How to determine Public Health & Economic Response Eligible Uses

**Step 1:** Identify COVID-19 public health or economic impact

*Can include:*
- Impact* to a specific household, business or nonprofit, or a class (group)
- Disproportionate impacts*, or more severe impacts, to a specific beneficiary or class

*Treasury’s Final Rule defines and provides examples of “impacted” and “disproportionately impacted.”*

**Step 2:** Design a response to address the identified impact

*Should be:*
- related and reasonably proportional to the harm
- reasonably designed to benefit impacted individual or class

Recipients may identify additional eligible uses beyond those enumerated by Treasury based on the standards provided in the rule.

**Restrictions on Use**
Funding cannot be used for:
- special deposits to pension funds
- debt-service payments
- replenishing rainy-day funds
- satisfaction of settlements and judgments
- projects that undermine COVID-19 mitigation practices or violate Uniform Guidance conflict-of-interest requirements or other applicable laws

*See also LFR Final Rule - Evaluating Potential Uses.*