### First Responder Hazard Pay Premiums Program (FRHPPP) 2020 Public Act 166 Updated October 9, 2020

### 1. General

### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

- Q1.1. Who is eligible to apply under the First Responder Hazard Pay Premiums Program (FRHPPP)?
  - **A1.1.** Eligible applicants include a:
    - City
    - Village
    - Township
    - County
    - Public airport operators
    - Ambulance operations licensed under section 20920 of the Public Health Code (1978 PA 368; MCL 333.20920)
    - Local government authority, intergovernmental agency, or organization that employs local public safety or local public health personnel and that was established by a city, village, township, county, or group thereof, for the primary purpose of providing public safety or public health services

These will be referred to in the rest of this document as "eligible applicants".

### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

- Q1.2. Are eligible applicants that have received a direct allocation under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136 eligible for the First Responder Hazard Pay Premiums Program (FRHPPP), including Detroit, Kent County, Macomb County, Oakland County, and Wayne County?
  - **A.1.2.** Yes, however eligible applicants cannot receive funding from two sources for the same expenditures. Therefore, if an eligible applicant received a direct allocation under the CARES Act and used that funding to fund hazard pay premium payments to employees, they cannot request to be reimbursed under the FRHPPP.

### \*\*\* UPDATED October 9, 2020 to reflect changes in 2020 PA 166 \*\*\*

- Q1.3. My unit of government applied to this program under 2020 PA 123 or 2020 PA 144 Since both of these acts were repealed and replaced by 2020 PA 166, which provides for the same program, will I need to reapply?
  - **A1.3.** No. Applications received under the former programs will be rolled into the new program.

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#### \*\*\* UPDATED October 9, 2020 \*\*\*

#### Q1.4. Are electronic and digital signatures allowed?

**A1.4.** Yes, if the Application Packet is still notarized.

### 2. Application Process

### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

### Q2.1. What does an eligible applicant need to do to receive a First Responder Hazard Pay Premiums Program (FRHPPP) reimbursement/payment?

- **A2.1.** An eligible applicant must do the following to receive a First Responder Hazard Pay Premiums Program (FRHPPP) payment:
  - 1. Register with the Federal System for Award Management (SAM)
    - a. Applications submitted after July 26, 2020 must register prior to submitting an Application Packet to Treasury
  - 2. Submit to Treasury Application Packet pages 1 -15
    - a. All pages initialed and dated
    - b. Form 5723 completed
    - c. Hazard Pay Premiums Payment Report
    - d. Certification signed and notarized
  - Applicants that are requesting an advance payment (i.e. hazard pay premiums have not been paid to the employees yet) must submit Form 5725, First Responder Hazard Pay Premiums Program, Advance Request, with the Application Packet.

#### Q2.2. How will first-come, first-serve be administered?

**A2.2.** Application Packets will be emailed to Treas-CARES@michigan.gov or, if applicants are unable to email, they can be faxed to (517) 335-3298. The Department of Treasury staff will review the application to ensure it is complete. Submitted applications that are fully complete will be processed in the order they were received. Applicants will be notified via email whether an application was complete or incomplete after review. Treasury's response does not guarantee funding but confirms an applicant's successful submission and place in line.

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#### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

- Q2.3. Who can initial and sign the Application Packet pages? Does an applicant need board approval?
  - **A2.3.** The Application Packet should be completed by the Chief Administrative (Executive) Officer. In many cases, the Chief Administrative (Executive) Officer will be the person defined in MCL 141.422b, but could be any other individual that the local unit has designated.

As defined in MCL 141.422b, the Chief Administrative Officer is the following:

- (a) The manager of a village or, if a village does not employ a manager, the president of the village.
- (b) The city manager of a city or, if a city does not employ a city manager, the mayor of the city.
- (e) The manager of a township or, if the township does not employ a manager, the supervisor of the township.
- (f) The elected county executive or appointed county manager of a county; or if the county has not adopted an optional unified form of county government, the controller of the county appointed pursuant to section 13b of 1851 PA 156, MCL 46.13b; or if the county has not appointed a controller, an individual designated by the county board of commissioners of the county.
- (g) The official granted general administrative control of an authority or organization of government established by law that may expend funds of the authority or organization.

