Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

[Sent via Email to SLFRP@treasury.gov]

October 19, 2021

Re: Immediately Publishing ARPA SLFRF Interim Reports and Recovery Plan Performance Reports

Dear Office of Recovery Programs,

The California Pan-Ethnic Health Network, Prevention Institute and the undersigned organizations are writing to urge the Department of the Treasury to immediately publish all Interim Reports and Recovery Plan Performance Reports collected from recipients of the Coronavirus State and Local Government Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA) of 2021. Through policy advocacy, our organizations are committed to advancing health and racial equity for Black, Indigenous, and other people of color (BIPOC), who have been disproportionately impacted by the COVID-19 pandemic. We strongly believe that granting public access to these reports is critical in holding the SLFRF Program recipients accountable for promoting equitable outcomes and leveraging community engagement in their decision making as clearly delineated in the Department’s own ARPA guidance.

Our organizations recognize that an equitable recovery is one that prioritizes racially just, community-led solutions to reverse the impacts of structural racism and inequities which have perpetuated disparities in COVID-19 case and death rates. In California, the COVID-19 pandemic has devastated the health and wellbeing of communities with low income, but in particular, Black, Latinx, Pacific Islanders, and Indigenous communities have experienced the highest COVID-19 related deaths and continue to bear disproportionately high socioeconomic impacts. Yet often our communities are not present at the policy and decision-making tables where critical funding decisions are being made, further exacerbating the inequities these funds are meant to address. As a result, city, county and state spending plans are often not aligned with the needs of those most harmed and/or impacted by COVID-19, the very individuals whom these funds are supposed to reach.

As stated in the Interim Final Rule, the SLFRF Program should “lay the foundation for a strong, equitable economic recovery, not only by providing immediate economic stabilization for households and businesses, but also by addressing the systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color.” The Interim Final Rule further recognizes the importance of targeting relief efforts in line with Executive Order 13985—“Advancing Racial Equity and Support for Underserved Communities Through the Federal Government”—by “[promoting] and [streamlining] the provision of assistance to individuals and communities in greatest need, particularly communities that have been historically disadvantaged and have experienced disproportionate impacts of the COVID–19 crisis.”

The Compliance and Reporting guidance published on June 24, 2021 states that program recipients are required to submit their first annual Recovery Plan Performance Reports and Interim Reports to the Department of Treasury no later than August 31, 2021. Furthermore, these reports should summarize recipients’ fund expenditures and detail how they are “promoting equitable outcomes” and leveraging “community engagement” in their decision making. However, while these reports are also required to be “posted on the website of the recipient,” we found that many local jurisdictions in California have failed to do so, even as of
October 2021. Without timely and adequate access to the compliance reports and 2021-22 recovery plans, community stakeholders across California will continue to experience barriers in understanding and participating in current and future ARPA fund decision making processes, which present both opportunities and risks in how local governments conduct their recovery efforts. For instance, Los Angeles County piloted a guaranteed basic income program for their residents leveraging SLFRF Program. On the other, multiple cities in California including Merced and Fresno have proposed augmented funding for law enforcement agencies, missing the critical opportunities to invest in impacted community residents and local public health infrastructure.

A recent policy report from the California Pan-Ethnic Health Network, Change Lab Solutions, and Prevention Institute provides numerous examples of how community-based non-profit organizations (CBOs), including community health clinics, across California have stepped up and filled in the gaps of governmental public health responses during the pandemic. Local community organizations have been providing person-centered, trauma informed, and culturally and linguistically responsive outreach, education and services for the most underserved communities, including supporting local COVID-19 testing, vaccination, food and housing assistance and other financial aid efforts. CBOs have formed working groups with their local health jurisdictions since the onset of the pandemic to advise on equitable response programs and strategies.

Many CBOs in California have also benefited from the CARES Act Coronavirus Relief Funds (CRF) local jurisdictions received in early 2020 and were able to expand their workforce and programs to further serve their communities, often directly hiring from these communities as well. As the CARES Act CRF funds are being closed out in December 2021, one main concern of not deploying ARPA funds efficiently and equitably with community input is the potential end of these lifeline programs and the loss of a community-based workforce, further exacerbating inequities. For example, in Los Angeles County, one community organization was able to leverage County CRF to hire and train 14 additional community health workers who are from Native Hawaiian and Pacific Islander (NHPI) communities to provide culturally and linguistically responsive COVID-19 education, testing and vaccinations for their communities. The NHPI communities have suffered the highest COVID-19 disparities in Los Angeles County. The organization’s program director shared that when the CRF program ends in December 2021, the organization will face tough decisions on how to sustain some of the remaining community health workers, likely further devastating NHPI communities they have built trusted relationships with and provided services for.

