



American Rescue Plan Act

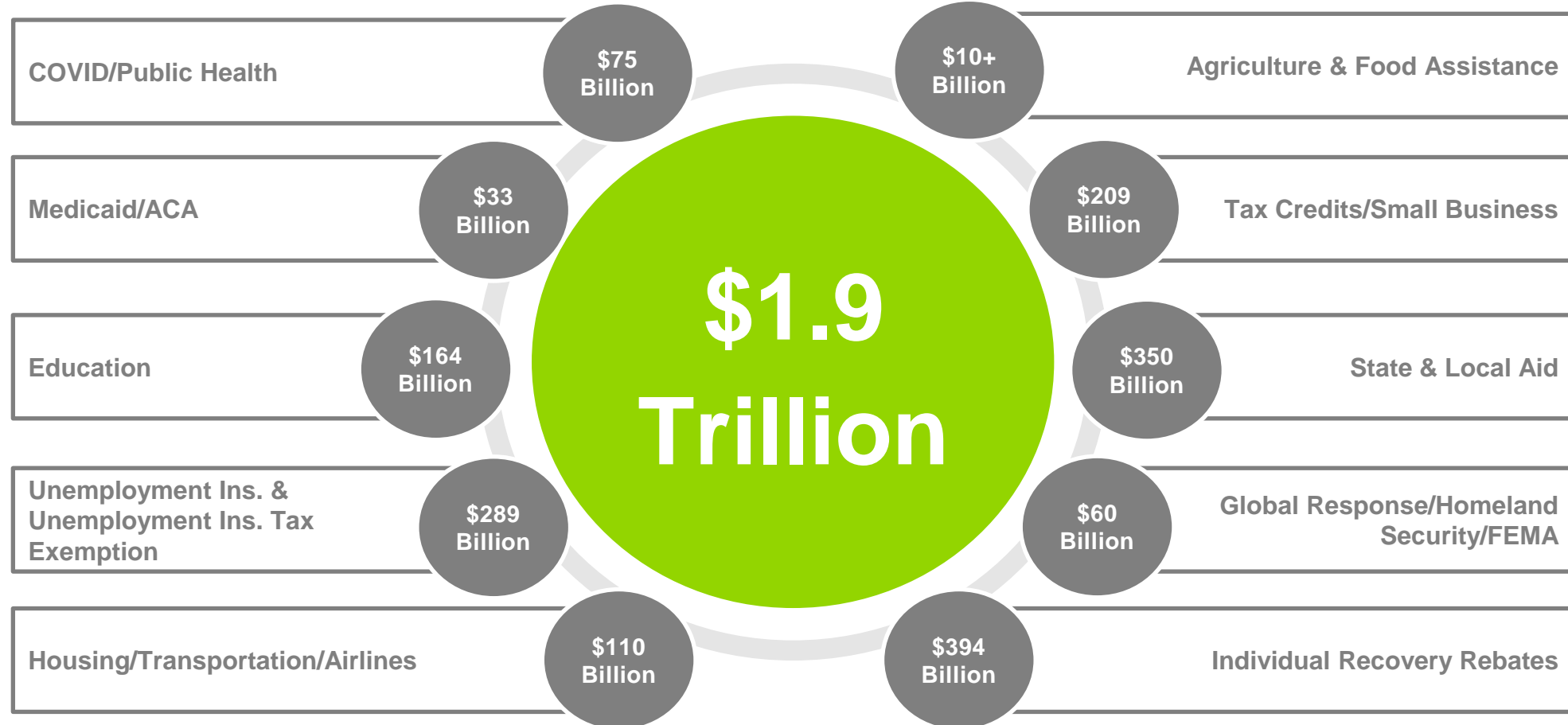
Policy Overview

July 7, 2021



American Rescue Plan Act of 2021

Key Expenditures



Source: CBO, Estimated Budget Impacts, HR 1319

State and County Allocations

State of Michigan: \$6.5 Billion

- Each State and the District of Columbia is allocated a base rate of \$500 Million.
- Additional allocations are to bear the same proportion to the remainder as the average number of seasonally adjusted unemployed individuals, measured by the US Bureau of Labor

