



# STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

*Intergovernmental Policy and Planning Division*

April 7, 2021

To: Chief Executive Officers  
Chief Financial Officers

From: Martin L. Heft, Acting Undersecretary

RE: **Municipal CRF Program / FEMA / American Rescue Plan Act**

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Many of you or your staff have reached out regarding new COVID-related funding under the American Rescue Plan Act of 2021. As with the Municipal CRF Program, OPM will provide guidance in consultation with the U.S. Treasury. The Act outlines specific eligible uses and allocation provisions. OPM Secretary McCaw has put various teams together, including separate municipal and education teams, to administer the new funding. We will be in communication as we proceed and have information available.

In order to clear up any misperceptions of utilizing FEMA with your Municipal CRF Program allocation and the upcoming American Rescue Plan, I wanted to review the process for your municipality to take the best advantage of all available funding.

Emergency Protective Measures from the inception of the Presidential Disaster Declaration in March 2020 through December 31, 2021 should be submitted to FEMA for reimbursement. FEMA initially reimbursed eligible costs at a 75% federal share and later the federal cost share was revised to reflect a 100% federal reimbursement. This change in federal cost share will be implemented retroactively to the beginning of the disaster. FEMA will be adjusting all reimbursements for Project Worksheets initially approved at the 75% reimbursement to obligate the additional 25% for each previously approved project.

The Office of Policy and Management will not attempt to recover any Municipal CRF Program amounts already passed to municipalities as part of the Governor's \$75 million commitment.

When FEMA increases the 75% recovery rate to 100% for projects approved prior to the cost share adjustment, each municipality should de-commit any Municipal CRF Program funding used to cover the non-federal share (25%) of those projects and

reprogram that amount toward any additional costs related to eligible COVID-19 response or recovery efforts that the community has incurred or plans to incur through December 31, 2021. This will allow the additional FEMA funds to be used to cover the 100% federal cost share of the adjusted projects while avoiding any duplication of benefit. All eligible projects approved by FEMA subsequent to the cost share adjustment are being funded at the 100% rate.

Please remember that although there is some flexibility on which funding source you use, "Recipients and Applicants are ultimately responsible for ensuring that they do not receive payment for the same item of work twice. FEMA Applicants must certify in the PA application process that assistance is not being duplicated."

We understand your concern about the traditional FEMA warning not to recover costs that have been paid by another funding source but understand that OPM will not attempt to recover funds passed back as part of the Municipal CRF Program allocation. We encourage municipalities to program that funding to future response or recovery.

**Guidance and Contacts:**

- [Municipal CRF Program](#)
  - Office of Policy and Management  
[Martin.Heft@ct.gov](mailto:Martin.Heft@ct.gov)
- [FEMA Public Assistance](#)
  - Division of Emergency Management and Homeland Security  
[Dana.Conover@ct.gov](mailto:Dana.Conover@ct.gov)