

By: Representatives Byrd, Rushing

To: Rules

## HOUSE BILL NO. 1781

1 AN ACT TO ESTABLISH THE LOCAL GOVERNMENT CORONAVIRUS  
2 REIMBURSEMENT RELIEF PROGRAM; TO PROVIDE THE REIMBURSEMENT OF  
3 LOCAL GOVERNMENTS, COUNTIES, MUNICIPALITIES AND POLITICAL  
4 SUBDIVISIONS, FOR ELIGIBLE CORONAVIRUS (COVID-19) RELATED EXPENSES  
5 AS PRESCRIBED BY CERTAIN FEDERAL GUIDELINES; TO DEFINE CERTAIN  
6 TERMS; TO DIRECT THE STATE FISCAL OFFICER TO MAKE TRANSFERS OF  
7 CERTAIN FUNDS; TO CREATE THE "LOCAL GOVERNMENT CORONAVIRUS  
8 REIMBURSEMENT RELIEF FUND" AS A SPECIAL FUND IN THE STATE TREASURY  
9 FOR THE PURPOSE OF PROVIDING FUNDS FOR LOCAL GOVERNMENTS UNDER  
10 THIS ACT; AND FOR RELATED PURPOSES.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

12 **SECTION 1.** (1) There is established the Local Government  
13 Coronavirus Reimbursement Relief Program, which shall be  
14 administered by the Department by Finance and Administration. The  
15 purpose of the program is to reimburse local governments for  
16 eligible Coronavirus (COVID-19) related expenses. The program  
17 shall be funded with monies appropriated by the Legislature from  
18 the Coronavirus Reimbursement Relief Fund in the State Treasury.

19 (2) When used in this section, unless the context requires a  
20 different definition, the terms shall have the following meanings:

21 (a) "CARES Act" means the federal Coronavirus Aid,  
22 Relief, and Economic Security Act.



23 (b) "COVID-19" means the SARS-COV-2 Coronavirus.

24 (c) "Fund" means monies in the state treasury in which  
25 federal funds from the Coronavirus Relief Fund are deposited.

26 (d) "Local government" means any county, municipality  
27 or political subdivision within the state.

28 (e) "Program" means the Local Government Coronavirus  
29 Reimbursement Relief Program.

30 (3) Local governments that participate under the program  
31 shall establish a Pandemic Recovery Office to oversee and  
32 coordinate reporting and accounting of Coronavirus Relief Funds.  
33 The Coronavirus Relief Funds may be used to reimburse the cost of  
34 establishing a Pandemic Recovery Office.

35 (4) (a) Local governments that utilize the program shall  
36 provide quarterly reports to the Mississippi State Department of  
37 Audit beginning October 1, 2020.

38 (b) Any unspent or misspent funds under the program  
39 shall be subject to federal recoupment.

40 (5) Certain expenditures as established under the guidance  
41 and guidelines of the United States Department of the Treasury are  
42 eligible for reimbursement under the Coronavirus Relief Fund.  
43 Such expenditures of local governments that may be eligible for  
44 reimbursement may include, but are not limited, to the following  
45 expenditures:

46 (a) Medical expenses that may include but are not  
47 limited to:



(i) COVID-19 related expenses of public hospitals, clinics, and similar facilities.

(ii) Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.

(iii) Costs of providing COVID-19 testing, including serological testing.

(iv) Emergency medical response expenses, including emergency medical transportation, related to COVID-19.

(v) Expenses for establishing and operating public telemedicine capabilities for COVID-19 related treatment.

(b) Public health expenses that may include but are not limited to:

(i) Expenses for communication and enforcement by state, territorial, local, and tribal governments of public health orders related to COVID-19.

(ii) Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.



(iii) Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.

(iv) Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19 related threats to public health and safety.

(v) Expenses for public safety measures undertaken in response to COVID-19.

(vi) Expenses for quarantining individuals.

(c) Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

(d) Action expenses to facilitate compliance with COVID-19 related public health measures that may include but are not limited to:

(i) Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.

