



Guiding Principles: Making Smart Investments with Stimulus Funding

With the passing of multiple relief bills, large amounts of federal and state money have been infused into local governments to combat the lingering economic effects of COVID-19 shutdowns. It is incumbent upon governments to approach this rare moment responsibly, with an eye toward strategic long-term sustainability. Smart investments can make transformative progress and ensure that structural gaps are narrowed and closed in our budgets and our communities.

There are several ways in which local governments can make smart decisions to improve municipal finances. An economic recovery that helps people will lead to a more sustainable recovery for our County government's finances as well. The Comptroller's Office is responsible for preparing and issuing the County's financial statements and is currently working on the 2020 annual financial report, which is expected to be issued by June 30, 2021. The 2020 report will provide details on how Nassau County finished the year, and provide the County's official audited fiscal year results.

Funding Flow

Coronavirus Fiscal Recovery Funds

\$385 million allocated to Nassau County

\$774.2 million for non-entitlement units - towns and villages within Nassau County are expected to receive recovery funds from the non-entitlement unit tranche

\$12.7 billion in direct assistance to the New York State government

\$350 billion in aid to state and local governments (total)

Use of Funds: Allowable and Prohibited



Financial Assistance to Address Negative Impacts of COVID-19

States and local governments can use ARPA stabilization funds to respond to COVID-19 or its negative economic impacts by, among other things, providing fiscal assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.



Capital Investment Projects

State and municipalities can also make necessary investments in water, sewer or broadband infrastructure and other provisions of government services to the extent of the reduction in revenue due COVID-19.



Compensation for Essential Workers

Funding can be used for premium pay (up to \$13/hr.) for essential services to eligible workers (as defined by state, local or tribal government).



Transfer Funds

Lastly, states and localities can transfer funds to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of the state or local government.



Prohibited State and local governments may not use ARPA funding to cut taxes, pay debt, or be set aside in a reserve fund.



Government Finance Officers Association: American Rescue Plan Act Guiding Principles

Smart Tips for Nassau County to Seize the Moment

1. Invest Money to Reduce Operating Costs

Nassau's deferred infrastructure investments will only cost the County in the long-run. This moment is an opportunity to make long-overdue investments in infrastructure. Smart projects that are now possible due to stimulus money can drive economic growth, ultimately putting Nassau County on the path to long-term sustainability.

Making Infrastructure Investments

Recently, Nassau County Executive Laura Curran joined with labor leaders to call for a \$583 million federal infrastructure stimulus to advance twelve priority projects. Funding these projects with stimulus money would create more than 3,300 full-time construction jobs and more than \$400 million in economic output. **Check out our infrastructure report at opennassau.nassaucountyny.gov/infrastructure.**

Jump-start Development

The demand for alternative housing options, namely rental units, far outpaces the supply. Increased demand for multi-generational housing and “pop-up” retail in downtowns with significant vacancies are among a recent study’s key predictions, along with the need for updated zoning laws reflecting the new need to accommodate the reality of remote work. **Check out our “Modernizing ‘The Deal’” report at opennassau.nassaucountyny.gov/modernizingthedeal.**

2. Make Overdue Investments in Technology Infrastructure

During the pandemic, governments began to invest in and utilize technology more and more. With more work being conducted online, there has been an increased concern about cyber-threats.

Leveraging the unique opportunity of investing in technology with both short-term priorities and long-term needs in mind, Nassau County should make overdue investments that will best plan for the future.

Enterprise Resource Planning

For decades, Nassau County has used a now-obsolete computer system to manage more than \$3 billion annually in County spending. From the beginning of our term, the Comptroller’s Office has made modernization a top priority. The implementation of an adequate accounting and reporting system will provide many benefits to the County and is a key step towards meeting this goal.

3. Make Investments in Our Residents

Nassau County should explore using some of the stimulus money on social services and small businesses in a way that helps avert short-term disaster, while leveraging this unprecedented infusion of cash to make an equally unprecedented commitment to equity.

