



July 12, 2021

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Regulation Identifier No.: 1505-AC77 (Docket ID: TREAS-DO-2021-0008) 86 Fed. Reg. 26786 (May 17, 2021)

RE: Comments on Interim Final Rule Regarding Coronavirus State and Local Fiscal Recovery Funds

To Whom it May Concern:

On behalf of the National Association of State Auditors, Comptrollers and Treasurers (NASACT), representing the nation's top state finance officials, we are pleased to respond to Treasury's request for comment on its interim final rule (IFR) to implement the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund established under the American Rescue Plan Act. Our members are state finance officials involved in the drawdown, implementation, reporting and oversight of these important federal funds.

We commend Treasury for quickly releasing the IFR and providing recipients the opportunity to provide insight on implementation of the State and Local Fiscal Recovery Funds. We are pleased that Treasury continues to provide additional guidance through its frequently asked questions documents and other guidance made available on its website. We are also pleased that Treasury is taking measures to assure that the funds are expended as required and that the opportunity for fraud is kept to a minimum.

We offer the following input to the questions posed in the IFR.

Eligible Use

Question 1: *Are there other types of services or costs that Treasury should consider as eligible uses to respond to the public health impacts of COVID-19? Describe how these respond to the COVID-19 public health emergency.*

The broad range of services discussed by the FAQ appears adequate.

Question 2: *The IFR permits coverage of payroll and benefits costs of public health and safety staff primarily dedicated to COVID-19 response, as well as rehiring of public sector staff up to pre-pandemic levels. For how long should these measures remain in place? What other measures or presumptions might Treasury consider to assess the extent to which public sector staff are engaged in COVID-19 response, and therefore reimbursable, in an easily administrable manner?*

The measures should remain in place throughout the pandemic. Treasury should consider the economic impact to the public sector entities. Additional measures or presumptions adopted to assess the extent to which public sector staff are engaged in COVID-19 response activities should be clearly defined and documentable.

Question 3: *The IFR permits rehiring of public sector staff up to the government's pre-pandemic staffing level, which is measured based on employment as of January 27, 2021. Does this approach adequately measure the pre-pandemic staffing level in a manner that is both accurate and easily administrable? Why or why not?*

This approach seems reasonable. However, the use of budgeted positions may be more appropriate if unusual turnover was noted before the pandemic began.

Question 4: *The IFR permits deposits to Unemployment Insurance Trust Funds, or using funds to pay back advances, up to the pre-pandemic balance. What, if any, conditions should be considered to ensure that funds repair economic impacts of the pandemic and strengthen unemployment insurance systems?*

As a general principle, clear and documentable conditions should be adopted for unemployment insurance systems to promote the establishment of robust internal controls that prevent and detect fraud, waste, and abuse. To aid in strengthening the unemployment system, entities should be able to use this money to correct pre-existing significant deficiency and/or material weakness findings.

Question 5: *Are there other types of services or costs that Treasury should consider as eligible uses to respond to the negative economic impacts of COVID-19? Describe how these respond to the COVID-19 public health emergency.*

All appropriate categories appear to be listed.

Question 6: *What other measures, presumptions, or considerations could be used to assess “impacted industries” affected by the COVID-19 public health emergency?*

Loss of revenue considering unavoidable expenses could be used. For impacted industries, it may reduce administrative burden to assume that the declines that occurred after the pandemic were due to the pandemic, as it is impossible to predict what may have occurred had COVID-19 not emerged.

Question 7: *What are the advantages and disadvantages of using Qualified Census Tracts and services provided by Tribal governments to delineate where a broader range of eligible uses are presumed to be responsive to the public health and economic impacts of COVID-19? What other measures might Treasury consider? Are there other populations or geographic areas that were disproportionately impacted by the pandemic that should be explicitly included?*

Advantages include targeted assistance. Disadvantages would include complicated and inequitable allowances. Using QCT may ease administrative burden, but the data used may be outdated.

Question 8: *Are there other services or costs that Treasury should consider as eligible uses to respond to the disproportionate impacts of COVID-19 on low-income populations and communities? Describe how these respond to the COVID-19 public health emergency or its negative economic impacts, including its exacerbation of pre-existing challenges in these areas.*

All appropriate categories appear to be listed.