Alpena County: \$5.5 Million

Allocations are based on each county's population share of the total population of all counties, using the latest available population data from the U.S. Census Bureau

- 2019 Census data was used because 2020 data is not yet available across all geographies



State and Local Fiscal Recovery Funds

Policy Overview



Alpena County Allocation
\$5,517,338



Timeframe

- **Costs incurred on or after** March 3, 2021, unless otherwise stated in the guidance
- **Obligated** by December 31, 2024
- **Expended** by December 31, 2026

Eligibility Framework

Funding directly addresses a negative impact of the COVID-19 public health emergency

- 1) **Negative Impact:** Identify the harmful effect of COVID-19 that the activity or expense will address.
 - *Nature of harm:* Assess the causal or compounding connection to COVID-19.
 - *Nature of harm:* Assess the disproportionate impact on distressed sectors or populations.
- 2) **Respond to Impact:** Determine how to demonstrate the activity or expense produces the expected outcome(s) to address and respond to the harm caused by COVID-19.

Eligible Uses

1

Support the Public Health Response

Meet and address emergent public health needs

2

Respond to the Negative Economic Impacts

Address economic harm resulting from or exacerbated by the public health emergency

3

Premium Pay for Essential Workers

Provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency, either in public sector roles or through grants to third-party employers

4

Revenue Loss

Provide government services to the extent of reduction in revenue experienced due to COVID-19

5

Investments in Infrastructure

Meet the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband

1

Support the Public Health Response

Meet and address emergent public health needs



COVID-19 Mitigation & Containment

- Vaccine programs,
- Testing & contact tracing,
- Capital improvements to public facilities for pandemic operation



Medical Expenses

- Care and services to address near and long-term medical needs



Behavioral Health Care

- Mental health treatment
- Substance misuse treatment
- Crisis prevention
- Outreach to promote access to primary care and preventative medicine



Public Health & Safety Staff

- Covers 100% of payroll for staff entirely devoted to responding to or mitigating the impact of COVID-19



Public Health Program Improvements

- Improvement to data or technology infrastructure
- Planning and analysis to improve programs responding to COVID-19



Disparities in Public Health Outcomes*

- Community health workers
- Public benefits navigators
- Housing services
- Lead remediation
- Community violence prevention programs

*Eligible uses when provided in a Qualified Census Tract (QCT), or other populations, households, or geographic areas that are disproportionately impacted by the pandemic.

2

Respond to the Negative Economic Impacts

Address economic harm from or exacerbated by COVID-19



Unemployment Assistance

- Job training
- Assistance to accelerate rehiring,
- Deposits into State Unemployment Trust Funds



Assistance to Households

- Assistance for food, rent, burials, home repairs
- Eviction prevention services
- Cash assistance



Efficacy of Economic Relief

- Improvements to data or technology infrastructure
- Impact evaluations



Support for Small Business & Non-Profits

- Implementing safer opening procedures
- Loans and grants to mitigate financial hardship from COVID-19



Rehiring SLTT Staff

- Payroll, benefits, and associated costs with rehiring public sector staff back to pre-pandemic levels



Aid to Impacted Industries

- Support safe reopening of industries and business districts
- Provision PPE and COVID-19 prevention measures



Housing & Neighborhood Investments

- Programs addressing homelessness
- Affordable housing development
- Housing navigators and voucher programs



Addressing Educational Disparities

- Early learning programs
- Assistance to high-poverty districts
- Evidence-based educational practices and student well-being initiatives



Providing Healthy Childhood Environments

- High quality childcare and home visit services for new parents
- Enhanced services for child welfare and foster youth programs

3

Premium Pay for Essential Workers

Provide premium pay to eligible workers performing essential work



Premium Pay Eligibility

- Premium pay can be up to \$13 per hour in additional wages not to exceed \$25,000 per eligible worker
- Essential workers include positions requiring regular in-person or regular physical handling of items that were also handled by others
- Recipients have discretion to designate additional sectors
- Premium pay should prioritize low- and moderate-income workers, who face the greatest mismatch between employment-related health risks and compensation
- Compensation can be retroactive to the beginning of the public health crisis

