

## A Local Leader's Guide to Talking About the American Rescue Plan Act

The American Rescue Plan Act supports the recovery of our communities – and therefore the recovery of our nation – by providing direct and flexible funding to local governments. Now local elected leaders have the emergency relief they need to continue to respond, recover and rebuild.

**The National League of Cities (NLC), State Municipal Leagues and local leaders came together to get the American Rescue Plan Act passed in Congress.**

The American Rescue Plan Act (ARPA) of 2021 is the latest COVID-19 stimulus package and is a \$1.9 trillion economic stimulus bill.

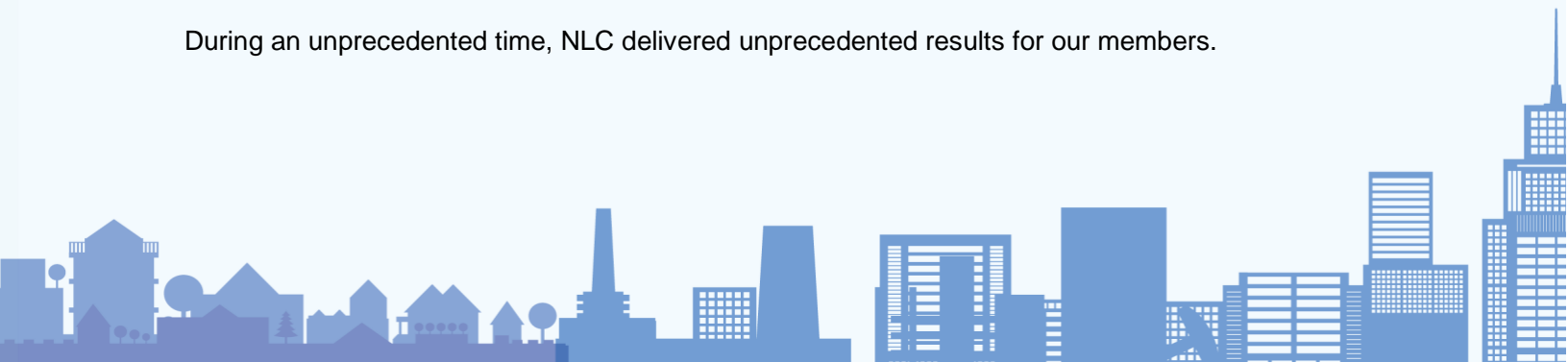
- Within ARPA, the Coronavirus Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$130 billion for local governments split evenly between municipalities and counties.
- The American Rescue Plan Act will spark new life into our nation's hometowns and offer hope to those who need it most.

Our year-long advocacy campaign resulted in \$65.1 billion of DIRECT aid to EVERY city, town and village across the country.

A national recovery starts in America's cities, towns and villages.

- Time and time again, economists have said that recovery starts at the local level.
- Local elected leaders are the closest to their constituents and know the needs of their communities better than anyone else – that's why direct, flexible funding is so critical.
- Now, local leaders can make decisions that best address the needs of their residents.

During an unprecedented time, NLC delivered unprecedented results for our members.



### **When local leaders raise their voices, Washington listens and responds**

NLC worked with local leaders to take our message directly to Congress, the Administration, and to the public.

- From media articles, Hill briefings, and virtual press conferences, we didn't stop until we secured direct relief for ALL 19,000 cities, towns and villages.

We know cities are essential and local leaders are stronger together – and the passage of ARPA and the Local Fiscal Recovery Fund is proof of that.

Importantly, communities of all sizes are eligible to receive funding under the ARPA, from large cities to smaller towns and villages.

This critical provision ensures that relief is extended to all American communities to address the budget shortfalls caused as a result of the COVID-19 pandemic.

Much-needed support is coming at a critical time as local governments across the country work with residents to recover from the pandemic and rebuild their local economies.

### **Direct aid from the ARPA will bring much-needed certainty to municipal budgets everywhere**

*Please customize this section based on your location*

Of the \$65.1 billion of direct and flexible aid to cities, towns and villages across the country, municipalities in [STATE] are expected to receive approximately [\[AID ALLOCATION\]](#).

At a time when planning for the current and future needs of residents is most critical, relief funds from the ARPA provide greater fiscal certainty for local leaders who are tasked with both replacing lost revenues during the pandemic and planning additional expenditures to help their communities recover.

Under the ARPA, state governments are not able to change the amount of, or attach additional requirements to, the funds allocated to local governments, ensuring that municipalities will not have to negotiate with other local and state governments for their share of relief funds.

This funding will allow local leaders to begin reversing the difficult cuts that were made throughout the COVID-19 pandemic.

- Delayed or cancelled capital expenditures can be restarted.
- City employees who have been furloughed or laid off can be brought back full time.
- Community programs that residents depend on can be supported.

## #NLCDelivers

**Now we're working together again to share best practices and resources to ensure we are responding, recovering and rebuilding towards a stronger and more equitable future**

Local leaders are being armed with the financial support they need to rebuild their economies and the programs their residents rely on.

As we learn more about how this money can be spent, the National League of Cities, State Municipal Leagues and local leaders will continue to come together to share best practices and thoughtful approaches to putting these funds into use.

- Through peer-to-peer conversations, presentations by experts and resources on creative ways to approach this funding, the National League of Cities is providing opportunities for local leaders to continue to think about solutions for their residents.
- Local governments will put this urgently needed aid into action for residents, households and small businesses that are at the heart of our nation's cities, towns and villages everywhere.

## May 2021 Update: Treasury Department Allocation and Guidance

**On May 10, 2021, the U.S. Treasury Department released final allocation figures and guidance for municipalities to receive and spend relief funds under the ARPA**

The new Treasury guidance indicates that:

- Cities with populations greater than 50,000 can already begin applying for the funds. Municipalities with less than 50,000 residents will receive their funds soon.
- The funds must be obligated through December 31, 2024 and spent by December 31, 2026.
- Stormwater and wastewater projects are eligible expenses under the ARPA.
- Metropolitan cities will have to make their interim report to the Treasury by August 31, 2021. Metropolitan cities will also be expected to submit a quarterly Project and Expenditure report. The initial Project and Expenditure report will cover two calendar quarters from the date of award to September 30, 2021, and must be submitted to Treasury by October 31, 2021.
- Non-Entitlement Units of Local Government (NEU) will be required to submit annual Project and Expenditure reports until the end of the award period on December 31, 2026. The initial annual Project and Expenditure report for NEU will cover activity from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

For more information on how cities can use their direct relief allocations under the ARPA, visit our [Local Relief Frequently Asked Questions](#) page.