharing counties, eligible revenue sharing consolidated governments, and eligible Tribal governments have historically experienced fluctuations in their revenues, and this program is designed, in part, to supplement existing federal programs that augment and stabilize revenues for these communities. In providing support to these communities, allocations under this program consider the economic conditions of recipients.

Under this program, recipients have broad discretion on uses of funds, similar to the ways in which they may use funds generated from their own local revenue sources. Specifically, recipients may use these funds on any governmental purpose other than a lobbying activity. Recipients may maintain or expand public services – such as health, educational, housing, and public safety services – to their communities with these funds. Recipients may also invest in infrastructure – from roads and bridges to water infrastructure – to facilitate economic development, improve health outcomes, or transition their communities to clean energy. Recipients may also invest in restoring and bolstering government capacity, such as increasing the size of their government workforce or investing in improvements in service delivery, like technology infrastructure and data analysis resources, that will improve delivery of services to their communities for years to come.

I. PROGRAMMATIC TERMS OF THE ASSISTANCE

This section describes the programmatic terms of the program, including key information on eligible applicants, allocations, eligible and ineligible uses of funds, eligible and ineligible costs, and the availability of funds. Recipients are subject to the terms of the award agreement that they must enter into in order to receive funding.

A. ELIGIBLE APPLICANTS

The LATCF, as added by the American Rescue Plan and amended by Section 103 of Division LL of the Consolidated Appropriations Act, 2023, identifies eligible revenue sharing counties, eligible revenue sharing consolidated governments, and eligible Tribal governments as the governments eligible to request payment of their allocation of the program and defines eligibility as follows:

- An *eligible revenue sharing county* is a county, parish, or borough that is independent of any other unit of local government; and that, as determined by the Secretary of the Treasury, is the principal provider of government services for the area within its jurisdiction; and for which, as determined by the Secretary, there is a negative revenue impact due to implementation of a Federal program or changes to such program. In addition, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the United States Virgin Islands are eligible revenue sharing counties.
- An *eligible revenue sharing consolidated government* is a county, parish, or borough that has been classified by the Bureau of the Census as an active government consolidated with another government, and for which, as determined by the Secretary, there is a negative revenue impact due to implementation of a Federal program or changes to such a program.
- An *eligible Tribal government* is the recognized governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or component reservation, individually identified (including parenthetically) in the list published most recently as of the date of enactment of the American Rescue Plan pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 1531).

B. ALLOCATIONS

Section 605(b) provides for a total of \$2 billion for Treasury to make payments to eligible revenue sharing counties and eligible Tribal governments over fiscal years 2022 and 2023. The provision directs the Secretary to reserve \$750 million to allocate and pay to eligible revenue sharing counties for each of fiscal years 2022 and 2023, taking into account economic conditions of each eligible revenue sharing county, using measurements of poverty rates, household income, land values, and unemployment rates, as well as other economic indicators, over the 20-year period ending with September 30, 2021. Separately, the provision directs the Secretary to reserve \$250 million to allocate and pay to eligible Tribal governments for each of fiscal years 2022 and 2023, taking into account economic conditions of each eligible Tribe.

Section 605(g), as added by Section 103 of Division LL of the Consolidated Appropriations Act, 2023, makes additional funding available from LATCF funds unclaimed by eligible revenue

sharing counties after January 31, 2023 or unobligated Treasury administrative funds, to make payments to eligible revenue sharing consolidated governments for each of fiscal years 2023 and 2024 reflecting an amount equal to the amount that the Secretary would have allocated to such eligible revenue sharing consolidated governments for fiscal year 2022 if such governments had been treated as eligible revenue sharing counties under the original Section 605, using the allocation methodology adopted by Treasury for such eligible revenue sharing counties in 2022.

Eligible Tribal governments may log in to the Treasury Submission Portal to review their specific allocations under the program. Eligible revenue sharing counties and eligible revenue sharing consolidated governments may review their allocations on the Treasury website.