Sample Eligible Professions

- Staff at nursing homes, hospitals, and home-care settings
- Workers at farms, food production facilities, grocery stores, and restaurants
- Janitors and sanitation workers
- Truck drivers, transit staff, and warehouse workers
- Public health and safety staff
- Childcare workers, educators, and school staff
- Social service and human services staff

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Revenue Loss

Provide government services to the extent of reduction in revenue



Revenue Defined

- General Revenue includes revenue from taxes, current charges and miscellaneous general revenue.
- It also includes intergovernmental transfers from state and local governments only, NO Federal government transfers.
- General Revenue excludes refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions and revenue generated by utilities and insurance trusts.

Calculation for the Reduction in General Revenue

$$\text{Max} \left\{ \left[\text{Base Year Revenue} * (1 + \text{Growth Adjustment})^{\left(\frac{n_t}{12}\right)} \right] - \text{Actual General Revenue}_t; 0 \right\}$$

Base Year Revenue is General Revenue collected in the most recent full fiscal year prior to the COVID-19 public health emergency.

Growth Adjustment is equal to the greater of 4.1 percent (0.041) and the recipient's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency.

n equals the number of months elapsed from the end of the base year to the calculation date.

Actual General Revenue is a recipient's actual General Revenue collected during the 12-month period ending on each calculation date.

Subscript **t** denotes the calculation date.

- Recipients can calculate revenue loss using four periods of time, December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023
- This timeframe was granted to allow for any lagging impacts of the pandemic which may happen over time.

5

Investments in Infrastructure

Meet critical needs to provide improvements in infrastructure



Water & Sewer

- Includes improvements to infrastructure, such as building or upgrading facilities and transmission, distribution, and storage systems
- Eligible uses aligned to Environmental Protection Agency project categories across the:
 - Clean Water State Revolving Fund
 - Drinking Water State Revolving Fund



Broadband

- Focus on households and businesses without a wireline connection capable of reliably delivering 25 Mbps download / 3 Mbps upload
- Fund projects that deliver reliable service
 - Minimum 100 Mbps download / 100 Mbps upload speeds unless impracticable
- Complement broadband investments made through the separate Capital Projects Fund

Additional Eligibility Considerations

Administrative Expenses

- Portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to COVID-19
- Costs related to disbursing payments of Fiscal Recovery Funds and managing new grants programs established under SLFRF

Restrictions on Use

- Offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax or delays the imposition of any tax or tax increase
- Deposit to pension funds
- Use as non-federal match for other federal programs whose statute or regulations bar the use of Federal funds to meet matching requirements

Reporting Requirements

Reporting Requirements

Key dates and timeframes

Interim Report

- Due **August 31, 2021** to cover the period from the date of award to July 31, 2021
- Expenditures by category at the summary level

Quarterly Reports

- Initial report due **October 31, 2021** to cover the period from the date of award to September 30, 2021
- Subsequent reports **due within 30 days** after the end of each calendar quarter
- Same general data as the reports submitted for CRF, with some modifications to classifications and additions of data elements related to eligible uses

Recovery Performance Plan

- Initial report due **August 31, 2021** to cover the period from the date of award to July 31, 2021
- Key performance indicators identified by the recipient and some mandatory indicators identified by Treasury
- **RPPs will cover a 12-month period.** Recipients will be required to submit a report within 30 days after each 12-month period

Rate Card

Time and Materials – Hourly Rates based on work incurred and preapproved by the County

Table 3. Three (3) Year Rate Sheet for COVID-19 Relief Consulting Services

Rate Sheet Event RFQ No. TFQ-LC-21-05 for COVID-19 Relief Consulting Services			
Position	Year 1 Hourly Rate	Year 2 Hourly Rate	Year 3 Hourly Rate
Partner/Leader	\$325	\$335	\$345
Director	\$295	\$300	\$315
Manager	\$235	\$245	\$250
Senior Consultant	\$180	\$185	\$190
Consultant	\$150	\$155	\$160
Recovery Analyst III	\$125	\$130	\$135
Recovery Analyst II	\$65	\$70	\$75
Recovery Analyst I	\$45	\$50	\$55
Analyst	\$35	\$40	\$45