

# Overview of the American Rescue Plan (ARP): Funding; Eligible Uses; Proposed Future Steps for ARP Utilization



CITY OF WACO

# American Rescue Plan Act

- \$1.9 Trillion Act signed into law March 11, 2021
- Provides \$350 billion to eligible state, local, territorial and tribal governments to respond to the COVID-19 emergency and bring back jobs
  - The City of Waco allocation is \$34,720,687
- Local governments funding is separated into two tranches one 60 days after the law signed and the second a year later
  - The City of Waco has received the first \$17,360,343.50

# American Rescue Plan Act

## Four Categories of Eligible Uses

1. Responding to the public health emergency and its negative economic impacts
2. Providing premium pay to eligible workers
3. Providing government services (revenue loss)
4. To make necessary investments in water, sewer or broadband infrastructure

## Prohibited Uses

- Deposits into Pension Funds
- As a non-federal match for federal programs that bar the use



# American Rescue Plan Act

## Period of Performance

- Costs must be incurred between March 3, 2021 to December 31, 2024
  - Incurred is proposed to be defined as being obligated by December 31, 2024 with spending being allowed through December 31, 2026

## Reporting

- One interim report through July 31, 2021
- Quarterly Project and Expenditure reports through December 31, 2026

# American Rescue Plan Act - City Steps

- Interim Final Rule issued in May clarifying usage of funding however will not be finalized until July or August
- Budget amendment in next month to establish a separate fund to account, track, and ensure compliance with funding
- Brainstorming ideas for usage of funds and establishing allocation buckets (e.x. City uses, Assistance to Households, Small business assistance, Contingency, etc.)
- Citizen engagement and community assessment
- Calculating any revenue loss experienced by the City
- A proposal will be prepared and submitted to Council

# Questions



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