Question 9: *The IFR includes eligible uses to support affordable housing and stronger neighborhoods in disproportionately-impacted communities. Discuss the advantages and disadvantages of explicitly including other uses to support affordable housing and stronger neighborhoods, including rehabilitation of blighted properties or demolition of abandoned or vacant properties. In what ways does, or does not, this potential use address public health or economic impacts of the pandemic? What considerations, if any, could support use of Fiscal Recovery Funds in ways that do not result in resident displacement or loss of affordable housing units.*

Rehabilitation of blighted properties could provide safer and cleaner places for residents of disproportionately-impacted communities to live. In addition, the demolition of unused or unusable properties may allow development to occur within these communities and also provide safer and cleaner places for residents of disproportionately-impacted communities to live or congregate. The use of these funds may allow rental rates to remain low, as well, as construction costs are subsidized through Fiscal Recovery Funds.

Premium Pay

Question 10: *Are there additional sectors beyond those listed in the IFR that should be considered essential critical infrastructure sectors?*

Any repair and maintenance functions associated with sectors specifically listed should also be included. This would include individuals who perform tasks, such as repairs and maintenance on farm equipment that allow

continued operation, repairs and maintenance on medical equipment that allow for continued care of patients, etc.

Question 11: *What, if any, additional criteria should Treasury consider to ensure that premium pay responds to essential workers?*

None identified. However, any additional criteria should be clearly defined and documentable.

Question 12: *What consideration, if any, should be given to the criteria on salary threshold, including measure and level, for requiring written justification?*

This concept seems very complicated. It may be beneficial to provide a table that reflects the baseline data for each state. Justification for all premium pay (at least by position type) should be documented.

Reduction in Revenue

Question 13: *Are there sources of revenue that either should or should not be included in the IFR's measure of "general revenue" for recipients? If so, discuss why these sources either should or should not be included.*

General revenue should not exclude refunds for taxes in the calculation as this would manipulate the revenue by allowing taxpayers to drive the calculation by increases or decreasing withholding payments, which is not a true reflection of tax revenue. Also, corrections of errors, if known, should not be excluded as human error should not drive the calculation of revenue. What if someone transposed a number by adding an extra digit that changed the number from millions to billions? This error would certainly need to be corrected in reporting.

Question 14: *In the IFR, recipients are expected to calculate the reduction in revenue on an aggregate basis. Discuss the advantages and disadvantages of, and any potential concerns with, this approach, including circumstances in which it could be necessary or appropriate to calculate the reduction in revenue by source.*

A potential concern is that there could be a material one-time revenue within either period. It may be more advantageous to account for the lagged effect, as referenced in Question 16, of various revenues. The effects associated with taxes collected on an annual basis, such as ad valorem taxes, may not be felt as quickly as the effect of declines in sales tax revenue. Further, automobile sales have sky-rocketed due to the disbursement of stimulus checks, but it is difficult to predict what the tax revenue associated with automobile sales will look like in the next few years. While the IFR allows significant flexibility by allowing the reduction in revenue calculation on an aggregate basis, this approach does not adequately take into consideration the nature of governmental accounting and government operations, including the specific restrictions that may be present in some funds that can be used in the calculation of general revenue for reduction in revenue purposes.

The Governmental Accounting Standards Board (GASB) Codification 1300.101 describes the governmental environment noting the diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. Unlike a private business, which is accounted for as a single entity, a governmental unit is accounted for through several separate fund entities, each accounting for designated assets, liabilities, and equity or other balances. Thus, from an accounting and financial management viewpoint, a governmental unit is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently. GASB Cod. 1300.105 - .107 further elaborates on the uses of separate fund types to account for funds which are committed or restricted for specific purposes including:

1. Special revenue funds which are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
2. Capital projects funds which are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, and
3. Debt service funds which are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Calculating reduction in revenue by source and requiring the replacement funds to be used in accordance with the related restrictions maintains the provision of government services in accordance with where those losses were suffered and maintains compliance with the restricted nature of the revenues. Furthermore, since accounting for revenues is already maintained by fund for governmental entities, a reduction in revenue calculation would be easier, in theory, if disaggregated by fund.

