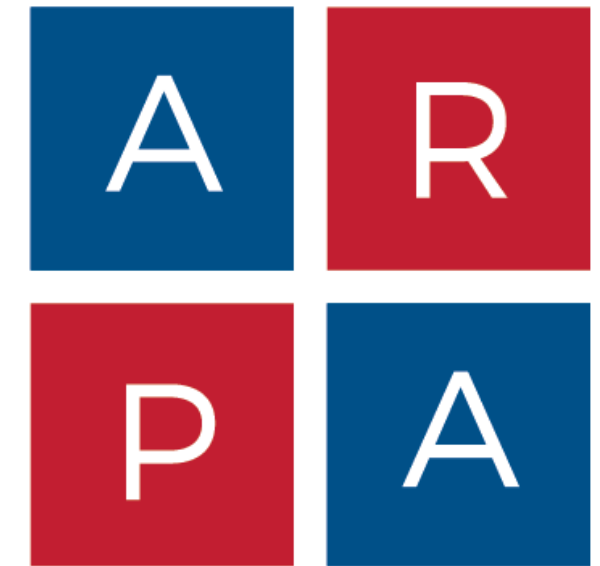




# NEK ARPA Information Session

February 2, 2022



AMERICAN RESCUE  
PLAN ACT  
2021

# What We'll Cover:

- Vermont's share
- Timeline & planning
- What Can You Spend \$ On
- The "Standard Allowance"
- Reporting Overview
- Public engagement
- VT and nationally
- VLCT and RPCs



# American Rescue Plan Act

- American Rescue Plan Act (ARPA) – \$1.9 trillion stimulus package signed into law March 11, 2021
- Purpose – Combat the COVID-19 pandemic, including health and economic impacts
- \$350 billion for eligible state, local, territorial and Tribal governments through the *Coronavirus State and Local Fiscal Recovery Funds* (aka ARPA)
- The money will be distributed through the U.S. Department of the Treasury
- It is subject to the requirements specified in the [Final Rule](#) issued by Treasury on January 6, 2022

# American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund

## Vermont's Share:

- State of Vermont\* \$1,049,287,303
- Counties\*\* \$121,202,550
- Metro Cities \$20,721,902
- Non-Entitlement Units  
of Government (NEUs) \$58,788,245

TOTAL ARPA State and Local Funds: \$1,250,000,000

\* Only half the State money has been allocated. The remaining half will be allocated during the 2022 legislative session.

\*\* County money has been reallocated to municipalities. Payments (local and county) can be found by clicking [HERE](#).





# American Rescue Plan Act

## Coronavirus State and Local Fiscal Recovery Fund

- **ARPA** - Implemented through the [Final Rule](#)
- **Timeline** – The Final Rule includes a specific schedule:
  - 1<sup>st</sup> payment (local and county) August 2021
  - 2<sup>nd</sup> payment (local and county) summer 2022
  - All funds must be **obligated** by December 31, 2024
  - All funds must be **expended** by December 31, 2026
  - Any funds not spent by December 31, 2026, must be returned to Treasury
- **State and Local ARPA** – follows the same timeline and rules

# Planning Framework for Maximum Impact and Best Use of Municipal ARPA Funds



Vermont League  
of Cities & Towns

## **1. PRIORITIZE GOOD GOVERNANCE**

- Convene all Stakeholders & Build Consensus
- Follow Allowable Uses Under ARPA
- Meet all Accounting & Reporting Rules
- Comply w/ all Local & State Laws/Ordinances
- Ensure Transparency Throughout
- Do Not Create Future Budget Deficits

## **2. LEVERAGE YOUR ARPA AID**

- Use a Thoughtful Strategic Planning Process
- Leverage w/ ARPA, FEMA & Other \$ Fed Sources
- Coordinate w/ Other State & Local Programs
- Collaborate w/ Community Partners & Orgs
- 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 w/ Lasting Benefits
- ID and Address Pre-COVID Inhibitors to Growth
- Measure Progress Throughout to Inform Ongoing Plans

