



The American Rescue Plan (ARPA)



The American Rescue Plan Act: What to Know

On April 15, the U.S. Department of the Treasury released some limited pre-award guidance related to the Coronavirus State and Local Fiscal Recovery Fund, outlining immediate steps that eligible entities should take in preparation to receive these funds directly from the Treasury Department. The

American Rescue Plan Act (ARPA) includes more than \$350 billion in emergency funding for state, local, territorial, and tribal governments to support their response to the COVID-19 pandemic and its economic impacts. Direct payments from Treasury will be made to states, territories, tribal governments, counties, and metropolitan cities. The initial guidance explains that these entities should: 1) ensure they have a valid DUNS number, 2) ensure they have an active SAM registration, and 3) gather their payment information.

The U.S. Treasury has made it clear that they hope to issue one set of guidance for expenditure of these funds, and not go down the torturous path of ever-evolving direction that accompanied expenditures from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The much-anticipated guidance is expected to be released on May 10. At the same time, state aid and the first half of local direct aid will be sent to the states. We also expect the allocation of county dollars to be finalized and sent on that date. The state then has a further 30 days to send the county money to its cities, towns, and villages.

Before official guidance is released by the U.S. Government, it is advisable that communities *do not* spend or allocate funds. LCPC will be assisting communities with their allocations to ensure federal compliance.

Additional information from the National Association of Development Organizations

This week, President Biden unveiled his \$1.8 trillion [American Families Plan](#) proposal which aims to significantly expand access to healthcare, child care, early childhood education, and community college. The Biden administration has presented the plan as a companion to its \$2.3 trillion infrastructure proposal, the [American Jobs Plan](#). The [American Families Plan](#) allocates \$1 trillion in new spending and \$800 billion in tax credits and aims to provide two years of tuition-free community college, to increase funding for Pell Grants to benefit low-income and minority students, to expand access to affordable high-quality childcare, to offer universal pre-kindergarten, and to provide funding for family and medical leave, among other provisions.

The White House also released a [rural fact sheet](#) which asserts that the *American Families Plan* would significantly reduce the rural poverty rate.

Meanwhile, negotiations on infrastructure legislation continued this week between Congressional negotiators and the White House following the release of Senate Republican's [\\$568 billion infrastructure counterproposal](#)

last Thursday. The House's bipartisan Problem Solvers Caucus also released its own [list of priorities](#) for an infrastructure bill but did not include an ideal price tag.

Sincerely,

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