C. ELIGIBLE AND INELIGIBLE USES OF FUNDS

a) Eligible Uses

Section 605(c) provides flexible support for eligible revenue sharing counties, eligible revenue sharing consolidated governments, and eligible Tribal governments to meet their jurisdictions' needs. Specifically, the statute directs that recipients may use funds for any governmental purpose other than a lobbying activity.

As a general matter, recipients may treat these funds in a similar manner to how they treat funds generated from their own local revenue. Programs, services, and capital expenditures that are traditionally undertaken by a government are considered to fulfill a "governmental purpose." For Tribal governments, investing in activities undertaken by Tribal enterprises, such as operating or capital expenditures for businesses that are owned or controlled by a Tribal government, are considered a governmental purpose. However, the LATCF funds may not be used for lobbying activities.

A non-exhaustive list of example activities that fulfill a governmental purpose include, but are not limited to:

- Provision of health services, educational services, court services, police, fire, emergency medical, and other public safety services, utilities or sanitation services, and direct assistance to households (including cash assistance);
- Capital expenditures on core facilities and equipment, including in housing and community development (e.g., schools, hospitals, childcare facilities, and parks and recreation facilities), public safety facilities and equipment (e.g., police vehicles), and government administration buildings;
- Infrastructure investments, including roads, bridges, water and sewer systems, utility systems, airports, public transit, and technology infrastructure;
- Long-term economic development activities, including affordable housing development, workforce development and other programs to strengthen local communities undergoing economic transitions;
- General government operations, such as general government administration, personnel costs, administrative facilities, record keeping, tax assessments, or election administration; and
- Meeting another federal program's non-federal match or cost-sharing requirements, unless

barred by statute or other applicable law (as detailed further in this guidance).

Federal Davis-Bacon Act prevailing wage rate requirements do not apply to projects funded solely by the LATCF except for LATCF-funded construction projects undertaken by the District of Columbia.¹ Further, generally, receipt of LATCF funding does not trigger the National Environmental Policy Act (NEPA),² although recipients must ensure compliance with all applicable federal environmental laws.

b) Ineligible Uses

Recipients may not use federal funds to directly or indirectly pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, a jurisdiction, or an official of any government, to favor, adopt, or oppose, by vote or otherwise, any legislation, law, ratification, policy, or appropriation, whether before or after the introduction of any bill, measure, or resolution proposing such legislation, law, ratification, policy, or appropriation. Amounts that are used in violation of the lobbying restriction set forth in this guidance may be subject to recoupment.

c) Compliance with financial management, procurement, and conflicts of interest standards

Recipients must expend and account for the LATCF funds in accordance with the financial management, procurement, and conflicts of interest standards, laws, policies, and procedures applicable to their expenditure of and accounting for their own funds. Treasury will monitor violations of this requirement through reporting and other sources. Recipients should also review the Buy America domestic content procurement preference requirements, below.

D. ELIGIBLE AND INELIGIBLE COSTS

As a general matter, recipients may use funds to cover costs incurred on any eligible use, including costs incurred from March 15, 2021. Recipients may use funds to cover costs of administering the LATCF program, including costs of consultants to support effective management and oversight as well as compliance with legal, regulatory, and other requirements.

E. TRANSFERS

Recipients may transfer to and pool LATCF funds with other entities for projects, provided that

¹ Neither the Davis-Bacon Act nor Davis-Bacon Act related provisions requirements apply to projects funded solely with award funds from the LATCF, except for LATCF-funded construction projects undertaken by the District of Columbia. The Davis-Bacon Act specifically applies to the District of Columbia when it uses federal funds to enter into contracts over \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Recipients may be subject to the requirements of the Davis-Bacon Act, when LATCF funds are used on a construction project in conjunction with funds from another federal program that requires enforcement of the Davis-Bacon Act. Additionally, corollary state prevailing-wage-in-construction laws (commonly known as “baby Davis-Bacon Acts”) may apply to projects.

