

AMERICAN RESCUE PLAN INTERIM FINAL RULES SUMMARY

The Fiscal Recovery Funds are intended to provide support to State, Local and Tribal governments in responding to the impact of COVID 19 and in their efforts to contain COVID 19 in their communities, residents and businesses.

Usage of these funds will be stricter than CARES ACT funding. Infrastructure, lost revenue and payroll are carefully defined. Other usages that are broader in scope should be defined by answering and providing support materials to the following questions:

1. What need or negative impact of the COVID 19 health emergency will this address?
2. How will this program or service address the identified need or impact?

It is anticipated that the data and record keeping for these funds will be much more stringent than CARES ACT funding and recipients should plan ahead for auditing.

Funds received through the ARP should be housed separate from all other funds and tracked in a separate accounting fund. Interest may be earned and retained.

Distribution of Funds

- County will receive funds directly from the Federal Government
- Townships and the Village are considered Non-Entitlement local governments and will receive funding from the State of Michigan within 30 days of the date ARP funds are received
- Schools and health and human service programs will receive funding in different appropriations from the State

Key Dates

<i>August 31, 2021</i>	Deadline for County's submission of first Interim Report to US Treasury
<i>October 31, 2021</i>	Deadline for County to submit first Quarterly Project and Expenditure Report
<i>December 31, 2024</i>	Funds must be incurred and obligated
<i>December 31, 2026</i>	Funds must be expended to cover obligations and all work must be finalized

Primary Allowable Uses

1. Support Public Health Response
 - Vaccination program support
 - Testing, monitoring and contact tracing
 - Support quarantine and isolation
 - Paid sick and family leave and paid medical leave to public employees related to COVID19 compliance
 - Enforce public health orders
 - Public health surveillance
 - Communication efforts regarding COVID 19 and vaccination programs
 - Purchase of PPE and disinfection of public areas and facilities
 - Prevention and mitigation in congregate living facilities (Nursing homes, jails, group living facilities, homeless shelters, schools)
 - Ventilation improvements in congregate settings or public facilities
2. COVID 19 Treatment and Medical Services
 - Treat 'long term covid'
 - Enhance health care capacity to treat and provide care and services related to COVID 19
3. Enhance Behavioral and Mental Health Services
 - Mental health treatment
 - Substance abuse treatment
 - Hotlines
 - Crisis intervention services
 - Overdose prevention
 - Infectious disease prevention
 - Behavioral and physical health primary services
4. Support Health and Safety Workforce
 - Fund payroll and covered benefits for workers who primarily or partly work regularly to mitigate or respond to COVID 19. Note that if partial can only reimburse for that portion of time estimated as responding to COVID 19
 - Includes public safety, public health, human services and health care workers
5. Improve Health and Public Health Programs
 - Improve data or technology infrastructure
 - Evaluate impact of COVID 19 on programs
 - Data analysis
6. Address Disparities in Public Health Outcomes
 - Populations identified as low-income and those in Qualified Census Tract areas are allowed broader usage in this area.

- Townships with areas in Qualified Census Tracts are Richfield, Ausable, Denton and Roscommon.
 - Services allowed for these Qualified Census Tracts include: Community health worker, public benefits navigation, housing services, lead paint remediation, evidence-based community violence intervention
 - Broad category uses for all include programs or services that address: housing insecurity, impacts of COVID 19 on education, childhood health and welfare
7. Address Negative Economic Impacts
- Assistance to households in those areas most disproportionately impacted by COVID 19. Examples included food assistance rent/mortgage/utility assistance, prevention of eviction or homelessness, cash assistance, emergency assistance for burials, home repairs, internet access and job training
8. Small Business and Non-Profit Support
- Loans or grants to mitigate financial hardships
 - Loans, grants or in-kind assistance to implement COVID 19 prevention or social distancing measures
 - Technical assistance for business planning
9. Aid to Impacted Industries
- Impacted industries are identified as Tourism, Travel, Hospitality and other businesses that can be **proven** to have been negatively impacted by COVID 19
 - Mitigation and infection prevention measures to enable safe resumption of business
 - Improvements to ventilation, physical barriers or partitions
 - Social distancing measures and signage
 - Provisions of PPE for patrons and employees
 - Development of safe reopening plans
 - Planned expansion or upgrade of tourism, travel and hospitality facilities **delayed** due to the pandemic (**were planned but unable to be accomplished because of COVID 19**)
10. Rehiring of State or local government staff up to pre-pandemic levels
- Must have laid off or diminished staffing due to COVID 19 impact
11. Assistance to Unemployed Workers
- Job training for unemployed workers
 - Payments to workers unemployed due to pandemic or resulting recession, unemployed prior pandemic and remain so due to pandemic and individuals who are employed part time but want and are available for full time work
12. Expenses to Improve Effectiveness of Economic Relief Programs
- Data analysis to assess and improve programs
 - Targeted consumer relief programs