# What You CAN Spend \$ On

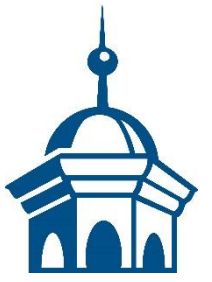
Within the 7 Categories, there are 66 Expenditure Categories



## Appendix 1: Expenditure Categories

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term "Expenditure Category" refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure <sup>27</sup>	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: "Last Mile" projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)



**Why go through all that when  
the Final Rule now allows you  
to do this....**





# Take the **\$10M** Standard Allowance

## Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.



Seriously??





# Take the **\$10M** Standard Allowance!

(up to the amount of your full award, not more)



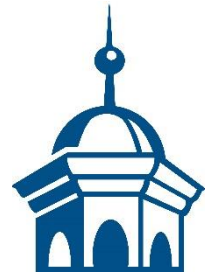
# Expenditure Category 6.1

## Provision of Government Services



- \$10 million standard allowance is for the entire performance period (through December 26, 2026)
- Recipients will make “a ***one-time, irrevocable election*** to utilize either the revenue loss formula or the standard allowance.”
- The **entire amount of a municipality’s ARPA award** may be claimed as lost revenue (all except Burlington)
- Treasury “***presumes***” this amount is revenue loss – there is no need to document it
- **Government services** generally include ***any service traditionally provided by a government***, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:
  - ✓ General government administration, staff, and administrative facilities
  - ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)
  - ✓ Road building and maintenance, and other infrastructure
  - ✓ Health services
  - ✓ Environmental remediation

# Aside from the new spending flexibility, not much has changed.



## **Terms and Conditions still apply.**

How the Terms and Conditions will impact towns, cities and villages taking the standard \$10M allowance (Expenditure Category 6.1) is not entirely clear. We are waiting on additional guidance to ensure there aren't any potential pitfalls.

## **The message remains the same: take time, be patient, think bigger.**

More grant opportunities are on the way for municipalities to consider:

- *State ARPA \$500 million* will be appropriated in the 2022 legislative session
- *Infrastructure Investment and Jobs Act - +\$2.2 billion for Vermont (over 5 years):*
  - » \$1.4 billion for federal-aid highway apportionment programs
  - » \$225 million for bridge repairs and replacement
  - » \$335 million to improve water infrastructure
  - » \$100 million for broadband
  - » \$150 million for Northern Border Regional Commission
  - » Funding for EV charging stations, pedestrian & bicycle safety, resiliency
- *Build Back Better Act?*

## **Engage your community.**

You no longer are scratching your head for ARPA eligible uses - your entire award just became discretionary money.

## **Play the long-game.**

We waited a few months for the Final Rule and it brought \$10 million of flexibility – worth the wait, right? Wait a bit more to see what other information will be released that provides more opportunities and less headaches.



# ARPA Spending & Reporting - General Information

- The final rule takes effect April 1, 2022, and recipients must comply with it
- Prior to April 1, 2022, recipients may take actions and use funds consistent with the final rule with not penalty
- The final rule promises “streamlined reporting and compliance requirements.”
- The **legislative body** of a municipality is the **ultimate arbiter** of how funds will be spent; there is no higher authority or approval process
- All municipalities will be required to report on their spending directly to Treasury using an online portal
- All municipalities, other than Burlington, have an annual reporting schedule, due by April 30<sup>th</sup> each year, 2022-2027

# ARPA - Vermont

## Public Engagement & Outreach

Examples from a few Vermont towns:

- **Charlotte:** public meetings and a [webpage](#) to submit residents' input
- **St. Albans Town:** working with neighboring towns to potentially pool funds
- **Jericho:** ARPA [webpage](#), survey, discussion forum, post ideas
- **Montgomery:** [Community Survey](#)
- **Rutland Town:** ARPA listening sessions
- **ARPA Advisory Committees:** [Plainfield](#), Craftsbury, [Richmond](#), Fairfax, Lyndon, St. Johnsbury, Westminster, [Westford](#), [South Hero](#), [Franklin](#),