Question 15: *Treasury is considering whether to take into account other factors, including actions taken by the recipient as well as the expiration of the COVID-19 public health emergency, in determining whether to presume that revenue losses are “due to” the COVID-19 public health emergency. Discuss the advantages and disadvantages of this presumption, including when, if ever, during the covered period it would be appropriate to reevaluate the presumption that all losses are attributable to the COVID-19 public health emergency.*

The presumption that revenue losses are due to the public health emergency certainly reduces administrative burden. In addition, it is impossible to predict what may have occurred had COVID-19 not emerged. It may be reasonable to extend this presumption through the end of the related period of performance rather than the expiration of the public health emergency declaration.

To our understanding, the current federal public health emergency declaration is effective through July 19, 2021, and it is the intent of the U.S. Department of Health & Human Services (HHS) to continue extensions of this declaration through the end of calendar year 2021. However, many of the public health orders in various states have been rescinded. Relying on dates that are subject to extension and/or could be interpreted to be different for various states could be confusing for recipients and compliance auditors. The administrative convenience of assuming losses are due to the COVID-19 pandemic reduces administrative burden and allows recipients to more easily utilize their awards. Any factors considered by Treasury should be clearly defined and documentable, and we would recommend that any measure or set of measures be defined in the final rule.

Question 16: *Do recipients anticipate lagged revenue effects of the public health emergency? If so, when would these lagged effects be expected to occur, and what can Treasury do to support these recipients through its implementation of the program?*

The revenue for some states is heavily dependent on tourism. The shutdowns and travel restrictions during COVID-19 had a major impact on tourism revenue. Although tourism may increase to pre-pandemic levels, there may be a multi-year lag in the revenue recovery. It also may be years before some of the property tax issues affect local governments. It may be advantageous to extend the period that revenue losses may be claimed.

Question 17: *In the Interim Final Rule, paying interest or principal on government debt is not considered provision of a government service. Discuss the advantages and disadvantages of this approach, including circumstances in which paying interest or principal on government debt could be considered provision of a government service.*

Paying interest or principal on government debt could be considered a provision of a government service if the revenue stream that pays for the debt was impacted by the pandemic and there is a documented loss of revenue. There are various toll roads built and funded with debt to be paid by the tolls. However, during the pandemic, there was a drastic decrease in traffic and many people are still working at home. The revenue levels that were expected from the tolls has decreased tremendously.

Essentially, allowing state and local governments to cover lost revenue in these situations is allowing them to pay their interest and principal payments on this debt.

Investments in Infrastructure

Question 18: *What are the advantages and disadvantages of aligning eligible uses with the eligible project type requirements of the DWSRF and CWSRF? What other water or sewer project categories, if any, should Treasury consider in addition to DWSRF and CWSRF eligible projects? Should Treasury consider a broader general category of water and sewer projects?*

One advantage would be ease of transition as these programs exist. A disadvantage would be whether programs are COVID-related. None. No.

Question 19: *What additional water and sewer infrastructure categories, if any, should Treasury consider to address and respond to the needs of unserved, undeserved, or rural communities? How do these projects differ from DWSRF and CWSRF eligible projects?*

To promote accountability, any new categories considered by Treasury should be clearly defined and differentiated from the DWSRF- and CWSRF-eligible projects.

Question 20: *What new categories of water and sewer infrastructure, if any, should Treasury consider to support State, local, and Tribal governments in mitigating the negative impacts of climate change? Discuss emerging technologies and processes that support resiliency of water and sewer infrastructure. Discuss any challenges faced by States and local governments when pursuing or implementing climate resilient infrastructure projects.*

We have no comment on this question.

Question 21: *Infrastructure projects related to dams and reservoirs are generally not eligible under the CWSRF and DWSRF categories. Should Treasury consider expanding eligible infrastructure under the Interim Final Rule to include dam and reservoir projects? Discuss public health, environmental, climate, or equity benefits and costs in expanding the eligibility to include these types of projects.*

Treasury may want to expand the allowable used to dam and reservoir projects if an environmental impact study, or comparable report, reflects that water quality would be improved as a result of the project.

Broadband Infrastructure

Question 22: *What are the advantages and disadvantages of setting minimum symmetrical download and upload speeds of 100 Mbps? What other minimum standards would be appropriate and why?*

The advantage is consistency. The disadvantages would include geographical location and cost. Any download and upload speeds, or other standards, should be clearly defined and measurable and documentable on a consistent basis. Usage limits should be addressed, as well. That is a significant problem for rural communities as both satellite internet and hotspots through cell phone carriers impose data limits on customers that are easily exceeded each month when using video conferencing platforms regularly.