² Projects supported with payments from LATCF may still be subject to NEPA review if they are also funded by or otherwise involve actions from other federal programs or agencies.

recipients are able to track use of the funds in line with the reporting and compliance requirements of the LATCF. As an example, neighboring counties may pool funds in order to invest in a regional infrastructure project. Further, recipients may fund a project with both LATCF funds and other sources of funding, provided that the project is an eligible use under each source program and recipients are compliant with all other related statutory and regulatory requirements and policies.

Transfers under this program do not give rise to subrecipient relationships given the purpose of the award. As a result, recipients do not need to comply with subrecipient monitoring or oversight requirements outlined in the Uniform Guidance at 2 C.F.R. § 200.331 through § 200.332. Further, no subrecipient reporting under 2 C.F.R. Part 170 will be required for this program, although recipients meeting the applicable thresholds will still be required to report on executive compensation pursuant to 2 C.F.R. Part 170.

F. NON-FEDERAL MATCH OR COST-SHARE REQUIREMENTS

As a general principle, federal funds that constitute revenue sharing to state and local governments may generally be used to meet the non-federal match or cost-share requirements of another program.³

Given the LATCF's purpose as a general revenue enhancement program and the broad eligible uses of LATCF funds, Treasury has determined that funds available under the LATCF program constitute revenue sharing. Therefore, funds under the program may be used to meet the non-federal cost-share or matching requirements of other federal programs. Pursuant to 2 C.F.R. § 200.306(b), if funds are legally available to meet the match or cost-share requirements of an agency's federal program, such awarding agency is required to accept such funds for the purpose of that program's match or cost-share requirements except in the circumstances enumerated in that section. If a recipient seeks to use LATCF funds to satisfy match or cost-share requirements for a federal grant program, it should first confirm with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 C.F.R. § 200.306(b) would limit the use of LATCF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the LATCF funds for the match or cost-share requirement. Additional guidance specific to Medicaid and CHIP is forthcoming.

Recipients using LATCF funds to meet non-federal match or cost-share requirements of another federal program must ensure that the costs are eligible costs under the other federal program and are compliant with the statutory, regulatory, and program requirements of the LATCF and the other federal program.

G. AVAILABILITY OF FUNDS

All funds are available to recipients until expended or returned to Treasury.

³ See U.S. Government Accountability Office, *Principles of Federal Appropriations Law, Third Edition, Volume II*, p. 10-99, GAO-06-382SP (February 2006), <https://www.gao.gov/assets/gao-06-382sp.pdf>

II. OPERATIONAL TERMS OF THE ASSISTANCE

This section provides a summary of operational terms of the program, including payments, reporting, and compliance. Treasury expects to release reporting and compliance guidance for the LATCF program at a later date.

A. PAYMENTS

Recipients may request payment of their allocation through the Treasury Submission Portal by following the instructions on Treasury's website. Eligible applicants will be required to complete payment information and sign an award agreement. Tribal governments will be required to complete a certification regarding economic conditions.

B. REPORTING

All recipients will be responsible for submitting an annual Obligation and Expenditure report to Treasury, which is expected to require data on obligations and expenditures by category of use and certification that funds have not been used to fund lobbying activities.

Information provided through annual reporting will be used to facilitate Treasury's compliance review for uses of funds that do not comply with program requirements, as well as to reduce the risk of waste, fraud, and abuse. Any eligible revenue sharing county or eligible revenue sharing consolidated government that is determined to have failed to submit a report may be required to repay to Treasury an amount up to 5 percent of its total allocation, as authorized by Sections 605(d) and (e).

C. OVERSIGHT

Recipients will be subject to audit or review by the Treasury Inspector General and Government Accountability Office. Recipients are subject to the Single Audit Act and its implementing regulations at 2 C.F.R. Part 200 Subpart F.

D. COMPLIANCE

a) General

Treasury may recoup funds from any recipient in cases of misuse of LATCF funds. Separately, in case of a failure to report, Section 605(c) provides specifically that Treasury may also recoup funds from an eligible revenue sharing county or an eligible revenue sharing consolidated government of an amount that the Secretary determines appropriate but that does not exceed 5 percent of the recipient's total allocation.

