

Treasury's Emergency Rental Assistance Program, where not less than ninety percent of awarded moneys must be used for direct financial assistance, including rent, rental arrears, utilities and home energy costs arrears, and other expenses related to housing, and remaining moneys are available for housing stability services, including case management and other services intended to keep households stably housed, and administrative costs, and

WHEREAS, on March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA"), a \$1.9 trillion federal relief package, became law. ARPA provided relief to state and local governments through a variety of federal agencies and programs such as the Coronavirus Local Fiscal Recovery Fund ("CLFRF"), which provided a direct allocation to the county of \$437 million to respond to the COVID-19 pandemic or its negative economic impacts, including assistance to households, small businesses and nonprofit organizations, or aid to impacted industries such as tourism, travel and hospitality; to respond to workers performing essential work during the COVID-19 pandemic by providing premium pay to eligible county workers who are performing that essential work, or by providing grants to eligible employers that have eligible workers who perform essential work; for the provision of government services to the extent of the reduction in revenue of such county due to the COVID-19 pandemic relative to revenues collected in the most-recent full fiscal year of the county prior to the emergency; or to make necessary investments in water, sewer or broadband infrastructure, and

WHEREAS, as of April 25, 2022, the council adopted eight emergency supplemental appropriation ordinances (COVID 1 through COVID 8) to support expenses related to the response of the COVID-19 public health emergency and one supplemental appropriation ordinance to support childcare services for essential workers, for a total appropriation of \$1.45 billion, and

WHEREAS, on March 22, 2022, the executive transmitted the ninth emergency supplemental appropriation ordinance (COVID 9) to appropriate an additional \$157 million for expenses related to the COVID-19 public health emergency response and to reallocate use of CLFRF moneys of certain programs executive staff deemed as either high-risk for ineligibility or ineligible based on U.S. Department of Treasury issued guidelines for how these moneys can be used. Furthermore, alternative federal, state and county funding

has been identified for some programs. Of note, ARPA allows CLFRF moneys to be expended through December 31, 2024, and

WHEREAS, providing a timely response to the COVID-19 public health emergency and getting federal moneys out to our communities as quickly as possible has also meant exposing the county to the inevitable risk of fraud and misuse, and

WHEREAS, a July 13, 2021 King County auditor report entitled "Performance Audit of King County's COVID-19 Pandemic Response" identified early issues with several programs funded by CRF involving subrecipients and outside beneficiaries. The report stated that executive staff corrected the issues for the affected programs after the audit team communicated the issues. Moreover, for subsequent programs, executive staff incorporated changes that addressed concerns with program documentation, and

WHEREAS, on behalf of the federal government, the Washington State Auditor's Office ("SAO") is responsible for conducting federal single audits of local governments that spend \$750,000 or more in federal awards per year to determine and report on whether received federal awards have complied with applicable requirements. The SAO's federal single audit report for Fiscal Year 2020 of King County found county's internal controls were inadequate for ensuring it recorded and reported expenditures for the Behavioral Health Fund which included use of federal grants related to the COVID-19 pandemic, and

WHEREAS, as of April 4, 2022, the department of community and human services identified 130 potential cases of inappropriate payments for the eviction prevention and rental assistance program ("EPRAP") due to identity theft and potential misrepresentation in the tenant or landlord leasing documents. This represents less than one percent of rental assistance awarded by the county, and

WHEREAS, as of April 19, 2022, the U.S. Department of Justice indicted about 20 individuals who allegedly engaged in various fraud activities and improper use of about \$150 million of COVID-19 pandemic federal relief moneys. Moreover, the U.S. Small Business Administration's inspector general has identified \$78.1 billion in potentially fraudulent COVID-19 Economic Injury Disaster Loans, and

WHEREAS, the unprecedented amount of federal moneys available have put a resource strain on both the county and state agencies to appropriately monitor the use of federal moneys, and

WHEREAS, establishing a mechanism for the public to report misuse of federal grants received by the county to support COVID-19 pandemic related expenditures would enhance the county's accountability of taxpayer moneys;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

A.1. The council requests the executive establish methods by which complaints are made related to the fraud, waste, abuse or mismanagement of federal funding relating to the COVID-19 pandemic.

2. Methods shall include, but not be limited to, a hotline phone number or numbers and a web-based tool.

3. The executive should publicize widely throughout the county that such methods are available. Publicity methods should include, but not be limited to, the county's website, social media and the press.

4. Complaints may be received from any source concerning the misuse of federal grants received by the county to support expenditures related to the COVID-19 pandemic.

5. All complaints received should be processed as set forth by existing laws and policies.

B. The council requests the executive electronically file a letter confirming that the activities described in section A of this motion have been completed no later than January 31, 2023, with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff and council chief policy officer.