Question 23: *Would setting such a minimum be impractical for particular types of projects? If so, where and on what basis should those projects be identified? How could such a standard be set while also taking into account the practicality of using this standard in particular types of projects? In addition to topography, geography, and financial factors, what other constraints, if any, are relevant to considering whether an investment is impracticable?*

The number of potential users should be a consideration in the investment, especially for remote and uninhabitable areas. All students and taxpayers should have access to high-quality internet. As the Interim Final Rule asserts, broadband internet has become necessary in the current work-at-home and school-at-home environments.

Another factor to consider would be environmental factors, in addition to topography, geography, and financial factors that are relevant to considering whether an investment is impracticable.

Question 24: *What are the advantages and disadvantages of setting a minimum level of service at 100 Mbps download and 20 Mbps upload in projects where it is impracticable to set minimum symmetrical download and upload speeds of 100 Mbps? What are the advantages and disadvantages of setting a scalability requirement in these cases? What other minimum standards would be appropriate and why?*

These speeds allow for adequate video conferencing and provide significantly better internet access to rural communities than are currently available. Setting alternate upload speeds, however, would allow for needed flexibility in areas where the minimum standards cannot be feasibly or cost-effectively achieved. Scalability

would allow for upgrades to occur but create some inconsistency. Any level of service standards should be clearly defined and documentable.

Question 25: *What are the advantages and disadvantages of focusing these investments on those without access to a wireline connection that reliably delivers 25 Mbps download by 3 Mbps upload? Would another threshold be appropriate and why?*

Focused access could be an advantage. This focus would provide high-speed internet to rural communities in which individuals are paying incredibly high rates for inferior satellite internet or cannot afford the currently-offered service at all.

Question 26: *What are the advantages and disadvantages of setting any particular threshold for identifying unserved or underserved areas, minimum speed standards or scalability minimum? Are there other standards that should be set (e.g., latency)? If so, why and how? How can such threshold, standards, or minimum be set in a way that balances the public's interest in making sure that reliable broadband services meeting the daily needs of all Americans are available throughout the country with the providing recipients flexibility to meet the varied needs of their community?*

Focused access could be an advantage. Children in particular have no control over where they live and should not be penalized. During the school closures at the beginning of the pandemic, the disparity in educational opportunities in urban and rural America became even more apparent. Many children in rural communities could not continue their education because of the lack of internet access, cell service coverage, etc. The effects of this learning loss will be felt for years to come.

Restrictions on Use

Pension Funds

Question 27: *Beyond a "deposit" and a "payroll contribution," are there other types of payments into a pension fund that Treasury should consider?*

No. However, if the Treasury does consider other types of payments, those payments should be clearly defined and documentable in the manner that "deposits" and "payroll contributions" are.

Offset a Reduction in Net Tax Revenue

Question 28: *Does the IFR's definition of tax revenue accord with existing State and territorial practice and, if not, are there other definitions or elements Treasury should consider? Discuss why or why not.*

Use of the Census Bureau definition would provide some consistency.

Question 29: *The IFR permits certain spending cuts to cover the costs of reductions in tax revenue, including cuts in a department, agency, or authority in which the recipient government is not using Fiscal Recovery Funds. How should Treasury and recipient governments consider the scope of a department, agency, or authority for the use of funds to ensure spending cuts are not being substituted with Fiscal Recovery Funds while also avoiding an overbroad definition of that captures spending that is, in fact, distinct?*

As the IFR points out, money is fungible. Therefore, it is unclear how a governmental body could create "spending cuts" in an overall budget. Spending cuts to a particular department, agency, or authority's budget could result in the department, agency, or authority being downsized or eliminated, but the applicable functions could be transferred to another unit.

Question 30: *Discuss the budget scoring methodologies currently used by States and territories. How should the IFR take into consideration differences in approaches? Please discuss the use of practices including but not limited to macrodynamic scoring, micro dynamic scoring, and length of budget windows.*

We have no comment.

