

### Massachusetts Municipal Association Human Services Council Annual Meeting ARPA Funding for Human Services

A Presentation for the Human Services Council MMA Legislative Analyst, Jackie Lavender Bird, July 29, 2021



## Welcome and Thank You

- Thank you to the Leadership of the MMA Human Services Council
- The MMA team is here to help you: C&M Candace Pierce (<u>cpierce@mma.org</u>); Isabelle Nichols (<u>inichols@mma.org</u>) for HSC; and Jackie Lavender Bird (<u>ilavenderbird@mma.org</u>) for ARPA

Director of



## Today's Presentation

- Overview of ARPA
- Closer Look at Eligible Expenses
- Key Information Sources
- Key Issues
- Questions (after both presentations)



## 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)



#### 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 -<u>https://www.federalregister.gov/documents/2021/05/17/2021-10283/coronavir</u> <u>us-state-and-local-fiscal-recovery-funds</u>
- Countless questions being answered on a rolling basis
- <u>https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf</u>



#### Four main categories for eligible uses:

- Addressing the public health emergency and/or the negative economic impacts
- 2. Premium pay for private or public essential workers (with caps)
- 3. Revenue loss due to the pandemic (flexible use for government services)
- 4. Investment in water, sewer, or broadband infrastructure



# Addressing the public health emergency and/or negative economic impacts

A broad range of services are needed to contain COVID-19 and are eligible uses, including:

- Assistance to individuals, households, small businesses, non-profits, and/or industries negatively impacted by the pandemic
- Supports for mental health, behavioral health, substance abuse disorder, to address situations exacerbated by the pandemic
- Vaccination programs, testing, contact tracing, support for isolation or quarantine; Public health surveillance (e.g., monitoring case trends, genomic sequencing for variants)
- Supports for vulnerable populations to access medical or public health services
- Public communication efforts



# Addressing the public health emergency and/or negative economic impacts (Continued)

- Purchases of personal protective equipment
- Ventilation improvements in congregate settings, health care settings, or other key locations
- Enhancement of public health data systems
- <u>Capital investments in public facilities</u> to meet pandemic operational needs are also eligible, such as physical plant improvements to public hospitals and health clinics <u>or adaptations to public</u> <u>buildings to implement COVID-19 mitigation tactics</u>.



#### Rehiring Staff and Adding Additional Staff

- Funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, for the portion of the employee's time that is dedicated to responding to the COVID-19 public health emergency.
- Human services staff include employees providing or administering social services; public benefits; child welfare services; and child, elder, or family care, as well as others.



#### **Outdoor Spaces**

- Interim Final Rule outlines multiple ways that investments in improving outdoor spaces could qualify as eligible uses
- One example: many governments saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs.
- The Interim Final Rule recognizes that "decrease[s to] a state or local government's ability to effectively administer services" can constitute a negative economic impact of the pandemic.



#### ARPA's Focus on Equity

Aid to Disproportionately Impacted Populations or Communities:

Two ways to define these populations or communities

-Generate your own definition of disproportionately impacted populations or communities (municipal executive)

-Qualified Census Tracts (QCTs) identified by HUD -There are 312 QCTs in Massachusetts located within 49 municipalities -The QCTs represent approximately 1.3 M people



#### Aid to Disproportionately Impacted Populations or Communities

Expanded potential eligible uses for disproportionately impacted populations or communities:

- Programs that facilitate access to health and social services
- Programs that address housing insecurity
- Programs that mitigate the impacts of COVID on education and programs that mitigate the impacts of COVID on childhood health or welfare
- Programs addressing any uptick in violence in the community related to the pandemic



#### **Determining Other Potential Uses**

"To assess whether additional uses would be eligible under this category, recipients should identify an effect of COVID-19 on public health, including either or both of immediate effects or effects that may manifest over months or years, and assess how the use would respond to or address the identified need." *Interim Final Rule, Treasury* 



### The MMA website is PACKED with information



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



Federal Funds Office, Executive Office for Administration and Finance
U.S. Department of the Treasury



## Questions

Thank you so much for your time today!

We will be taking questions following both presentations.