Any amounts that Treasury has determined to recoup would be subject to generally applicable federal debt collection laws and procedures, including the provisions set forth in Chapter 37 of title 31 of the United States Code and the Federal Claims Collection Standards at 31 C.F.R. Parts 900 through 904.

Treasury expects to work with recipients to support the use of LATCF funds and the timely filing

of annual reports to Treasury. Treasury may, for example, request additional information and work with recipients to remedy the failure to timely file a report before initiating the recoupment process. Treasury may pursue additional remedies for noncompliance with applicable law or program requirements in conjunction with, or as an alternative to, recoupment, including imposing conditions on the receipt of additional LATCF funds by the recipient and/or terminating further payments from the LATCF.

b) Recoupment Process

Treasury will monitor recipients' compliance with legislative and program requirements through evaluation of information submitted by recipients through annual reporting as well as other sources. If Treasury identifies an instance of potential non-compliance, Treasury expects to provide the recipient with a notice of the proposed non-compliance. Treasury expects the notice of proposed non-compliance to set forth a process consistent with the award terms and conditions and applicable law. Recipients that receive a final determination of non-compliance from Treasury will be required to repay any amounts in accordance with the process set forth in the final determination of non-compliance.

Treasury retains the discretion to provide additional guidance on the process set forth above in accordance with and as permitted by Chapter 37 of title 31 of the United States Code and the Federal Claims Collection Standards at 31 C.F.R. Part 900.

E. APPLICATION OF FEDERAL FINANCIAL ASSISTANCE REQUIREMENTS

The LATCF is considered federal financial assistance and recipients are generally subject to laws and regulations applicable to federal financial assistance.

a) Financial Assistance Award Management Requirements

LATCF recipients are subject to the following provisions of 2 C.F.R. Part 200 (the Uniform Guidance):

- 2 C.F.R. Subpart A (Acronyms);
- 2 C.F.R. 200.100-110 (certain General Provisions);
- 2 C.F.R. 200.203 (public notice of Federal financial assistance programs);
- 2 C.F.R. 200.303 (internal controls); and
- Single Audit Act and its implementing regulations at 2 C.F.R. Part 200 Subpart F.

Per 2 C.F.R. § 200.101(b), the program is not subject to other Uniform Guidance provisions beyond those detailed above, such as the provisions regarding program income, interest advances, equipment and real property management, procurement requirements, or subrecipient monitoring and reporting requirements. Therefore, capital assets acquired using LATCF funds are not subject to the Uniform Guidance's use and disposition instructions, and program income is income to the recipient government and not subject to program restrictions.

No subrecipient reporting under 2 C.F.R. Part 170 (implementing the Federal Funding Accountability and Transparency Act of 2006) will be required for this program, although

recipients meeting the applicable thresholds will still be required to report on executive compensation pursuant to 2 C.F.R. Part 170. Treasury's regulations at 31 C.F.R. Part 19 (implementing OMB's Guidelines to Agencies on Governmentwide Debarment and Suspension at 2 C.F.R. Part 180) are applicable to the program. Recipients are required to comply with the System for Award Management (SAM) requirements in 2 C.F.R. Part 25.⁴

There are no matching, level of effort, or earmarking compliance responsibilities associated with the LATCF program.

b) Buy America Domestic Content Procurement Preference

The Build America, Buy America Act establishes domestic content procurement preference requirements for federal financial assistance programs for infrastructure.⁵ These requirements apply to the LATCF. As such, expenditures for iron, steel, manufactured products, and construction materials used in an infrastructure project funded using a LATCF award generally must be produced in the United States. These requirements do not apply to non-infrastructure projects or to infrastructure projects undertaken in response to the COVID-19 public health emergency.