Question 31: *If a recipient government has a balanced budget requirement, how will that requirement impact its use of Fiscal Recovery Funds and ability to implement this framework?*

Governments with mandatory balanced budget requirements will be at a disadvantage to those governments without such a requirement. Cuts would most likely be required to get the budget in balance in many departments, agencies, and authorities at a time when governmental services are in greatest need. Having multiple spending cuts throughout the budget without being able to "fill" those cuts with Fiscal Recovery Funds would put a fiscally responsible government at a disadvantage. Governments without a balanced budget requirement could more easily budget to minimize the number of departments, agencies, and authorities impacted and thus increase the amount of Fiscal Recovery Funds that could be used.

Question 32: *To implement the framework described above, the IFR establishes certain reporting requirements. To what extent do recipient governments already produce this information and on what timeline? Discuss ways that Treasury and recipient governments may better rely on information already produced, while ensuring a consistent application of the framework.*

The four requirements appear to be things that governments would do on an annual basis. To the extent possible, it would be beneficial for Treasury and recipient governments to rely on current information rather than producing information strictly for these purposes. Use of a template to standardize reporting of information could be very helpful.

Question 33: *Discuss States' and territories' ability to produce the figures and numbers required for reporting under the IFR. What additional reporting tools, such as a standardized template, would facilitate States' and territories' ability to complete the reporting required under the Interim Final Rule?*

The states should be able to produce the information. However, a standard template for the clearly defined, required information could help the receiving governments (and their auditors) and the federal government in ensuring the completeness and consistency of the reported information.

Recoupment and Reconsideration

Question 34: *Discuss the timeline for requesting reconsideration under the IFR. What, if any, challenges does this timeline present?*

Sixty days may not be sufficient for all governments to process a reconsideration request. Some units of government are still not 100 percent operational and may have difficulty accumulating all required information.

Payments/Transfers

Question 35: *What are the advantages and disadvantages of treating the list of transferees in sections 602(c)(3) and 603(c)(3) as nonexclusive, allowing States and localities to transfer funds to entities outside of the list?*

By making the list of transferees nonexclusive, unique situations of local governments may be accommodated. A noted disadvantage would be the inability to locate a specific entity on the list that could lead to an audit dispute. There also may be special circumstances in which transferees are not specifically listed are reasonable; however, prior approval of these types of transferees may prevent transfers for unallowable purposes.

Question 36: *Are there alternative ways of defining "special-purpose unit of State or local government" and "public benefit corporation" that would better further the aims of the Funds?*

No additional definitions could be determined.

Payments to Non-Entitlement Units

Question 37: *What are alternative ways for States and territories to enforce the 75 percent cap while reducing the administrative burden on them?*

Per the IFR, the 75 percent cap is to be based on January 27, 2020. Many smaller governments may have a problem identifying the budget as of that date because their accounting system provides only end-of-month data. While there is only a four-day difference between January 27, 2020, and January 31, 2020, there may be significant activity. Changing the date certain for this particular purpose to January 31, 2020, would be recommended, as even smaller governments should be able to provide budget information at month-end. Requesting self-certified amounts from entities appears to be reasonable. Allow states to define operating budget in a way that makes sense for their NEUs to promote consistency.

Question 38: *What criteria should Treasury consider in assessing requests for extensions for further time to distribute NEU payments?*

The number of NEUs in a state, and the state's current ability to gather information from the NEUs. Criteria adopted by Treasury should be clear and documentable. Personnel issues, holidays, scheduled vacations, and other internal/external deadlines should be considered.

Other Comments/Questions

The definition of "budget" as reflected in the 75 percent cap on NEU payments appears to be rather vague. Clarifying whether the annual total operating budget refers to revenues or expenditures may be helpful.

According to the IFR, for administrative convenience, the recipient may consider public health and safety employees to be entirely devoted to mitigating or responding to the COVID-19 public health emergency, and therefore fully covered, if the employee, or his or her operating unit or division, is primarily dedicated to responding to the COVID-19 public health emergency. If a government's Fire Department includes both employees who provide emergency medical treatment and firefighting services but not exclusively employees who individually are able to provide both services (i.e., all firefighters may not be EMTs), if the Fire Division is determined to be safety employees primarily dedicated to responding to COVID-19, would those employees not providing COVID-19 related services still be eligible for payment under this convenience? For example, a Fire Inspector may not go out on EMS calls but is still part of the Fire Department. Would his or her salary be allowable under this administrative convenience?

