

**CITY OF CRAIG
RESOLUTION NO. 20-14**

SUPPORTING U.S. SENATE BILL 3638

WHEREAS, the City of Craig is eligible to receive funds from the Coronavirus Aid, relief, and Economic Security (CARES) Act; and,

WHEREAS, the CARES Act is intended to support communities harmed by the COVID-19 pandemic; and,

WHEREAS, the CARES Act contains multiple avenues for benefitting impacted communities; and,

WHEREAS, guidance issued by the Federal Government prohibits municipalities from using CARES Act funding to replace tax revenue lost as a result of the society's efforts to prevent transmission of COVID-19; and,

WHEREAS, sales tax revenues lost to the City of Craig due to COVID-19 prevention efforts are likely to be substantial, given restrictions on travel from outside Alaska that negatively impact charter fishing and other visitor industry vendors, reduced demand and thus lower prices for commercially caught fish, and impacts to other industries; and,

WHEREAS, local taxes account for two thirds of City of Craig general fund revenues; and,

WHEREAS, allowing local governments to draw on CARES Act funding to make up for documented lost local tax revenues would provide efficient and timely relief from what would otherwise be significant and avoidable loss of locally delivered, essential public services; and,

WHEREAS, S 3638 would permit use of CARES Act funding to replace lost local tax revenues.

NOW, THEREFORE BE IT RESOLVED that the Council for the City of Craig, Alaska supports passage of S 3638.

APPROVED this fourth day of June, 2020.


MAYOR TIM O'CONNOR




JILLIAN CARL, CITY CLERK

116TH CONGRESS
2D SESSION

S. 3638

To allow Coronavirus Relief Fund payments to be used to replace revenue shortfalls resulting from COVID–19.

IN THE SENATE OF THE UNITED STATES

MAY 6, 2020

Mr. SULLIVAN (for himself, Mr. WHITEHOUSE, Ms. MURKOWSKI, Mrs. CAP-
ITO, Mr. CRAMER, and Mr. KING) introduced the following bill; which was
read twice and referred to the Committee on Appropriations

A BILL

To allow Coronavirus Relief Fund payments to be used to
replace revenue shortfalls resulting from COVID–19.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Coronavirus Relief
5 Fund Flexibility Act”.

6 **SEC. 2. USE OF CORONAVIRUS RELIEF FUND PAYMENTS TO**
7 **REPLACE LOST REVENUE.**

8 Effective as if included in the enactment of the
9 Coronavirus Aid, Relief, and Economic Security Act (Pub-
10 lic Law 116–136), subsection (d) of section 601 of the

1 Social Security Act, as added by section 5001(a) of the
2 Coronavirus Aid, Relief, and Economic Security Act, is
3 amended to read as follows:

4 “(d) USE OF FUNDS.—A State, Tribal government,
5 and unit of local government shall use the funds provided
6 under a payment made under this section to cover only
7 those costs of the State, Tribal government, or unit of
8 local government that—

9 “(1) are necessary expenditures incurred due to
10 the public health emergency with respect to the
11 Coronavirus Disease 2019 (COVID–19) during the
12 period that begins on March 1, 2020, and ends on
13 December 31, 2020; or

14 “(2) are necessary to replace State or govern-
15 ment revenue shortfalls resulting from the
16 Coronavirus Disease 2019 (COVID–19) during the
17 period that begins on March 1, 2020, and ends on
18 December 31, 2020.”.

○