

[INSERT MEMO LETTERHEAD]

To: Mayor and City Council
From: Tracey Nicholson Douglas, City Administrator
Date: November 30, 2021
Re: Vaccine Incentive Program for City Employees

The purpose of this memorandum is to provide the City Council with a recommendation to authorize a Vaccine Incentive Program for City Employees using American Rescue Plan funds, providing \$500 for each City employee who proves they have received a full dose of an FDA-approved COVID-19 vaccine.

Summary:

The spread of COVID-19 continues to be a major threat to City operations and a barrier to safely returning staff to in-person work. While many City staff members have received a COVID-19 vaccine, there remain approximately 10% of our workforce who are unvaccinated. A vaccine incentive program has the dual impact of providing a financial incentive for unvaccinated employees to get a COVID-19 vaccine, and to reward employees who proactively sought the vaccine already.

The staff recommendation is for Council to establish a Vaccine Incentive Program for City Employees, which would offer a one-time \$500 vaccine incentive payment to each employee who is fully vaccinated under one of the three FDA-approved vaccines produced by Pfizer, Moderna, and Johnson & Johnson. Upon submission of documentation proving the employee is fully vaccinated, the City will provide a one-time \$500 payment.

This program is expected to cost approximately \$75,000, and expenses will be paid using American Rescue Plan funds. The American Rescue Plan authorizes vaccine incentive programs as an eligible expense in the U.S. Department of Treasury's regulations and guidance on implementation of the American Rescue Plan.¹

Policy:

Under the newly created Vaccine Incentive Program, employees of the City of Hyattsville will be eligible for a one-time payment of \$500 upon submission of documentation proving the employee is fully vaccinated with one of the three FDA-authorized vaccines produced by Pfizer, Moderna, and Johnson & Johnson.

Eligibility: The Vaccine Incentive Program is available to any City employee, including part-time, contract, and temporary employees, who is fully vaccinated. The Vaccine Incentive Program is not available to employees who choose, for any reason, not to receive a COVID-19 vaccine. The Vaccine Incentive Program is not available to third-party companies who may provide services in the building from time to time. Any individual employed by a third-party to conduct business in the City building is required to be vaccinated.

Evidence: Employees must provide evidence to the City's Human Resources department to establish they have completed a full dose of one of the three FDA-authorized COVID-19 vaccines (at the time of

¹ See 31 CFR 35.6(b)(1)(i) and Treasury FAQ of November 15, 2021, at section 2.12.

writing, this means two shots of the Moderna or Pfizer vaccines, or one shot of the Johnson & Johnson vaccine). Acceptable forms of evidence include a CDC COVID-19 Vaccine Record Card, an immunization record provided by the State of Maryland, or another form of documentation acceptable to the Director of Human Resources.

Employees may receive the vaccine from any medical provider. The City offers a free vaccine clinic that employees may use, or employees may receive the vaccine from any other medical provider. The City only requires that employees provide proof of vaccination, regardless of where or by whom the vaccine was administered.

Implementation: Employees should submit their vaccine records to the Human Resources Department. Upon submission, employees will be paid the bonus payment with the next available payroll.

Employees who have already submitted their vaccination records will be automatically processed and the vaccine incentive payment will process with the payroll period scheduled for payment to employees on December 24.

The Vaccine Incentive Program will continue until February 28, 2022. Employees who have not yet submitted their vaccination records can do so by **December 17 to be included with the December 24 payroll date**. Employees who submit their vaccine record after December 17 will have their Vaccine Incentive payment processed with the following payroll period.

Payments to employees will be taxed as income, per IRS regulation.

Questions: Employees should contact Vivian Snellman, Director of Human Resources, for questions.