Recipients should review the details of these domestic content procurement requirements as provided in the terms and conditions of the LATCF award, which follow the guidance provided by the Office of Management and Budget (OMB).⁶ The definition of infrastructure as provided by the Build America, Buy America Act and OMB guidance is broad and includes the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. An infrastructure project includes the construction, alteration, maintenance, or repair of infrastructure.

Treasury has issued a six-month public interest adjustment period general applicability waiver from the Buy America Domestic Content Procurement Preference (BAP) as applied to federal financial assistance provided to non-Tribal government recipients of LATCF. Under this waiver, the application of BAP requirements does not apply to LATCF award agreements entered into by these recipients during the waiver period, effective from September 27, 2022 to March 26, 2023.

Treasury has also issued a one-year general applicability waiver from the BAP requirements as applied to Tribal government recipients of LATCF. This one-year Tribal consultations waiver applies to all award agreements entered into with Tribal governments during the one-year period

⁴ 2 C.F.R. Part 25, Subpart C, is inapplicable to this program as transfers under this program do not give rise to subrecipient relationships.

⁵ See section 70914(a) of the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA). The Buy America, Build America Act was included as sections 70901-27 of the IIJA.

⁶ OMB's guidance is provided in OMB Memorandum M-22-11, "Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure" (April 18, 2022), available at <https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf>.

beginning on the effective date of the waiver, January 17, 2023. In addition, in the case of award agreements entered into with Tribal governments prior to the date of the final waiver, January 17, 2023, the waiver applies to all expenditures incurred after the date of the final waiver on an infrastructure project if there is no other federal assistance used for such project that is subject to BAP. Tribal governments that have received an award prior to the date that the Tribal Consultation waiver from the BAP became effective and expended the funds on infrastructure projects may still be subject to the requirements of the Buy America, Build America Act. Treasury has provided more details on its website.

In addition, the Buy America, Build America Act requirements do not apply to expenditures using LATCF funds for infrastructure projects undertaken in response to the COVID-19 public health emergency or in response to or anticipation of other major disasters or emergencies declared by the President under the Stafford Act.⁷ Treasury recognizes that the public health emergency is impacting recipients in different ways and that recipients are impacted by a broad range of other types of major disasters and emergencies declared under the Stafford Act. Accordingly, recipients should make their own determinations as to what infrastructure projects they need to undertake to respond to the COVID-19 public health emergency or other Stafford Act disaster or emergency.

F. COMPLIANCE WITH OTHER APPLICABLE LAWS

Recipients are responsible for complying with all other applicable laws in the course of using the funds from their award, including all applicable environmental laws and all laws applicable to federal financial assistance (unless stated otherwise in this guidance or the award agreement). Applicable laws include but are not limited to those listed in the award agreement.

Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 8, 1997) re: Increasing Seat Belt Use, Treasury encourages recipients to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles. Recipients should also encourage their contractors to adopt and enforce such policies.

Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 1, 2009), re: Reducing Text Messaging While Driving, Treasury encourages recipients to encourage their employees and contractors to adopt and enforce policies that ban text messaging while driving, and recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

⁷ More specifically, as provided in OMB's guidance, the requirements of the Buy America, Build America Act do not apply to expenditures made in anticipation of or in response to an event or events that qualify as an "emergency" or "major disaster" within the meaning of the Stafford Act, 42 U.S.C. § 5122(1), (2). *See* OMB Memorandum M-22-11 at 3-4.

III. CONTACT INFORMATION

E-mail correspondence is preferred. Correspondence by mail may be subject to significant delays.

LATCF@treasury.gov

U.S. Department of the Treasury
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1500 Pennsylvania Ave NW
Washington, DC 20220

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IV. UPDATE LOG

Date	Action
July 2022	Treasury issues Guidance
February 2023	Treasury updates Guidance to reflect amendment to LATCF by Section 103 of Division LL of the Consolidated Appropriations Act, 2023 and to reflect Buy America Domestic Content Procurement Preference waivers issued by Treasury.
September 2023	Treasury updates name of LATCF annual report to match the LATCF Reporting Guidance