



# County of Monterey

ADMINISTRATIVE OFFICE  
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May 15, 2024

The Honorable Alex Padilla  
U.S. Senate  
331 Hart Senate Office Building  
Washington, DC 20510

The Honorable Laphonza Butler  
U.S. Senate  
112 Hart Senate Office Building  
Washington, DC 20510

**Re: Oppose Congressional Review Act joint resolution to overturn the Obligation Interim Final Rule published by the U.S. Department of Treasury in November 2023 for the American Rescue Plan State and Local Fiscal Recovery Fund**

Dear Senator Padilla and Senator Butler:

I urge you to oppose the Congressional Review Act (CRA) joint resolution of disapproval of the Obligation Interim Final Rule (IFR) published by the U.S. Department of Treasury (Treasury) in November 2023. The Obligation IFR provides states and local governments with critical guidance related to the statutory December 31, 2024, deadline for recipients to obligate American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF).

The \$350 billion SLFRF provided \$65.1 billion in direct aid to every county, parish, and borough in America and since 2021, counties have been using these critical funds to meet the unique needs of our residents and support long-term economic growth. In the County of Monterey (County) Recovery Funds have been used to:

- Provide essential government services;
- Promote vaccination and prevention, to date 85.1% of the County vaccine eligible residents have received at least one vaccine dose; in some age groups, the County has reached over 90% vaccination, but since ages 5 to 11 became eligible for vaccination that group has only reached 44%;
- Develop a new communication strategy to inform the community about progress being made to fight the pandemic at the local level;
- Testing and contact tracing;
- Assist local small businesses to continue to operate and thrive in the community;
- Provide alternate safe housing sites for those testing positive;
- Obtain cleaning and sanitizing supplies for the County facilities serving the public;
- Enhance public health lab capacity;
- Establish an outreach program for areas most affected by the pandemic through the Virus Integrated Distribution of Aid (VIDA) Project, which consists of 10 community-based organizations and 120 Community Health Workers (CHWs) providing COVID-19 response supportive services to the most disparately impacted communities;
- Develop food assistance programs, such as the Senior Meal Program which served a total of 23,088 meals for an average of 71 individuals monthly; this program provided seniors to receive nutritious meals while limiting trips outside their home and economic stimulus to businesses and workers struggling during the pandemic;



- Continue rental assistance programs to meet the needs of households that are impacted by the pandemic but ineligible for Federal or State Emergency Rental Assistance programs;
- Aid local fire districts in their pandemic response;
- Establish a local funeral assistance program to assist families who lost members to the COVID-19 virus;
- Provide childcare programs to enable a safe return to the workforce by county residents;
- Provide economic support to non-profit organizations that promote tourism in the County;
- Develop a prevention program for students to reduce violence that disproportionately increased during the pandemic;
- Partially off-set medical care, food service and housing of youth and adults in custody;
- Continue to provide the level of service residents need throughout different departments that would otherwise have to be reduced due to the economic impact of COVID-19; and,
- Make improvements to the County's water and sewer infrastructure in key county facilities serving the public.

The County and other recipients are required by law to obligate all SLFRF dollars by December 31, 2024. Treasury's November 2023 Obligation IFR allows recipients to use the funds for payroll costs associated with compliance and reporting personnel through the December 31, 2026, expenditure deadline. Additionally, the Obligation IFR provides counties with the parameters in which to terminate contracts and re-obligate funds beyond the obligation date, which is a crucial flexibility as workforce shortages and supply chain delays persist. Lastly, the Obligation IFR provides subrecipients with the flexibility to re-obligate funds through the expenditure deadline, which is critical to continue the administration of ARPA funded programs through the expenditure deadline.

In short, overturning the Treasury's Obligation IFR would limit the County's ability to use funds for payroll, compliance and reporting personnel and the County's ability to re-obligate funds in the case a contract is unable to fulfil their obligation. Additionally, it would require that subrecipients obligate funds by December 31, 2024, instead of throughout the expenditure deadline as allowed by the IFR. Without the flexibilities provided through the Obligation IFR, the County and other recipients may have difficulty coming into compliance with ARPA statute and regulations laid out in Treasury's Final Rule.

Thank you for your continued support and partnership to the County of Monterey. I respectfully ask that you oppose the CRA joint disapproval resolution that would overturn the Treasury's Obligation IFR.

Sincerely,



Sonia M. De La Rosa  
County Administrative Officer

cc: The Honorable Jimmy Panetta  
The Honorable Zoe Lofgren  
National Association of Counties (NACo)