



# **The American Rescue Plan Act (ARPA)**

*A Brief Overview*

**Salt Lake County Council  
January 25, 2022**



# OVERVIEW

- FUNDING AND TIMING
- BRIEF REVIEW OF EXPENDITURE CATEGORIES
- PROHIBITED USES
- LEGAL REVIEW

## FUNDING & TIMING

- County received \$225,401,283.00
- 1<sup>st</sup> payment of \$112,700,641 received in June of 2021.
- 2<sup>nd</sup> payment of \$112,700,641 to be received in June 2022.
- Funds must be spent or obligated by 12/31/2024 and spent by 12/31/2026.
- With limited exceptions, expenses must be incurred after March 3, 2021.

# ELIGIBLE USES: FOUR EXPENDITURE CATEGORIES

1. **RESPOND TO** PUBLIC HEALTH EMERGENCY & ITS NEGATIVE ECONOMIC IMPACTS.
2. PROVIDE **PREMIUM PAY** FOR ESSENTIAL WORKERS.
3. PROVIDE GOVERNMENT SERVICES TO THE EXTENT OF **LOST REVENUE** DUE TO COVID-19.
4. MAKE NECESSARY INVESTMENTS IN WATER, SEWER OR BROADBAND **INFRASTRUCTURE**.

# ELIGIBLE USES

## Category #1:

To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.

- COVID-19 mitigation and prevention
- Medical expenses
- Behavioral health care needs
- Address disparities in public health and economic outcomes
- Assistance to unemployed workers
- Public safety, public health, human services staff responding to the pandemic
- Capital Expenditures to respond to the pandemic
- Loans or grants to small businesses and non-profits to mitigate financial hardship
- Aid to impacted industries such as tourism, travel, hospitality
- Assistance to households for utilities, food assistance, rent/mortgage, home repairs, etc.
- Rehiring public sector staff
- Effective public service delivery (e.g. addressing backlogs)

# ELIGIBLE USES

## Category #2:

To provide support for workers performing essential work during the COVID-19 public health emergency by **providing premium pay to eligible workers.**

- Premium may be provided up to \$13/hour above the worker's hourly rate with a maximum of \$25,000 per eligible worker.
- **Eligible workers** are those workers needed to maintain continuity of operations of essential critical infrastructure.
  - Categories of eligible workers include: nursing home, hospital and home care staff; 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, other school staff; and social service and human services staff.
- **Essential work** is work requiring regular in-person interactions or physical handling of items handled by others.
- Workers with higher pay, or who are FLSA exempt, are likely ineligible.

# ELIGIBLE USES

## Category #3:

For the provision of government services to the extent of the **lost revenue** due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.

- County must calculate the actual loss using the Treasury's formula. Mayor's fiscal is working on the calculation.
- Any loss from the formula is presumed to be "due to the COVID-19 public health emergency."
- Tax changes after January 6, 2022, will impact the calculation.
- Revenue loss is to be calculated for each fiscal year 2020-2023.
- Funds may be allocated for government services:
  - Government service includes any **service** traditionally provided by a government, unless the Treasury has stated otherwise.
- Examples might include:
  - maintenance or cash capital for infrastructure projects; roads; cybersecurity; health services; environmental remediation; school or educational services; public safety services; county match or cost share requirements.

# ELIGIBLE USES

## Category #4:

To make necessary investments in water, sewer or broadband infrastructure.

- **Eligible sewer projects** include the construction, improvement or repair of wastewater treatment plants; culvert repair, resizing, and removal; the management and treatment of storm water; the protection of waterbodies from pollution, etc.
- **Eligible water projects** include the construction or upgrade of facilities to improve water quality, transmission, lead remediation, distribution and storage systems; the consolidation or establishment of drinking water systems, etc.
- **Eligible broadband projects** must be designed to deliver service that reliably meets or exceeds upload and download speeds of 100 Mbps with a focus on providing service to unserved or underserved residential and commercial; includes physical build out projects and low-income subsidies, and cybersecurity projects.



# INELIGIBLE USES

1. **PAY DOWN UNFUNDED PENSION LIABILITIES.**
2. **PAY DOWN INTEREST OR PRINCIPAL ON OUTSTANDING DEBT.**
4. **PAY LEGAL SETTLEMENTS.**
5. **PREMIUM PAY FOR TELEWORK.**
6. **CONTRIBUTIONS TO "RAINY DAY" FUNDS.**
7. **PROGRAMS OR USES THAT UNDERMINE COVID-19 MITIGATION PRACTICES**
8. **EXPENDITURES THAT VIOLATE FEDERAL CONFLICT-OF-INTEREST, OR OTHER APPLICABLE LAWS.**

# LEGAL REVIEW

- THE DISTRICT ATTORNEY'S OFFICE REVIEWS PROPOSED EXPENDITURES FOR COMPLIANCE WITH:
  - ARPA, I.E. WHETHER THE EXPENSE IS AN ELIGIBLE ARPA EXPENDITURE
  - OTHER APPLICABLE FEDERAL, STATE, AND LOCAL RULES, SUCH AS CONFLICTS AND PROCUREMENT
  - REPORTING REQUIREMENTS
- OUR DUTY IS TO EVALUATE THE RISK OF A PROPOSED EXPENDITURE.
  - OUR OFFICE DOES NOT APPROVE OR REJECT PROPOSALS.
- FOR EASE OF REFERENCE, WE CATEGORIZE PROPOSALS INTO ONE OF THREE CATEGORIES: GREEN, YELLOW, OR RED.

# ADDITIONAL RESOURCES

- FOR A MORE IN-DEPTH OVERVIEW, PLEASE REVIEW:
  - THE [OVERVIEW](#) OF THE TREASURY'S FINAL RULE.
  - THE TREASURY'S [WEBINAR](#) AND ASSOCIATED [HANDOUT](#).
  - THE TREASURY'S INTERIM FINAL RULE [FREQUENTLY ASKED QUESTIONS](#).
- FOR A COMPLETE REVIEW, PLEASE FIND THE FINAL RULE [HERE](#).
- IF YOU HAVE ANY QUESTIONS, PLEASE REACH OUT TO THE DISTRICT ATTORNEY'S OFFICE.