

# American Rescue Plan Eligible Uses

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# Eligible Use Categories

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Fiscal Recovery Funds must be used in one of the four eligible use categories specified in the American Rescue Plan Act and implemented in the Interim Final Rule:

- Public Health Response or Negative Economic Impacts
- Premium Pay
- Investments in Water, Sewer, and Broadband Infrastructure
- Governmental Services (Revenue Loss)

# Public Health Eligible Uses

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- Covid-19 Mitigation and Prevention
- Medical Expenses
- Public Health and Safety
- Improve design and execution of health and public health programs
- Address Disparities in Public Health Outcomes

# Economic Impact Eligible Uses

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- Assistance to Unemployed Workers
- Assistance to Households
- Small Businesses/Nonprofits
- Rehiring Government Staff
- Aid to impacted Industries
- Investments in Housing and Neighborhoods
- Educational Needs

# Premium Pay

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- Essential Work
  - Defined as work involving regular in-person interactions or physical handling of items handled by others.
  - Telework performed from a residence is not considered essential work
- Premium Pay
  - Must consider whether the pay is in response to the workers performing essential work
  - Must be physically present at jobsite
  - Can be retroactively applied

# Investments in Water, Sewer, and Broadband Infrastructure

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- Water & Sewer Infrastructure
  - Provides wide latitude to identify investments in water and sewer infrastructure that are the highest priority for own communities
  - Aligns eligible uses with the wide range of projects allowed through EPA State Revolving Fund
- Broadband Infrastructure
  - Upon project completion should meet or exceed upload and download speeds of 100 Mbps

# Governmental Services (Revenue Loss)

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- Revenue Reduction Calculation
  - A recipient's reduction in revenue is measured relative to the revenue collected in the most recent full fiscal year prior to the emergency (Fiscal Year 2019)
- Uses of Fiscal Recovery Funds would not include interest or principal on any outstanding debt instruments, or any obligations pursuant to a settlement agreement

# Other Notes

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- Funds are intended to be used prospectively, and **can not** be used to cover costs incurred prior to **March 3, 2021**
- Can provide services broadly to the extent of reduction in revenue
- General infrastructure projects would not be eligible unless the project responded to a specific public health or economic impact due to Covid-19
- Many areas of eligible use require assessment, reassessment and reporting to justify use.



# FAQ Highlights

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## How can recipients use funds to assist the travel, tourism, and hospitality industries?

- Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic.
- Aid a planned expansion or upgrade of tourism, travel and hospitality facilities **delayed** due to the pandemic.

# FAQ Highlights

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**May recipients use funds to invest in infrastructure other than water, sewer, and broadband projects (e.g. roads, public facilities)?**

- Generally, not. Recipients must demonstrate that funding uses directly address a negative economic impact of the COVID-19 public health emergency, including funds used for economic or workforce development.

# FAQ Highlights

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## **May recipients use funds for general economic development or workforce development?**

- The US Treasury will presume that certain types of outlined services are eligible uses when provided in a Qualified Census Tract (QCT), or to families living in QCTs.

# FAQ Highlights

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## **May recipients use funds to establish a public jobs program?**

- Yes. The Interim Final Rule permits a broad range of services to unemployed or underemployed workers and other individuals that suffered negative economic impacts from the pandemic.
- This includes public jobs programs, subsidized employment, combined education and on-the-job training programs, or job training to accelerate rehiring or address negative economic or public health impacts experienced due to a worker's occupation or level of training.

# Engagement

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- Survey options
  - Online survey
  - Phone survey
  - Paper survey
- Community meetings
  - City Hall
  - Molly Thomas Bowden Community Policing Center
  - Online meeting

