



# What Now? Using the American Rescue Plan Effectively

July 26, 2021

EMERGENCY MANAGEMENT • SECURITY AND RISK MANAGEMENT • TRAINING & EXERCISES • DATA ANALYTICS

# WHY BELIEVE ME?



**JEFF STEVENS, CEM, MEP**  
**VP, Emergency Management**

- 15 years experience in all phases of emergency management
- Certified Emergency Manager and Master Exercise Practitioner
- Former State Pandemic Coordinator for the State of Rhode Island during HINI
- Managed largest disaster recovery effort in the history of the Commonwealth of Massachusetts, prior to COVID-19
- Worked disasters in CO, CT, FL, KS, LA, MA, MO, NJ, PR, RI, SC, and TX
- Worked in FEMA PA and HMGP, Debris Management, CDBG-DR, EDA Disaster Recovery grants
- Former Emergency Management Accreditation Program Assessor



# CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

- On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program.
- The SLFRF program is intended to provide support to state and local governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.
- Treasury’s Interim Final Rule governs the program and provides guidelines and principles for determining the types of programs and services that the funding can support



# INTERIM FINAL RULE

- On May 10, the Treasury Department issued interim rules on how direct ARPA funding for state and local governments can be spent. The rules can be found at Interim Final Rule ([treasury.gov](https://www.treasury.gov)).
- The outlines important information to help you understand how to request funds, know the eligible and ineligible uses, prepare for the reporting requirements, and know how to get your questions answered.
- The Interim Final Rule (IFR) public comment July 16th. Therefore, we know that items contained in the guidance will change and additional clarifications will be provided.
  - Final Rule- August-ish?
- FAQs are being released regularly ([www.iparametrics.com/Michigan](https://www.iparametrics.com/Michigan))



# CATEGORIES OF ELIGIBLE USES

- Respond to the public health emergency with respect to COVID-19 or its negative economic impacts
- Provide premium pay<sup>1</sup> for public employees doing essential work or provide grants to eligible employers
- Provide government services to the extent of reduction in revenue due to COVID-19 relative to revenues collected in most recent full fiscal year
- Make necessary investments in water, sewer, or broadband infrastructure
- \*\*Public Safety Investments



*1. Up to \$13 per hour- premium amount may not exceed \$25,000 with respect to any single eligible worker*



# EXAMPLES OF ELIGIBLE USES

Responding to the Public Health Emergency	Addressing Negative Economic Impacts	Serving the Hardest Hit	Improving Access to Infrastructure
Vaccinations, PPE, Testing, Alternate Care Facilities	Small business/Non-profit grants, loans and counseling programs	Addressing Health Disparities	Water/Wastewater including lead pipe remediation
Behavioral Healthcare: Mental Health, Substance Abuse, Crisis Intervention	Assisting impacted industries: Tourism/Hospitality	Affordable Housing and Combating Homelessness	Broadband expansion (100 MBs Up/100 MBs Down)
Payroll for public health and other responders	Rehiring public sector employees	Educational services including early learning	Stormwater
Premium pay for qualified workers	Public sector revenue loss	Childcare and enhanced welfare services	

