



## LEGISLATIVE ALERT

September 2, 2020

### Updates on CARES Act Funds and HB 606 Immunity

Legislative activity from yesterday and today has produced two positive developments for county government. Specifically, the Senate today made considerable progress in distributing the remaining CARES Act funds to local governments while House and Senate action over the past two days has helped provide counties with much-needed COVID-19-related immunity.

#### CARES Act Funds

Late last week, [Senate Bill 357](#) was introduced by state Sen. Matt Dolan to distribute the remaining \$650 million in federal CARES Act funds to local governments for coronavirus relief purposes. This bill follows House Bill 481, which distributed \$350 million of CARES Act funds in June, and recent Controlling Board action which released \$175 million in CARES funds in late August. As a reminder, these funds are directed to Ohio counties, municipalities and townships that did not receive a direct disbursement of CARES funds from the U.S. Department of the Treasury. The remaining \$30 million of local relief funds are slated to be distributed to local health departments during an upcoming state Controlling Board meeting. Thus, all federal funds for local coronavirus response will soon be distributed.

Unlike HB 481 and the Controlling Board disbursement which utilized a Local Government Fund-based distribution, SB 357 will base distributions on a population basis. The bill received several amendments in Senate Finance Committee this morning which make certain clarifications and changes regarding resolutions, deadlines and distributions. A summary of the amendments is as follows:

- Clarifies that a local government does not need to adopt a resolution or ordinance to accept the SB 357 funds if a resolution has already been adopted pursuant to HB 481.
- Delays the date by which local governments are to send unencumbered CARES Act funds to the county treasury from October 15, 2020 to November 20, 2020.
- Requires the county auditor to redistribute unencumbered CARES Act funds to eligible local governments by November 25, 2020. This effectively reduces the turnaround time by two days.

- Utilizes most recent census estimates published by ODSA in place of 2010 decennial census data as part of redistribution calculations.
- Increases from 25% to 50% the share of redistribution funds sent to the county (assuming the county encumbers all its funds) if fewer than 25% of townships and municipalities do not encumber all their available CARES Act funds prior to the Nov. 20 deadline. This amendment has the effect of ensuring the counties that qualify receive a more balanced redistribution should few local governments in a county fully utilize their funds.
- Clarifies how municipalities spanning multiple counties are to return unspent funds to the county treasury.
- Delays the date by which local governments must return unspent funds to the state from December 28, 2020 to February 1, 2021. The amendment reiterates that these funds may only be utilized for pandemic-related costs incurred no later than December 30, 2020. The extension is to aid in accounting purposes only.

SB 357 passed out of the Senate Finance Committee this morning and was approved by the full Senate during this afternoon's voting session. The policy team anticipates that the Ohio House will return to session in mid-September to consider the legislation.

Please be sure to thank your Ohio Senate members for their support of county government in SB 357. Also be sure to encourage your Ohio House members to move swiftly on SB 357 so these funds can get to local communities quickly. The advocacy does not end there though! Please continue to share with the U.S. House members and U.S. Senators the importance of flexibility and an extended timeline for CARES Act fund usage. These changes must take place at the federal level and they could greatly assist county government's ability to utilize these federal funds.

Questions about SB 357 or other CARES Act issues can be directed to CCAO Policy Analyst [Adam Schwiebert](#) or CCAO Senior Policy Analyst [Jon Honeck](#).

## **HB 606 COVID-19 Immunity**

To follow up on an alert from earlier this week, the policy team is pleased to report that the House and Senate conference committee on [House Bill 606](#) has retained the local government immunity provisions in the bill. The House yesterday approved the conference report and the Senate likewise approved the report this afternoon. The bill now goes to the governor for his consideration.

Local governments have been on the frontlines responding to COVID-19. It is critical that local governments, their employees and officials have specific immunity from liability for the good faith performance of governmental functions and statutory operations during the pendency of the global COVID-19 pandemic. Local officials and employees should not have to fear legal peril for their good faith conduct in responding to the pandemic. HB 606 provides those necessary legal protections.

The policy team thanks you for your advocacy efforts on this critical issue. Your outreach helped ensure these necessary protections will be in place for county employees and officials. The local

response to COVID-19 is a multifaceted effort, and we believe this is a critical component to aid in those ongoing efforts. Thank you!