



NARC
Building Regional Communities

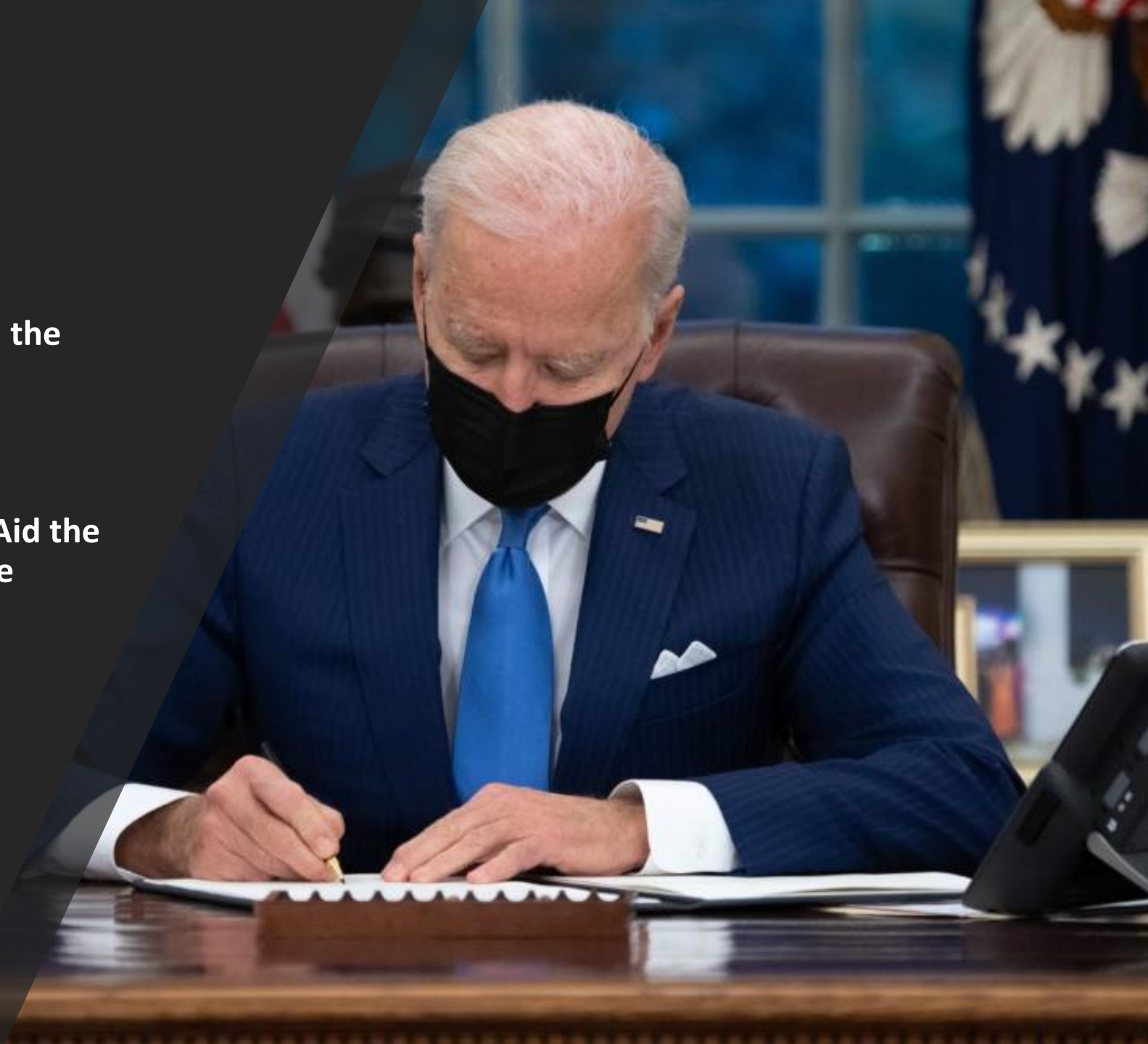
NARC Analysis: American Rescue Plan

March 12, 2021

National Association of Regional Councils

American Rescue Plan Becomes Law

- On March 11, President Joe Biden Signed the *American Rescue Plan Act of 2021*
- The Bill Provides \$1.9 Trillion in Funding, Program Changes, and Tax Provisions to Aid the Nation's Response and Recovery from the Coronavirus Pandemic



