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Coronavirus Municipal Records Digitization Grants: GUIDELINES

The purpose of this document is to provide guidance to the Executive Branch, the Legislature, Agency/Department Partners, and Grant Recipients of the Emergency Recovery Grants as established by Act 137 of 2020 and per the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Federal CARES Act

The federal CARES Act (the Act) established the “Coronavirus Relief Fund” (CRF) and outlines the permitted uses of the fund in Section 5001 of the Act. The Act reads:

(d) Use of funds. A State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government that:

- (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- (2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and
- (3) were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

In addition to the language as established in the Act, the U.S. Department of Treasury released detailed guidance and a frequently asked questions document on the use of funds. Based on both the Act and the subsequently released guidance, the Agency of Administration and the Department of Taxes developed the following guidance on the allowed uses of Land Records Digitization Grant funds.

GUIDELINES AND ELIGIBILITY CRITERIA

Governor Scott signed [Act 137](#) into law on July 2, 2020. Sections 8-10 of this legislation appropriates \$2 million from the CRF to the Agency of Administration to issue grants to eligible Vermont municipalities for the purposes of digitizing land records.

Qualifying municipalities are eligible for funds provided that:

- The municipality has created and maintained a Land Records Preservation fund per 32 V.S.A. §1671(c)(1); AND,
- As a result of COVID-19, the normal operation of the Town Clerk’s Office was adversely affected in one of the following ways:



- The office was compelled to close completely to all title searchers.
- The office was open to searchers by appointment only, with limited hours for appointments.
- The office was prohibited from continuing ongoing digitization projects due to staffing issues.

Qualifying municipalities are required to report on the use of the funds received pursuant to this grant to the Agency of Administration and shall maintain records of its expenditures of those funds for a period of no less than five years. By accepting funds from this grant, municipalities hereby acknowledge that they are subject to audit on the use of those funds for such period.

STANDARDS FOR ELIGIBLE USE OF GRANT FUNDS

In accordance with the U.S. Treasury Department Guidance and supplemental documents, state governments have the authority to utilize CRF monies for grants to qualifying municipalities to reimburse certain costs associated with making digital copies of land records available online for public access through a secure portal.

The Coronavirus Municipal Records Digitization Grants are being issued to help provide economic support to town offices which have been impacted by increased customer demand due to the COVID-19 public health emergency, but are unable to successfully allow those customers to search land records. The funds can be used to cover costs directly associated with digitizing land records.

Funds may only be used by a qualifying municipality to:

- Purchase a scanner and research computer. Approval for reimbursement will only be made after state officials verify that equipment is designated for backlog scanning. Municipalities are compelled to retain equipment until at least December 30, 2020 and are subject to ongoing audits as to the use of the equipment. Note that reimbursement for equipment purchases are only valid for those that were unbudgeted, made on or after March 1, 2020.
- Reimburse contract fees with an acceptable software vendor to digitize (index and scan) all historical, current, and backlog of land records and make them available via an online portal. To be an eligible use under the CRF guidance, this software implementation program must be procured, implemented, and fully operational on or before November 1, 2020 in order to provide material benefit during the time period ending on December 30, 2020. To qualify for this reimbursement municipalities must digitize at least five years of land records, dating back to at least November 1, 2015. However, municipalities are encouraged to digitize as far back as 40 years when possible. Reimbursement of contract fees or other digitization expenses are only valid for the period between March 1, 2020 and December 30, 2020.
- Reimburse labor costs associated with additional staffing or overtime pay specifically related to clearing up COVID-19 related backlog scanning of land records. Municipalities that request this form of reimbursement are subject to state audits on progress of backlog scanning.
- Reimburse contract fees with a qualified vendor to update municipal parcel data. Parcel data must be submitted in an electronic geographic information system (GIS) format to the Vermont Center for Geographic Information (VCGI) on or before November 1, 2020. VCGI will make data publicly available via an online portal.

APPLICATION PROCESS

Applications will be available exclusively through an online submission. Grants will be awarded on an equitable geographic distribution basis and a first-come first-served basis. Additional information about



where to submit the application will be provided to municipalities when the application is available on or before July 31, 2020 at <https://tax.vermont.gov/>.

Because of the federally mandated deadlines for CRF eligibility, applicants intending to use a vendor for digitization are strongly encouraged to immediately begin their procurement process.

Municipalities are strongly encouraged to submit a procurement contract with a qualified vendor as part of their application. At a minimum, municipalities will need to provide a cost estimate and digitization project plan which demonstrates completion of at least five years of records by November 1, 2020.

Applications will be reviewed by the Agency of Administration and Department of Taxes. Reviews will be performed to confirm eligibility under the requirements of the CRF and verify that the applicant has provided the required documentation. By accepting grant funds, qualifying municipalities are subject to state audits on the progress of their backlog scanning and are subject to freezes on installment reimbursements if full implementation of certain programs is not able to be completed by November 1, 2020.

Municipalities shall report on its use of funds received as required by the Agency of Administration and shall maintain records of expenditures of the funds for three years, or for a longer period if required by State or federal law, to enable verification as needed.

AWARD FORMULA

1. The Agency of Administration has set a grant cap of \$20,000 which will allow 100 municipalities to receive funds, nearly forty percent of all Vermont towns. The Agency has sought advice from municipal stakeholders to ensure that the grant cap will have a meaningful impact on the ability of the public to access digitized land records online.
2. On September 1, 2020, if demand for grant funds exceeds the present cap of \$20,000 per municipality, the Agency of Administration will evaluate remaining available grant funds to determine if the \$20,000 per municipality cap can be raised and additional funds disbursed for eligible digitization projects.
3. To help promote an equitable geographic distribution, the Agency will reserve \$100,000 per Vermont county in available grant funds. Funds will be reserved until September 1, 2020. Any unencumbered funds remaining after September 1, 2020, will be distributed on a first-come first-served basis statewide.
4. In determining the amount of the grant, reviewers will consider adjusting the grant based on whether the municipality has received financial assistance from other sources and the funds available for digitization in a municipalities Restoration, Preservation and Reserve Fund.

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