

MMCA Lunch and Learn ARPA Overview

A Presentation for the Massachusetts Municipal Councillors' Association MMA Executive Director & CEO Geoff Beckwith, June 24, 2021



Today's Presentation

- Welcome and Thanks
- Overview of ARPA
- Key Information Sources
- Key Issues
- Questions



Welcome and Thank You

- Thank you to the Leadership of the Massachusetts Municipal Councillors' Association
- The MMA team is here to help you:

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The American Rescue Plan Act (ARPA)

- \$1.9 trillion federal law signed by President Biden on March 11, 2021
- Provides \$65.1 billion in direct funding to every city, town & village in America
- \$45.6 billion to "Metropolitan Cities" and \$19.5 billion to "Non-Entitlement Units of Local Government" (NEUs)
- \$65.1 billion to all counties (with a provision to send county ARPA money to municipal governments in areas without a functioning county)
- \$195.3 billion to state governments
- In general, these funds are referred to as the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)



ARPA's CSLFRF Distribution to Massachusetts

- 38 Metropolitan Cities (CDBG entitlement & 50K+ population) will receive \$1.7 billion in ARPA funds directly from the federal government using the CDBG formula (beginning in May)
- 313 NEUs will receive \$385 million in direct ARPA funds, passed through the state... approximately \$105 per capita (beginning in June)
- \$1.3 billion will be sent to Massachusetts counties
 - \$393 million 5 counties (Barnstable, Bristol, Dukes, Norfolk & Plymouth)
 - \$945 million to the remaining cities and towns... approximately \$194 per capita
- Massachusetts state government will receive \$5.3 billion in CSLFRF funds
- ARPA CSLFRF funds are grants, and as grants do not require appropriation



The MMA website is PACKED with information

www.mma.org



mma.org/resources/federal-funds-resources/





Other Sources of Key Information

- The National League of Cities MMA's national partner key to winning ARPA aid
 https://www.nlc.org/covid-19-pandemic-response/
- Massachusetts State Government Website Federal Funds Office
- <a href="https://www.mass.gov/info-details/about-covid-19-federal-funds#about-the-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-recovery-funds-coronavirus-state-and-local-fiscal-fiscal-fiscal-fiscal-recovery-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal-fiscal
- U.S. Department of the Treasury
- https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds



The Basic Rules Start Easy...

- Cities and towns will receive the funds in 2 distributions
- The funds can only be used for 4 broad purposes
 - Addressing the public health emergency and/or the negative economic impacts
 - Premium pay for private or public essential workers (with caps)
 - Revenue loss due to the pandemic (most flexible use for government services)
 - Investment in water, sewer, or broadband infrastructure
- The funds cannot be used to restore stabilization funds, or for pension funds, debt service, borrowing costs, or as a match for federal grants
- Almost all uses must be forward-looking, beginning on March 3, 2021
- Funds must be obligated by Dec. 31, 2024 and spent by Dec. 31, 2026



... But Then Get More Complicated

- Treasury has issued a 150-page interim guidance
- https://www.federalregister.gov/documents/2021/05/17/2021-10283/coronavirus-state-and-local-fiscal-recovery-funds
- Countless questions being answered on a rolling basis
 - https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf



Questions???

Thank you so much for your time today!

We will do our best to answer your questions now.