Relief for the Middle Class

Nassau County Executive Laura Curran has proposed sending direct cash payments of \$375 to some 300,000 County property owners, using \$100 million in pandemic aid from the federal government. The County would use funding from the American Rescue Plan Act to send out individual payments to property owners who receive the STAR or enhanced STAR exemptions, which are generally households earning up to \$500,000 and \$88,050 or less respectively.

Increase Access to Child Care

New York State ranks 6th in the nation as having the most expensive infant care. The New York State FY 2022 Budget includes a historic \$5 billion investment in child care through both state and federally funded initiatives designed to restart our economy, support essential workers and child care providers, and improve access to quality, affordable child care for all eligible working New York families.



Government Finance Officers Association: American Rescue Plan Act Guiding Principles

Help Small Businesses

In another effort to provide a major boost to businesses as they continue to struggle with the impact of the COVID-19 pandemic, Nassau County Executive Laura Curran proposed a major business recovery program to direct approximately \$25 million in American Recovery Plan (ARPA) funds to grants, loans and assistance to Nassau's downtown businesses.

Advance Equity

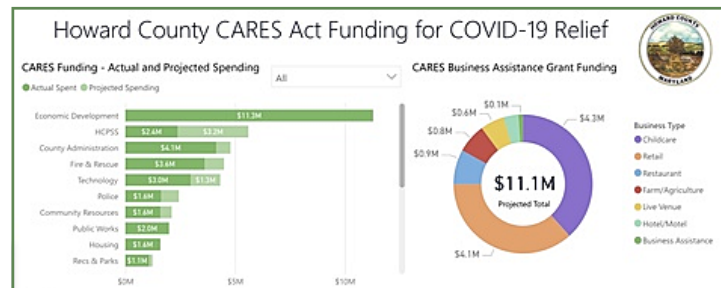
The major healthcare inequities unmasked by COVID-19 and the continued disparate treatment of people of color in America make it clear that now more than ever is the right time to address major inequality issues within our society.

Our Office's Equity Gap Toolkit report highlights data demonstrating that there are clear equity gaps that must be closed. In addition to ensuring a more just society, closing these gaps could have a clear economic benefit.

Best Practices Around the Country to Embrace Opportunity and Limit Risk

1. Provide Accountability by Sharing Data on the Use and Impact of Federal Funds

We are spotlighting Howard County, Maryland, who created a CARES Act spending dashboard to track the actual and projected spending of federal funding in the interest of transparency.



2. Invest in Workforce Development

Hillsborough County, Florida allocated between \$30-\$60 million towards economic recovery programs and workforce training. The funding was administered in the form of grants to assist County residents in hardest-hit industries in retaining skills for in-demand industries and occupations, providing all necessary training materials and equipment, and funding paid work experience programs for displaced workers.

3. Invest in Closing Equity Gaps

Fairfax County, Virginia allocated up to \$30 million towards its temporary Small Business and Non-Profit Relief Grant Program that helped small businesses and nonprofits impacted by COVID-19. Administered by the County Executive, the grant program sought to address gaps that may exist among complementary programs at the county, state, and federal level and provide targeted assistance to small, minority-owned businesses that were historically less likely to be approved for federal support. By the end of the program, the County reported that more than 72% of the grant recipients identified as organizations owned by women, minorities, and/or veterans.

4. Support Temporary and Targeted Efforts that Address Hardships of the Pandemic and Focus on Areas Not Supported by Federal and State Programs

Honolulu County, Hawaii allocated a portion of the funds towards community services. This was administered through the form of grants that provided funding for shelters, homeless prevention, rapid re-housing, and other support services. Honolulu County also provided an additional \$8 million to support efforts such as homeless prevention, food security, mobile COVID-19 testing, eviction prevention, acquisition for homeless clinics, drug treatment, and financial hardship relief.