American Rescue Plan Act

ARPA

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Program Overview

- The American Rescue Plan Act of 2021 ("ARPA") was signed into law on March 11, 2021

- This law provides $1.9 trillion for continued COVID-19 response and recovery, including $350 billion for the Coronavirus State and Local Fiscal Recovery Funds

- Approximately $113 billion is to go to Massachusetts in response to the COVID-19 pandemic

- Funding has been given to three groups: businesses and individuals, public entities, and Commonwealth agencies

Program Overview (cont'd)

- Four types of recipients:

1. Metropolitan cities and counties with populations over 250,000
2. Metropolitan cities and counties with populations under 250,000 and received funding of more than $5 million
3. Metropolitan cities and counties with populations under 250,000 and received funding of less than $5 million
4. Non-entitlement units of government**

** Great Barrington is considered a non-entitlement unit of government

Distribution of Funds

- Total funds to be allocated to Great Barrington: $2,075,908

  - $ 726,923 Local Allocation

  - $1,348,985 County Reallocation

- Local Allocation will be distributed in two payments:

  - 50% in FY2022 (already received $363,462 on 7/20/21)

  - 50% approximately 12 months after receipt of first payment

- County Reallocation – received $674.492.41 on 8/17/21

Eligible Uses – Five Core Areas

- Public Health Funding

- Economic Impacts of the Public Health Emergency

- Lost Public Sector Revenue

- Premium Pay for Essential Workers

- Water, Sewer and Broadband Infrastructure

Public Health Funding

Includes COVID-19:

- Mitigation efforts including vaccination, testing, tracing, PPE, etc.

- Medical expenses

- Behavioral health

- Certain public health and safety expenses including payroll costs

Economic Impacts of the Public Health Emergency

Includes efforts to mitigate economic harm to the following:

- Households (e.g., assistance for food, rent, mortgage)

- Workers (e.g., training, unemployment benefits)

- Small businesses (e.g. economic assistance)

- Affected industries (e.g. tourism and hospitality sectors)

- Public sector (e.g. rehiring staff)

**The Town will be required to justify that the project responds to the economic impact of the public health emergency

Lost Public Sector Revenue

- Can be used to fund government services to the extent of revenue reductions from the pandemic

- "general revenues" – still questions regarding the definition; however DOR has issued preliminary guidance

- Includes the loss of revenues from taxes, current charge and miscellaneous general revenue

- Excludes: refunds, proceeds from issuance of debt or sale of investments, and revenue generated by utilities

- Calculation of lost revenue is very complex – requires taking four different points in time, identifying actuals, estimating counterfactual revenue, etc.

Premium Pay for Essential Workers

- Funds may be used for additional support for those faced with the greatest health risks because of their service in critical infrastructure sectors

Water, Sewer and Broadband Infrastructure

- Water and Sewer eligible uses are those aligned with drinking water, stormwater and sewer Revolving Loan Fund programs including:

  - Building or upgrading facilities, transmission, distribution, and storage systems

  - Wastewater collecting and treatment

  - Conservation and pollution prevention

- Broadband eligible uses are those that deliver high speed future ready service to "unserved or underserved" populations

  - Defined as those without access to a minimum 25 Mbps download / 3 Mbps upload speed

Reporting Requirements

- Annual reporting of projects and expenditures

- First report due on April 30, 2022
  - Will cover reporting period from award date to 3/31/2022

- Annually every year thereafter on April 30th

- Final report in March 2027

- Must include the following:
  - Expenditure details
  - Program statistics
  - Performance metrics
  - Civil Rights Act compliance details

Next Steps

- Engage community for public input

- Create staff review committee to establish policies, procedures, application process for applying for ARPA projects

- Funds must be obligated by 12/31/2024

- Projects must be completed by 12/31/2026