- Improvements to data or tech infrastructure related to programs
- Studies and evaluations related to economic relief programs

13. Investments in Housing and Neighborhoods

- Must be facing negative economic impacts due to COVID 19
- Services to address homelessness
- Affordable development
- Housing vouchers
- Programs to support homeownership or moves to neighborhoods with higher level of economic opportunity

14. Addressing Educational Disparities

- New, expanded or enhanced early learning services (Head start, preschool)
- Assistance to high poverty school districts
- Evidence based educational services that support academic, social and emotional needs

15. Promoting Healthy Childhood Environments

- Mitigate increased economic hardship, material insecurities and parental stress and behavioral health challenges in families with children
- Create and/or support programs such as high-quality childcare, home visiting programs and enhanced services for child welfare involved family's or foster families

16. Premium Pay for Essential Workers

- Eligible workers performing essential work during the COVID 19 public health emergency
- Essential work is defined as **“work involving regular in person interactions or regular physical handling of items that were also handled by others”**
- Premium pay can be provided to third-party employers of eligible workers
- Workers eligible for premium pay include: Employees of state, local or tribal governments, medical staff, food and restaurant workers, janitors/sanitation, transit workers (truck drivers), public health and safety staff, childcare and educational workers and social and human services staff
- Can be paid retroactively and up to \$13 per hour not to exceed \$25,000 per person
- Would need **STRONG** written justification to provide to workers whose average annual wage is above %150 of states average annual wage (\$84,500.00) or county's average annual wage (\$60,453.00), whichever is higher

17. Payroll Expenses for Public Health and Public Safety Employees

- Services must be devoted to mitigating or responding to COVID 19 public health emergency – direct link
- Payroll and benefits are for the portion of time the employee dedicates to responding to the COVID 19 public health emergency
- **MUST** be able to show clear link

- Can cover all benefits including pension payments

18. Replacing Public Sector Revenue Loss

- Must be revenue loss due to COVID 19 pandemic and MUST follow formula for calculating that is provided in interim final rules – formula is very specific!
- Can reevaluate every year – 2020, 2021, 2022, 2023
- For the county, this determination will be made by the Administrator/Controller, reviewed and verified by the County Auditor and approved by the BOC

19. Water and Sewer Infrastructure

- Investments into projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure
- Rules align with financial assistance normally through EPA Clean Water SRF and Drinking Water SRF
- Sewer, septic, well and drinking water specific
- May also include projects specific to stormwater runoff, water pollution, flood control and green infrastructure that supports any of the above

20. Broadband Infrastructure

- Projects must be designed to assist underserved and unserved populations and communities
- Projects must meet or exceed symmetrical upload and download speeds of 100 Mbps. May include Starlink internet option

Ineligible Uses

1. Additional deposits to pension funds that are not a part of payroll covered as an eligible employee
2. Net reduction in tax revenue
3. General infrastructure
4. Use of funds for non-federal match projects
5. Funding debt services
6. Legal Settlements or judgements
7. Rainy day funds or fund balance
8. General economic development or workforce development

References:

Department of Treasury *'Interim Final Rule'*

National Association of Counties *"Overview for America's Counties: US Treasury Interim Final Rule and Guidance for State and Local Fiscal Recovery Funds"*

Michigan State University Extension *"American Rescue Plan Act – MSU's Response"*

[Federal COVID-19 relief funding \(michigantownships.org\)](https://michigantownships.org)

State of Michigan Senate Fiscal Agency *"Overview of the American Rescue Plan"*