Signatures are required on pages 9 and 15 of the Application Packet. After verifying the entire Application Packet and reviewing all the requirements and terms and conditions of the grant, the same person needs to initial and date each page and sign both pages 9 and 15. The signatory on Form 5723, the page initials, and the certification at the end of the Application Packet must all be the same person. The contact person on Form 5723 should be the person that can answer questions related to the Application Packet submission.

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### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

- Q2.4. Does the Department of Treasury (Treasury) require an applicant to have the governing board take action related to the grant Application Packet submission prior to submitting to Treasury?
  - A2.4. No, the governing board only needs to be notified of the submission of the application and made aware of the Federal statutes, regulations and terms and conditions of the grant award.

#### \*\*\* UPDATED October 9, 2020 to reflect changes in 2020 PA 166 \*\*\*

- Q2.5. Can applicants submit a request for a hazard pay premium reimbursement/payment prior to issuing the hazard pay premium payment to their employees?
  - A2.5. Applicants can apply prior to issuing hazard pay premium payments to employees. However, payments must be made to the employees by October 31, 2020.

#### \*\*\* UPDATED July 31, 2020 \*\*\*

# Q2.6. What if an applicant does not register with the Federal System for Award Management (SAM)?

- **A2.6.** If an eligible applicant does not register with the SAM system, then the applicant does not qualify as a subrecipient under the Federal grant award and therefore would not be eligible for a payment under the First Responder Hazard Pay Premiums Program (FRHPPP).
- Q2.7. 2020 Public Act 166 extended the date to issue hazard pay premium payments to employees until October 31, 2020. Does that mean that applications can be submitted after September 30, 2020?
  - A2.7. No, applications must still be received by September 30, 2020.

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### 3. CARES Act Coronavirus Relief Fund (CRF) Funding Questions and Eligible Expenses

### Q3.1. What are the allowable uses of the Coronavirus Relief Fund?

- A3.1. The CARES Act requires that the payments from the Coronavirus Relief Fund (CRF) only be used to cover expenses that:
  - 1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19)
  - were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government
  - 3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

# Q3.2. Can hazard pay bonus expenses, which are already budgeted in most recently approved budget as of March 27, 2020, be funded by Coronavirus Relief Fund (CRF) funds?

**A3.2.** Yes, CRF money can be used for payroll expenses for public safety and public health, whose services are substantially dedicated to mitigating or responding to COVID-19 public health emergency. Further, personnel that were diverted to a substantially different function due entirely to the COVID-19 public health emergency to mitigating or responding to COVID-19 are allowable expenses.

### 4. Eligible First Responder Hazard Pay Premiums Program (FRHPPP) Expenses Under 2020 PA 166

#### \*\*\* UPDATED October 9, 2020 to reflect changes in 2020 PA 166 \*\*\*

- Q4.1. Can fringe benefits or payroll taxes (FICA and Social Security taxes), be included in the reimbursement/payment request under the First Responder Hazard Pay Premiums Program (FRHPPP)?
  - A4.1. No. The reimbursement/payment is only for hazard pay premiums paid or to be paid to employees on or before October 31, 2020. None of the other associated costs are eligible for reimbursement/payment under the program. The eligible applicant will be responsible for any additional expenses.

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### Q4.2. What employees qualify for hazard pay?

A4.2. The purpose of the program is to reimburse and/or pay for qualifying first responder hazard pay premiums provided to first responders who have performed hazardous duty or work involving physical hardship related to COVID-19. The individual would have been required to be working outside the home during the "Stay Home, Stay Safe" Executive Order.

Eligible employees include law enforcement officers, firefighters, emergency medical technicians (EMTs), paramedics, 9-1-1 operators, local unit of government corrections officers, airport public safety officers, and eligible personnel associated with ambulance operations licensed under section 20920 of the Public Health Code, 1978 PA 368, MCL 333.20920. Private EMTs and paramedics that contract with municipalities or hospitals are eligible if hazard pay premiums are paid through the applicant.