# ARPA - Nationally



**686**

Distinct Cities

**443**

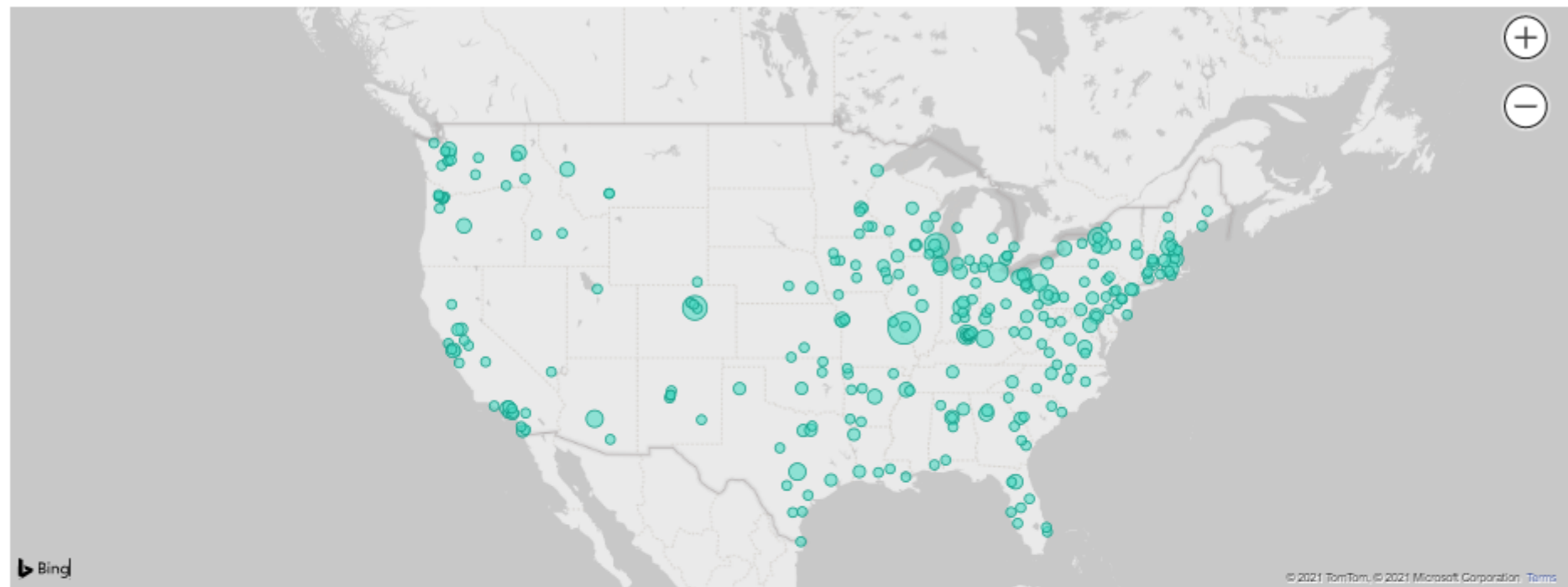
American Rescue Plan Act Plans & Proposals

**4612**

Policies Tracked to Date

**102M**

Population Impacted



Search by City or State

All

Search by Policy Area

American Rescue Plan Act (ARPA)