In relation to negative economic impact, the IFR states that responses must be related and reasonably proportional to the extent and type of harm experienced; uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. What documentation, if any, is required related to these assessments and who is required to determine what is grossly disproportionate?

Premium pay is allowable, per the IFR, to be paid to eligible workers performing essential work during the COVID-19 public health emergency or to provide grants to third-party employers with eligible workers performing essential work. Would grants to third-party employers imply a beneficiary relationship with the employer where the government would be responsible for compliance requirements, or would there be a subrecipient relationship with the employer?

While the IFR clarifies that premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency, would this include workers who were employed by the recipient or third-party during the COVID-19 public health emergency but who have since left employment with the entity?

For government workers being compensated retroactively with premium pay amounts authorized under the American Rescue Plan and the Coronavirus State and Local Fiscal Recovery Funds, which annual Schedule of Expenditures of Federal Awards (SEFA) would include the retroactive payments? For example, a 12/31 Fiscal Year End (FYE) entity determines in July 2021 that they will provide premium pay for qualifying employees for the period April 2020 - November 2020, as allowable via the award. Would these expenditures be reported on the 12/31/20 SEFA (possibly requiring reissuance and resubmission to the Federal Audit Clearinghouse), or could they be included on the 2021 SEFA, since this is when the payments were determined to be allowable and charged to the grant?

In calculating reduction in revenue, the IFR indicates for purposes of measuring revenue growth in the counterfactual trend recipients may use a growth adjustment of either 4.1 percent per year or the recipient's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency, whichever is higher. Can recipients select the 4.1 percent as the growth rate for convenience and skip completing the three-year average calculation altogether?

If a government purchases assets as an eligible cost under the CSLFRF program but does not dispose of such assets prior to the December 31, 2024, end of the obligation period, how can the proceeds of such disposition be used, or would they need to be returned to Treasury or be subject to the requirements in 2 CFR 200.301-.316?

States will distribute funds to NEUs based on population, per page 108 of the IFR; however, all states have some responsibility in determining the amount of the award and, in cases of states with weak Minor Civil Divisions as defined in the Treasury guidance on NEUs, additional determinations regarding awards are being made by the State. The IFR also limits the actions that can be taken by the state in order to monitor the distributions, including the prohibition of the state to impose additional conditions on the grant or to use a reimbursement process to distribute the funding. The shared responsibilities of the state and federal agencies related to the funding confuses the relationship between the state and the NEU. Do the award determinations imply a pass-through entity and subrecipient relationship between the state and the NEUs? Can this relationship be clarified in the revisions to the IFR?

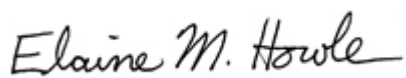
It would be very helpful for Treasury to be firm on a date by which NEUs must request the funds. Some NEUs have expressed the desire to wait until 2024. This date may not be administratively feasible for the state's allocation process.

Other Items of Note

- Page 18, footnote 41—The information contained in footnote 41 would be clearer if incorporated into the text of the final rule.
- Page 31, 2nd paragraph—The wording "...uses that *bear no relation* or *are grossly disproportionate* to the type or extent of harm experienced would not be eligible uses." is vague. Consider defining what is meant by "bear no relation" and "are grossly disproportionate" and/or consider providing an example to help clarify the meaning in the final rule.
- Page 33, 1st bullet—The term "low- or moderate-income" is used throughout the rule. Consider defining the terms *low-income* and *moderate-income* in the final rule.
- Page 50, last paragraph—This paragraph is not clear about the time period it is referring to where it states that "...premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency...". Consider adding a specific date for the *start of the COVID-19 public health emergency* in the final rule.
- Page 81, 1st paragraph after B.—The wording "...directly or indirectly offset..." is unclear. Consider defining what is meant by *directly offset* and *indirectly offset* or provide examples to clarify this language in the final rule.

Thank you for the opportunity to relay our members' comments concerning the IFR. We appreciate the opportunity to provide input and look forward to working with Treasury throughout the lifecycle of these important funds. Should you have any questions regarding this correspondence or desire additional information, please feel free to contact our representative in Washington, Cornelia Chebinou, at (202) 624-5451 or cchebinou@nasact.org.

Regards,



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