(ii) Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.



(iii) Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.

(iv) Expenses of providing paid-sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.

(v) COVID-19 related expenses of maintaining state prisons and county jails, including as it relates to sanitation and improvement of social distancing measures to enable compliance with COVID-19 public health precautions.

(vi) Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

(e) Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, that may include but are not limited to:

(i) Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.

(ii) Expenditures related to a local government payroll support program.

(iii) Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.



(f) Any other COVID-19 related expenses reasonably necessary to the function of government that satisfy the fund's eligibility criteria.

(6) Certain expenditures, as established under the guidance and guidelines of the United States Department of the Treasury are ineligible for reimbursement under the Coronavirus Relief Fund. Such expenditures of local governments that may be ineligible for reimbursement may include, but are not limited to, the following:

(a) Expenses for the state share of Medicaid.

(b) Damages covered by insurance.

(c) Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

(d) Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by states to state unemployment funds.

(e) Reimbursement to donors for donated items or services.

(f) Workforce bonuses other than hazard pay or overtime.

(g) Severance pay.

(h) Legal settlements.

(7) If local governments experience a revenue shortfall from COVID-19 and the federal government amends the CARES Act to allow



for the Coronavirus Relief Fund money to be spent on revenue replacement, then local government revenue shortfalls shall be eligible for reimbursement payments through the program.

(8) (a) Monies in the fund shall be utilized by local governments to meet the remaining balance of any match requirement under the reimbursement program that is not covered by the Federal Emergency Management Agency and/or the Mississippi Emergency Management Agency.

(b) Monies from the fund utilized for the purpose set out under this subsection shall be paid to the Mississippi Emergency Management Agency (MEMA) from the Department of Finance and Administration upon application of a local government. After payment is received by MEMA, the monies shall be utilized by such local government to cover the remaining balance of any match requirement.

(9) (a) There is hereby created in the State Treasury a special fund to be designated as the "Coronavirus Reimbursement Relief Fund," which shall consist of funds made available by the Legislature in any manner and funds from any other source designated for deposit into such fund. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used for the purpose of providing payments to eligible taxpayers as provided in



170 this section. Monies in the fund shall be administered and  
171 disbursed by the Department of Finance and Administration in  
172 compliance with the guidelines, guidance, rules, regulations  
173 and/or other criteria, as may be amended from time to time, of the  
174 United States Department of the Treasury regarding the use of  
175 monies from the Coronavirus Relief Fund established by the  
176 Coronavirus Aid, Relief, and Economic Security (CARES) Act. If on  
177 November 1, 2020, there are unobligated monies in the fund, the  
178 Governor shall have the discretion to transfer monies to another  
179 state agency to be used for eligible expenditures pursuant to the  
180 Coronavirus Aid, Relief, and Economic Security (CARES) Act.

181 (b) To effectuate the purposes of this act, any office,  
182 division, board, bureau, committee, institution or agency of the  
183 state, or any political subdivision thereof, shall, at the request  
184 of the Department of Finance and Administration, provide the  
185 employees, facilities, assistance, information and data needed to  
186 enable the department to carry out its duties.

187 (10) The Department of Finance and Administration shall  
188 prepare a report regarding the utilization of the program to be  
189 submitted to the Chairmen of the County Affairs and Municipalities  
190 Committees of the House of Representatives and the Senate not  
191 later than December 31, 2020. At a minimum, the report shall  
192 provide the following:

193 (a) Each participating local government.





194                   (b)   The type of reimbursement requested by each  
195 participating local government.

196                   (c)   The reimbursement amount received, if any, by each  
197 participating local government.

198           **SECTION 2.**   Upon the effective date of this act, the State  
199 Fiscal Officer shall transfer to the Budget Contingency Fund out  
200 of the DFA CARES ACT COVID-19 Fund (Fund Number  
201 6820113000).....   \$ 65,000,000.00.

202           **SECTION 3.**   This act shall take effect and be in force from  
203 and after its passage.