# INELIGIBLE USES

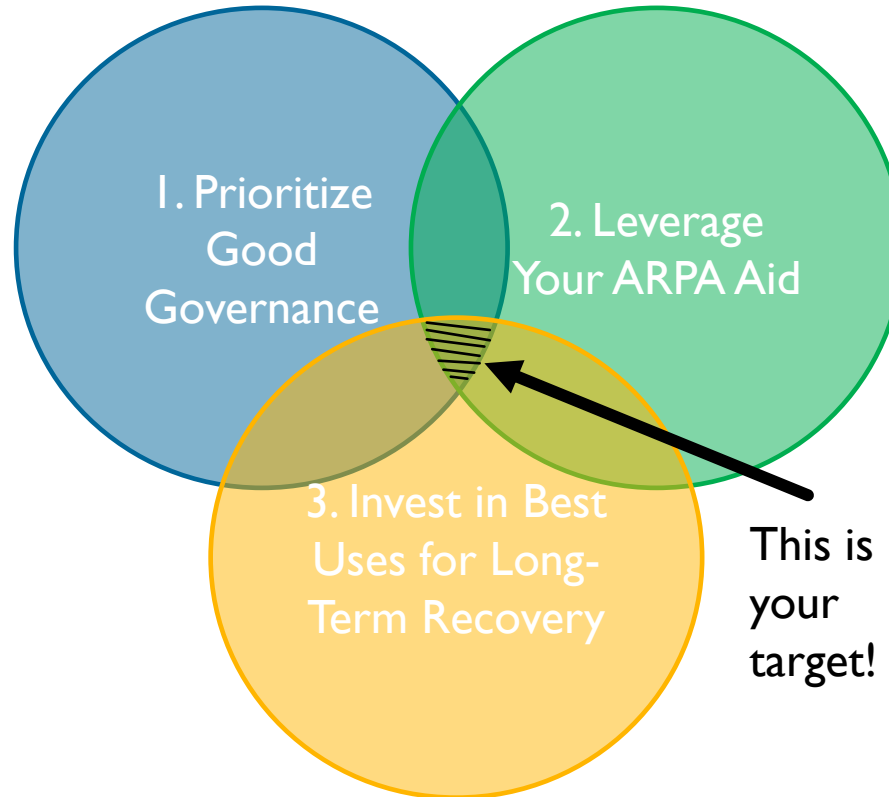
- Federal Matching Requirements
- Pensions
- Rainy Day Funds
- Financial Reserves
- Directly or indirectly offsetting a reduction in the net tax revenue resulting from a change in law, regulation, or administrative interpretation.
- Funding debt service, legal settlements or judgments
- General infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision.



# PLANNING FOR ARPA INVESTMENT

## 1. Prioritize Good Governance

- Convene all stakeholders and build consensus
- Follow allowable uses under ARPA
- Meet all accounting and reporting rules
- Comply with all local and state laws/ordinances
- Ensure transparency throughout
- Do not create future budget deficits



## 2. Leverage your ARPA Aid

- Use a thoughtful strategic planning process
- Leverage with ARPA, FEMA, and other federal sources
- Coordinate with other state and local programs
- Collaborate with community partners and organizations
- Use existing delivery systems for efficiency
- Don't reinvent the wheel: learn from others

## 3. Invest in Best Uses for Long-Term Recovery

- Invest in urgent health and economic needs
- Prioritize short-term investments with lasting benefits
- Identify and address pre-COVID inhibitors to growth
- Move quickly to simulate faster recovery
- Measure progress throughout to inform ongoing plans





# TIMELINE FOR SLFRF

Costs obligated March 3, 2021, through December 31, 2024

2021

2023

2025

2022

2024

2026

American Rescue Plan Act became law: March 11, 2021

Interim final rule: May 10, 2021

Second tranche of NEU funds issues not sooner than July 2022

Cost expended by December 31, 2026



# REPORTING REQUIREMENTS

By  
August  
31, 2021

**Interim Reports:** Expenditures by category at the summary level, by July 31, 2021. Applies to states, territories, metropolitan cities, counties, tribal governments.

**Recovery Plan Performance Report:** Funded projects, plans for project outcomes to be achieved, key performance indicators, programmatic data, sent annually. Applies to states, territories, metropolitan cities, counties >250k residents.

By  
October  
31, 2021

**Quarterly Project and Expenditure Report:** Financial data, information on contracts and subawards over \$50k, types of projects funded, other information regarding utilization of funds, quarterly. Applies to states, territories, metropolitan cities, counties, tribal governments.

**Annual Project and Expenditure Report:** Financial data, information on contracts and subawards over \$50k, types of projects funded, other information regarding utilization of funds, quarterly. Applies to NEUs.



Questions?  
Comments?  
Concerns?  
Snide Remarks?

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