

WHEREAS on November 8, 2021, Governor Abbott signed [Texas Senate Bill 8](#) (SB 8 - 87-3 session) which appropriated \$16.3 billion of the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) from the federal [American Rescue Plan of 2021](#) (ARPA) to cities and county governments.

WHEREAS Coronavirus Relief Funds (CRF) were distributed in 2020 through the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) that was **filed as [H.R. 748 in Congress on January 24, 2019](#)**, signed by President Trump, in March 2020,

WHEREAS Recipients of SB 8 funds are required to enter into a contract with the US Department of Treasury and must comply with the Award Terms and Conditions as detailed in the [Interim Final Rule](#) for CSLFRF as were Recipients of CRF.

WHEREAS The Recipient remains responsible for monitoring and overseeing the sub recipient's use of the funds and other activities related to the award to ensure that the sub-recipient complies with the statutory, regulatory requirements, and executive orders as defined in the award terms and conditions as follows.

1. [CSLFRF - Compliance with Applicable Law and Regulations. Pg 3 Section 9](#) - "Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award."
2. [CRF - Terms and Conditions 1.26 Compliance with Federal Law, Regulations, and Executive Orders](#): Grantee acknowledges that federal financial assistance funds will be used to fund the Grant Agreement. The grantee will comply with all applicable federal laws, regulations, executive orders, policies, procedures, and directives.

WHEREAS On [October 15, 2021](#), Texas Attorney General Ken Paxton warns all state agencies of unprecedented federal contract language causing conflicts between state and federal laws:

WHEREAS On November 5, 2021, The Texas Municipal League (TML) issued a wrong opinion in their [COVID-19 Update \(No. 207\)](#) stating that funds did not create a contractual relationship with any federal government, which they retracted on November 18th but did not send notice of correction to their membership cities.

WHEREAS On December 14, 2021, [Governor Abbott Instructs](#) State Agency Leaders To Review New Federal Funding Agreements, Contracts stating, *“Please be vigilant and communicate frequently with my office before you proceed with accepting or applying for federal funding opportunities.”*

THEREFORE BE IT RESOLVED for the Texas Legislature to take actions to evaluate federal contacts and relief funds terms and conditions to determine constitutionality and potential threats to state and local governments sovereignty by overreaching with executive orders.

Choose one: Adopted by the _____ (Precinct _____) convention on March ____, 2022. Adopted by the _____ (county/SD _____) convention on March ____, 2022.
--