Search by City Action

Search

Reset Filter

City	State	Date of Action	Policy Area	City Action	Action Type	Population Impacted	City Population	Link to text or Release
Bentonville	Arkansas	10/27/2021	American Rescue Plan Act (ARPA)	The City Council voted to use federal money for one-time premium payments of \$2,000 to eligible full-time city employees and \$1,000 to eligible part-time employees. The estimated cost is \$1.4 million.	Administrative Procedure	Municipal Employees	54,909	<a href="#">Link</a>
Kalamazoo	Michigan	10/27/2021	American Rescue Plan Act (ARPA)	City and county leaders planned a community listening session to discuss gun violence in Kalamazoo. The city and county each committed \$1 million of Federal American Rescue Plan funding toward community violence intervention.	Administrative Procedure	General public	76,200	<a href="#">Link</a>
Parkersburg	West Virginia	10/27/2021	American Rescue Plan Act (ARPA)	Parkersburg City Council approved the first readings of water rate related ordinances and accompanying improvement project. Councilwoman Sharon Kuhl said the rate increase was projected to have been nearly 16 percent before council allocated \$7 million in American Rescue Plan funds to the project.	Administrative Procedure	General public	29,306	<a href="#">Link</a>
St. Clair Shores	Michigan	10/27/2021	American Rescue Plan Act (ARPA)	Taking the first step toward the separation of combined sewers, City Council approved a flow metering plan to determine how much storm water is within the lines during a rain event. The project has a cost not to exceed \$48,500 and will be paid for using American Rescue Plan Act funding, as will the future costs of the sewer separation.	Administrative Procedure	General public	58,984	<a href="#">Link</a>
Augusta	Georgia	10/26/2021	American Rescue Plan Act (ARPA), Vaccinations	The City of Augusta increased its \$100 vaccination incentive. Now, residents will receive \$100 for each shot. The City says the money for the doubled incentive is coming from the American Rescue Plan.	Administrative Procedure	General public	197,888	<a href="#">Link</a>
Baltimore	Maryland	10/26/2021	American Rescue Plan Act	Mayor Brandon Scott announced Baltimore City is investing \$50 million of the city's	Administrative	General public	593,490	<a href="#">Link</a>

- [National League of Cities COVID-19 Local Action Tracker](#)
- [ICMA ARPA Local Fiscal Recovery Fund Spending Priorities Survey](#)
- [U.S. Department of the Treasury - Early Reporting Highlights – Coronavirus State and Local Fiscal Recovery Funds \(October 14, 2021\)](#)

# VLCT ARPA Assistance and Coordination Program



- Guidance and project eligibility analysis
- Webinars, targeted trainings, technical assistance, best practices
- In-person and virtual meetings with local officials and staff
- Answer questions ([arpa@vlct.org](mailto:arpa@vlct.org))
- Guidance with compliance, reporting, and transparency
- Collaboration/partnerships with RPCs, SOV, RDCs, statewide non-profits, private consultants, etc. to ensure needs of municipalities are met related to project ideation, implementation and management
- ARPA resources webpage:

<https://www.vlct.org/resources/american-rescue-plan-information>

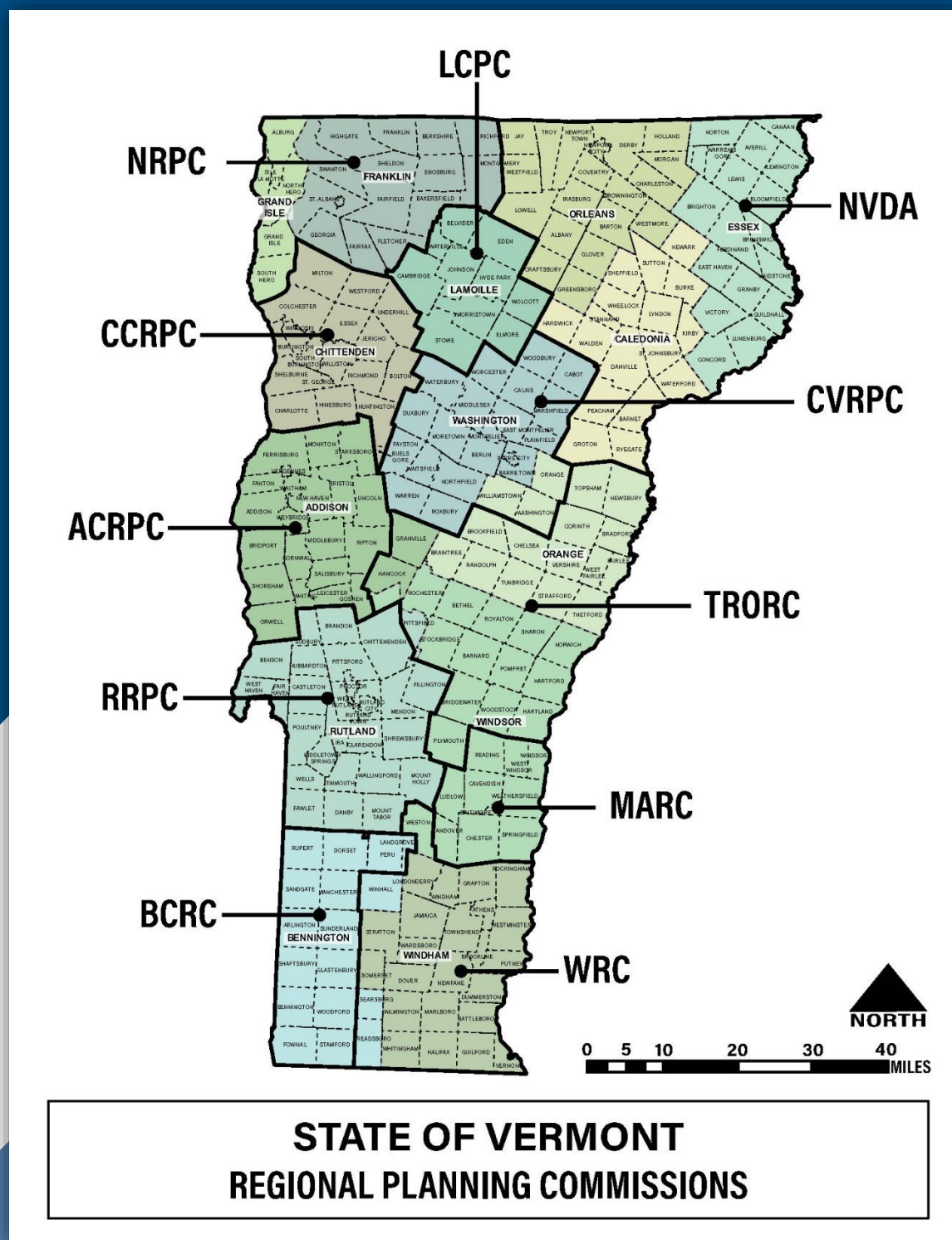


# Regional Planning Commission Assistance

- Identify needs and top priorities for designing and building projects that are consistent with existing State, regional and local plans.
- Respond to inquiries on eligibility to facilitate local discussions among stakeholders on specific projects.
- Provide other assistance as needed from local communities in coordination with VLCT.
- Work with VLCT, regional development corporations, and private consultants working with municipalities to ensure needs of local communities are met, especially related to project development and management.

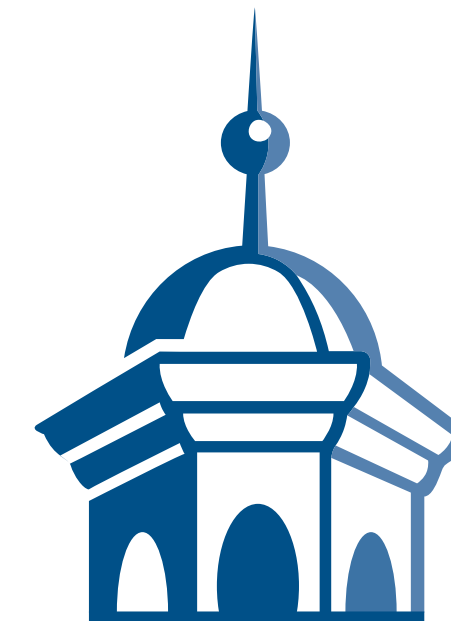
For more information on the State of Vermont's 11 Regional Planning Commissions visit:

<https://www.vapda.org/>





# Thank You!



## VLCT

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