Direct Payments to Individuals and Families

- **Additional Direct Payments: \$1,400 Per Person**
 - Single filers with incomes up to \$75,000, head of household filers with incomes up to \$112,500, and joint filers with incomes up to \$150,000 will receive the full payment
 - Direct payments completely phased out for single filers making \$80,000, head of household filers making \$120,000, and joint filers making \$160,000

Coronavirus Relief Fund (CRF) Distribution: Overview

- **Total CRF Allocation: \$350 Billion**
 - This is new CRF funding for states, municipalities, counties, U.S. territories, and tribal governments
 - Distributed in two tranches, with 50% being delivered no later than 60 days from date of enactment, and the remainder delivered no later than one year later
- **Purposes for This Funding:**
 - COVID-19 response and addressing its economic effects
 - Providing government services affected by a revenue reduction resulting from the pandemic
 - Water and sewer infrastructure
 - Broadband infrastructure
 - Premium pay up to \$13 per hour in additional wages for workers performing essential work during the pandemic
- **Deadline to Spend CRF Dollars:
December 31, 2024**



CRF Distribution: States

- CRF Funding Available to States and the District of Columbia: **\$195.3 Billion**
 - **\$25.5 billion** would be equally divided to provide each state a minimum of **\$500 million**.
 - The District of Columbia will receive **\$1.25 billion** to compensate for treatment under the *CARES Act*.
 - **\$169 billion** would be allocated based on the states' share of unemployed workers from October to December 2020.
- States can transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments



CRF Distribution: Counties

- CRF Funding Available to Counties: **\$65.1 Billion**
 - **\$65.1** billion in direct federal aid to counties based on the county share of the U.S. population
- Counties that are Community Development Block Grant (CDBG) recipients (urban entitlement counties) will receive whichever is larger – the population-based share or the share under a modified CDBG allocation formula



CRF Distribution: Municipalities

- CRF Funding Available to Municipalities: **\$65.1 Billion**
 - With populations of at least 50,000: **\$45.57 billion** in direct federal aid for municipalities using a modified CDBG formula
 - With populations below 50,000: **\$19.53 billion** based on each jurisdiction's percentage of the state's population, not exceeding 75 percent of its most recent budget as of January 27, 2020. This aid is distributed through the states



Stopping the Spread of the Virus

- Establishes a national COVID-19 vaccination program and improve the distribution of vaccinations: **\$20 Billion**
- Expands testing, contact tracing, and mitigation to stop the spread of COVID: **\$51 Billion**



Housing and Utility Assistance

- HOME Investment Partnership Program: **\$5 Billion**
- Low-Income Home Energy Assistance Program (LIHEAP): **\$4.5 Billion**
- Low-Income Household Drinking Water and Wastewater Emergency Assistance Program: **\$500 Million**
- Emergency Rental Assistance Program: **\$21.6 Billion**
- Housing Choice Vouchers: **\$5 billion**
- Rural Housing: **\$100 Million**



Extending Unemployment Benefits

- Federal Unemployment Benefit: **\$300 Per Week**
 - Extended through September 6, 2021
 - Exempts up to \$10,200 in unemployment benefits received in 2020 from federal income taxes for households making less than \$150,000
- Extends the Pandemic Unemployment Assistance (PUA) Program through September 6, 2021 and allows emergency unemployment relief for governmental entities and nonprofit organizations

Paycheck Protection Program (PPP)

- New PPP Allocation: **\$7.25 Billion**
 - This is in addition to half of the \$284 billion in current funding still available
- Current Application Deadline: March 31, 2021
- Makes larger 501(c)(3) organizations and veterans' organizations that do not employ more than 500 employees per physical location eligible for PPP funds



Paycheck Protection Program
Loan Forgiveness Application Revised June 16, 2020

OMB Control Number 32
Expiration Date: 10/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")	DBA or Tradename, if applicable	
Business Address	Business TIN (EIN, SSN)	Business Phone () -
	Primary Contact	E-mail Address

Lender PPP Loan Number: _____

PPP Loan Disbursement Date: _____

Employees at Time of Forgiveness Application: _____

Application Number: _____

Employees is: _____

Twice a month ☐ Monthly ☐ Other ☐

period, if applicable: _____ to _____

together with affiliates, if applicable) received PPP loans: _____ to _____

Amount Calculation: _____

Revitalizing Small Businesses

- Creates a **\$28.66 Billion** Restaurant Revitalization Fund
 - **\$5 billion** set aside for smaller establishments with less than \$500,000 in 2019 annual revenue
 - Applications from restaurants owned and operated by women, veterans, or socially and economically disadvantaged individuals will receive priority for first 21 days
- Economic Injury Disaster Loan (EIDL) Program
Emergency Grants: **\$15 Billion**
- Establishes Community Navigator Pilot Program to increase the awareness of and participation in COVID-19 relief programs for business owners currently lacking access