### \*\*\* UPDATED July 31, 2020 \*\*\*

- Q4.3. What does physical hardship related to COVID-19 mean? Does it mean only the time that an employee worked in the field being placed at risk; is it position based (i.e. a firefighter is a firefighter no matter what you do at the department you are eligible for hazard pay); or is it up to the determination of the eligible applicant?
  - A4.3. The position should have been on the front lines of responding to the COVID-19 pandemic. The individual would have been working outside the home during the "Stay Home, Stay Safe" Executive Order. Eligible employees do not need to have direct, physical contact with the public and may have only reported to their normal place of employment during the pandemic.

### Q4.4. Are part-time first responders eligible under the First Responder Hazard Pay Premiums Program (FRHPPP)?

**A4.4.** Yes

Q4.5. Are first responders who work for more than one applicant, eligible for two payments under the First Responder Hazard Pay Premiums Program (FRHPPP)?

**A4.5.** Yes

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# Q4.6. Can part-time first responders that are full-time first responders at a different municipality receive payments from both?

**A4.6.** Each applicant can only pay an employee once. If employees serve at multiple applicants, that employee may receive more than one payment that is reimbursed under the program.

#### \*\*\* NEW July 31, 2020 \*\*\*

- Q4.7. Are administrative or secretary positions that reported to work during the pandemic eligible for reimbursement/payment under the First Responder Hazard Pay Premiums Program (FRHPPP)?
  - A4.7. No, as they are not listed as eligible first responders in 2020 PA 166.

#### \*\*\* NEW July 31, 2020 \*\*\*

### Q4.8. Are emergency management personnel eligible expenditures?

A.8. No, as they are not listed as eligible first responders in 2020 PA 166.

#### \*\*\* NEW July 31, 2020 \*\*\*

- Q4.9. Are police dispatch included as 911 operators?
  - A4.9. Yes.

#### \*\*\* NEW July 31, 2020 \*\*\*

Q4.10. Are county road employees who reported to work during the pandemic eligible for reimbursement/payment under the First Responder Hazard Pay Premiums Program (FRHPPP)?

A4.10. No, as they are not listed as eligible first responders in 2020 PA 166.

#### \*\*\* NEW July 31, 2020 \*\*\*

#### Q4.11. Can employees who are no longer employed by the eligible applicant be included?

**A4.11.** Only if they were paid before they left service.

### First Responder Hazard Pay Premiums Program (FRHPPP) 2020 Public Act 166 Updated October 9, 2020

#### \*\*\* NEW July 31, 2020 \*\*\*

# Q4.12. Do eligible expenditures for the First Responder Hazard Pay Premiums Program (FRHPPP) include juvenile detention workers?

**A4.12.** Juvenile detention workers would need to be deputized public safety officers to qualify under the FRHPPP. If a juvenile detention worker is not deputized public safety officer, then an eligible applicant cannot include the juvenile detention worker in a request for funding under the FRHPPP.

#### \*\*\* NEW October 9, 2020 \*\*\*

- Q4.13 If local units of government provided eligible first responders extra weeks of vacation for working during the pandemic. Can there be a reimbursement for weeks of vacation earned? If vacation time is paid out as a lump sum, would it be eligible for reimbursement?
  - A4.13. These extra weeks of vacation do not qualify for reimbursement under the First Responder Hazard Pay Premiums Program (FRHPPP), since there are no eligible payroll expenditures incurred by the government.

To the extent that applicants decide to pay out vacation time as a lump-sum to their first responders, Treasury would view these payments as eligible hazard pay premiums. These payments would qualify for reimbursement under the First Responder Hazard Pay Premiums Program, as long as the payment is incurred during the eligible time period, made to eligible first responders, and is a payment in excess of normal pay.