Community-based organizations and networks across California want to engage directly in local decisions around how best to invest in the SLFRF Program. Unfortunately, our experiences in California reveal significant discrepancies in, and a general lack of, local governments’ efforts to inform their local communities of the availability and uses of the SLFRF Program and to incorporate community input in determining their uses. In Oakland, California, a coalition of community groups under the African American Response Circle submitted a letter to their County Board of Supervisors, proposing a $100 million “Black Community Recovery Plan” with comprehensive investments in the health, mental health, social needs and community safety for the Black communities in Alameda County. However, advocates have yet to obtain copies of Alameda County’s Interim Report and Recovery Plan from their website. In Sacramento County, a group of advocates submitted a letter to the County board of supervisors demanding health equity be at the center of ARPA spending. Sacramento County hired the consulting firm Deloitte to conduct a “community survey,” which did not intentionally include demographic information from survey respondents, making it impossible to know whether or not adequate input was gathered from communities of color and low income communities who are most impacted. Sacramento County has yet to share spending details and next steps with the public as of October, 2021. In Stanislaus County, community advocates submitted multiple written comments to the Board of Supervisors, urging the County to invest SLFRF resources to directly help the most marginalized and economically impacted residents and essential workers, especially the agricultural worker communities, and to establish a racial equity
and social justice framework in the County including establishing an Office of Equity. The same advocates have been pushing for equitable allocation and administration of federal COVID-19 relief funds in the County since the CARES Act. The county did not address these community concerns in their decisions around ARPA fund uses, nor did they provide any accessible public forums while making the decisions.

We appreciate the Department of Treasury’s guidance and encouragement that SLFRF recipients emphasize “[providing] assistance to those households, businesses, and non-profits in communities most disproportionately impacted by the pandemic.”xv Transparent, authentic and meaningful community stakeholder processes are key to ensuring these funds will indeed have the transformative impact the federal administration intends, to rebuild our communities and our public health systems, and more importantly, to mend and rebuild the trust and relationships between governments and directly impacted communities from the COVID-19 pandemic. Therefore, we respectfully request that the Department of Treasury to release and publish all reports and information submitted by SLFRF recipients, including states, counties and cities on the Treasury Coronavirus State and Local Fiscal Recovery Funds website: Coronavirus State and Local Fiscal Recovery Funds | US Department of the Treasury.

Furthermore, we strongly urge the Department of Treasury to Continue to educate and inform the public of SLFRF uses and publish all incoming quarterly reports and annual Recovery Plan Performance Reports on a timely basis whenever they become available from fund recipients. The accessibility of these reports all in one place further enables racial justice and health equity focused policy organizations to more easily monitor and evaluate the performance of local governments and hold them accountable to leveraging these funds equitably in their recovery efforts. We also urge the Treasury to maintain accountability for equity outcomes by directly issuing notices and/or additional guidance to states, counties and cities that have not taken equity considerations into account in their funding plans reminding them of the purpose and requirements for the use of funds.

Transparency and public reporting are key to ensuring ARPA funds achieve the Biden-Harris Administration’s vision of an equitable COVID-19 recovery. We urge the U.S. Treasury Department to act swiftly to ensure the public can view the most recent ARPA Interim Reports and Recovery Plan Performance Reports, a critical step to ensuring local decision-making processes are open and accessible to input from those most impacted by COVID-19. We would appreciate a meeting with the U.S. Treasury to discuss our concerns. Please contact Cary Sanders csanders@cpehn.org and Sana Chehimi at sana@preventioninstitute.org for questions.

Sincerely,

ACLU of Southern California

API Equality-LA

APLA Health

Asian American Liberation Network

Bay Area Regional Health Inequities Initiative (BARHII)

Brotherhood of Elders Network/African American Response Circle

California Black Health Network

California COVID Justice- Public Health Advocates

California Institute for Behavioral Health Solutions
California Pan-Ethnic Health Network
California Rural Legal Assistance Foundation
Californians for Safety and Justice
Central Valley Urban Institute
Child Care Law Center
Community Action Marin
Dignity and Power Now
Empowering Marginalized Asian Communities
Empowering Pacific Islander Communities (EPIC)
Hmong Cultural Center of Butte County
Johns Hopkins Bloomberg School of Public Health
Korean Community Center of the East Bay
Latino Community Foundation
Maternal and Child Health Access
Multi-Ethnic Collaborative of Community Agencies (MECCA)
Prevention Institute
Public Health Advocates
Roots Community Health Center
Socially Responsible Surgery, UC Davis Chapter
South Asian Network
Special Service for Groups/PALS for Health
United Way of San Luis Obispo County