

Staff Report

Subject: Grant application for Local Assistance and Tribal Consistency Fund payments

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Department: Finance Department

Meeting Date: 1/3/23

Item Description: Consideration to approve a grant application for the Local Assistance and Tribal Consistency Fund for Effingham County's formula amount of \$50,000 in year one and \$50,000 in year two.

Summary Recommendation:

Staff is recommending approval for an application for Effingham County's formula amounts from the LATCF.

Executive Summary/Background:

On September 29, 2022 the U.S. Department of the Treasury announced the release of Local Assistance and Tribal Consistency Fund (LATCF) payments to counties. The LATCF provides \$1.5 billion in two equal payments of \$750 million for FYs 2022 and 2023 to "eligible revenue sharing counties" under the American Rescue Plan Act (ARPA). NACo has worked with Congress and the administration since March 2021 to ensure the final distribution formula reflects the original intent of the LATCF to support counties with federal lands within their jurisdiction.

Treasury developed a payment formula based on the federal acreage within each unit of local government, as defined by the Payments in Lieu of Taxes (PILT) program and the Refuge Revenue Sharing program under the US Fish and Wildlife Service, with population levels and various economic conditions (historic poverty levels, unemployment, etc.) also factored in as required by statute. Treasury also set an annual minimum payment of \$50,000 and a maximum of \$6 million per county with an overall payment cap of \$300 per resident.

A total of 2,086 local governments—including the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands—are considered eligible revenue sharing counties under the LATCF formula. The FY 2022 payment is immediately available, while the second payment will be made sometime in calendar year 2023.

Alternatives for Commission to Consider:

1. Approve the application for the LATCF funds.
2. Do not approve the application for the LATCF funds.
3. Provide staff with direction.

Recommended Alternative:

Staff recommends Alternative number 1 – Approve the application for the LATCF funds.

Other Alternatives: N/A

Department Review: Finance

Funding Source:

No funding/match required

Attachments:

Georgia counties distribution amounts

Treasury guidance for LATCF funds