Investing in EDA and FEMA

- Provides **\$3 billion** to the Economic Development Administration (EDA) for economic adjustment assistance
 - 25 percent of funding is reserved for assistance to communities that have suffered economic injury as a result of job losses in the travel, tourism, or outdoor recreation sectors
- Federal Emergency Management Agency (FEMA) Disaster Relief Fund: **\$50 Billion**
- Additional FEMA Funding:
 - Emergency Food and Shelter Program: **\$400 Million**
 - Firefighter Grants: **\$100 Million**
 - Emergency Managers Performance Grants: **\$100 Million**
 - Staffing for Adequate Fire and Emergency Response (SAFER) Grants: **\$200 Million**



Supporting Public Transportation

- Transit Agencies Funding: **\$30.46 Billion**
 - Provided through fiscal year 2024 at a 100% federal share of all eligible recipients of transit formula grants for operating expenses beginning January 20, 2020. This includes payroll reimbursement, operating costs due to lost revenue, and payment of leave for personnel laid off
- Amtrak Allocation: **\$1.7 Billion**
- Airport Improvement Program (AIP): **\$8 Billion**
 - Available through FY 2024 through AIP formulas at a 100% federal share



Ensuring Food Security

- **Supplemental Nutrition Assistance Program (SNAP)**
 - Additional SNAP Administrative Funding: **\$1.1 Billion**
 - Extends the 15% SNAP Benefit increase through September 30, 2021
- **Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):**
 - WIC Allocation: **\$800 Million**
 - Temporarily boosts the value of WIC Cash Value Vouchers
- Extends Pandemic-EBT program (providing SNAP benefits to low-income children who have lost access to meals at school and child care due to the pandemic) through the summer months



Safely Re-Open Schools

- Education Stabilization Fund: **\$123 Billion**
 - Funding will go towards activities such as addressing learning loss, repairing ventilation systems, purchasing technology, implementing social distancing guidelines, purchasing PPE, and hiring staff
- Funding to Make Up Lost Revenue for Institutions of Higher Education: **\$40 Billion**
- Head Start Emergency Funding: **\$1 Billion**
- Expanding Internet Connectivity to Students and Communities: **\$7.1 Billion**
 - Funds will reimburse schools and libraries to purchase equipment such as hotspots, internet service, and computers on behalf of students and patrons



Supporting Working Families

- Child Care and Development Block Grant: **\$39 Billion**
- Child and Dependent Care Tax Credit will be expanded in 2021, making it refundable and increasing the maximum rate by 50 percent
- Emergency Paid Leave and Paid Leave Tax Credit will be extended through September 30, 2021 and provides up to 12 Weeks of paid sick and family medical leave related to COVID-19
- Temporary Assistance for Needy Families (TANF) Pandemic Emergency Fund: **\$1 Billion**



Serving Older Americans

- Older Americans Act (OAA) Programs: **\$1.4 billion**
 - **\$750 million** for senior nutrition programs
 - **\$460 million** for home and community-based support services
 - **\$145 million** in assistance for grandparents caring for grandchildren
 - **\$45 million** for disease prevention
 - **\$10 million** for long-term care ombudsman program
- OAA funding goes directly to Area Agencies on Aging
- **\$188 Million** for Elder Justice Act Programs in both fiscal year 2021 and 2022



Sources

American Rescue Plan Act of 2021 Bill Text:

<https://www.congress.gov/bill/117th-congress/house-bill/1319/text>

Fact Sheet from House Speaker Nancy Pelosi – Senate-Passed Version of H.R. 1319, The American Rescue Plan Act of 2021:

<https://narc.org/wp-content/uploads/2021/03/Senate-Passed-American-Rescue-Plan-Act-of-2021-FINAL.pdf>

National Conference of State Legislatures (NCSL) American Rescue Plan Act of 2021 Analysis:

<https://www.ncsl.org/ncsl-in-dc/publications-and-resources/american-rescue-plan-act-of-2021.aspx>

National Association of Counties (NACo) Analysis of the American Rescue Plan Act:

<https://www.naco.org/resources/naco-analysis-american-rescue-plan-act>



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