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### 5. Contract Services and Authorities

### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

- Q5.1. Can authorities, community colleges, or universities with eligible public safety employees receive reimbursement under the First Responder Hazard Pay Premiums Program (FRHPPP)?
  - **A5.1.** No. Under the First Responder Hazard Pay Premiums Program (FRHPPP), eligible applicants can request reimbursement/payment for the hazard pay premium expenses incurred by the eligible applicant. If the hazard pay premium is not paid directly by the eligible applicant, the expense cannot be reimbursed under the program.

### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

# Q5.2. Do contracted police, fire, and/or emergency costs qualify for reimbursement under the First Responder Hazard Pay Premiums Program (FRHPPP)?

**A5.2.** The program only reimburses for the hazard pay premiums incurred by the eligible applicant for its employees. If the hazard pay premiums are not paid directly by the eligible applicant, the expenses are not eligible. Eligible applicants that contract for services would not have any hazard pay premiums to apply for reimbursement/payment.

### 6. Accounting and Federal Reporting Compliance

- Q6.1. What account should an eligible applicant deposit the First Responder Hazard Pay Premiums Program (FRHPPP) reimbursements/payments?
  - **A6.1.** Guidance will be coming shortly.

#### \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*

Q6.2. Will funding received under the First Responder Hazard Pay Premiums Program (FRHPPP) be considered a federal grant to the eligible applicant for the purposes of single audit?

**A6.2.** Yes.

### First Responder Hazard Pay Premiums Program (FRHPPP) 2020 Public Act 166 Updated October 9, 2020

#### \*\*\* UPDATED October 9, 2020 to reflect changes in 2020 PA 166 \*\*\*

- Q6.3. Should an eligible applicant setup a separate fund to account for other CARES Act and federal COVID-19 financial assistance?
  - A6.3. A separate fund is not required. Guidance is available on the Treasury website and can be accessed at the following link. <u>https://www.michigan.gov/documents/treasury/Numbered\_Letter\_2020-</u> <u>4 State\_Reimbursements\_for\_Hazard\_Pay\_and\_Public\_Safety\_699221\_7.pdf</u>.

#### \*\*\* RENUMBERED \*\*\*

- Q6.4. What does the words "prime recipient" mean on page 8, in the section on record retention requirements, of the First Responder Hazard Pay Premiums Program (FRHPPP) Application Packet?
  - **A6.4.** The prime recipient means the recipient receiving the funds directly from the Federal Funding Provider, which in this case is the State of Michigan.

#### \*\*\* UPDATED October 9, 2020 to reflect changes in 2020 PA 166 \*\*\*

- Q6.5. What fiscal year should an eligible applicant record a First Responder Hazard Pay Premiums Program (FRHPPP) payment if an applicant incurs the expense in one fiscal year and receives the reimbursement in the next fiscal year?
  - A6.5. Guidance is available on the Treasury website and can be accessed at the following link. <u>https://www.michigan.gov/documents/treasury/Numbered\_Letter\_2020-4\_State\_Reimbursements\_for\_Hazard\_Pay\_and\_Public\_Safety\_699221\_7.pdf.</u>

#### \*\*\* NEW October 9, 2020 \*\*\*

- Q6.6. If funding was received prior to making payment or payment dates to employees were different than on the original application, is there any further reporting needed?
  - **A6.6.** Yes, if an advance was received or employee payment dates were different than reported in the original application, a final grant report must be filed. The report will be forthcoming toward the end of October/beginning of November.

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### 7. Reimbursement Process

- \*\*\* UPDATED July 31, 2020 to reflect changes in 2020 PA 144 \*\*\*
- Q7.1. Can an eligible applicant apply for both the Public Safety and Public Health Payroll Reimbursement (PSPHPR) program and the First Responder Hazard Pay Premiums Program (FRHPPP)?
  - **A7.1.** Yes, but eligible applicants cannot request reimbursement/payment of the same payroll expenses under both programs. If an eligible applicant has requested the hazard pay premiums under the PSPHPR program, then the eligible applicant cannot request reimbursement/payment of those same expenses under FRHPPP. Expenditures cannot receive funding from multiple funding sources.