



American Rescue Plan Abridged

Slides created from National League of Cities resources (website, webinars, presentations). Please be aware that all content is subject to change, and you should always refer to the Iowa League of Cities or National League of Cities Resources Page for the most up to date information (Information at end of presentation).

Please be aware that neither ECIA, nor the League can give a definitive answer to projects at an individual level for liability reasons.

Information last updated 7/07/2021

- \$65 billion of DIRECT aid to EVERY city, town or village across the country.

Receiving Funds: General Information

- **Non-entitlement Units of Local Governments (NEUs) are the remaining municipalities.**
 - The funds will go out in two tranches. 50% provided beginning in May 2021 and the balance delivered approximately 12 months later.
 - NEUs will receive their money from their respective states within 30 days of the states receiving the money. NEUs will receive their second payment 12 months after receiving their first payment.
 - State of Iowa is requesting the funding for non-entitlements week of July 5th.
 - Non-entitlements can request their money within 30 days

Receiving Funds: Non-entitlement Units of Local Government

- The Treasury Department is expected to release guidance for Non-entitlement Units of Local Government (NEU) “in the coming days.”
 - NEU allocations
 - NEU receiving funds
- NEUs will receive their grants through their State governments.
 - States cannot further restrict the use of funds beyond the Treasury’s guidance
- NEUs will need DUNS and SAMS numbers, banking information, and representative information.
- While each state has its own process and requirements, Treasury has provided a [pre-submission](#) checklist with basic information that every NEU should expect to provide when requesting funding from their respective state.

Receiving Funds: DUNS And SAM

- All cities must have a DUNS and SAM number to receive funds.
- What is a SAMS and DUNS number?
 - A DUNS number is a unique nine-character identification number Dun & Bradstreet provides free of charge. ... Business entities that have obtained a DUNS number must register annually on SAM to be eligible to receive financial assistance. There is NO charge to register or maintain your entity registration record in SAM.
- You must have a DUNS number before registering with SAMS.

Things needed in preparation of registering on SAM

- DUNS number
- Legal Business name
- Physical address
- Entity type
- General entity information
- Taxpayer Identification Number (TIN) and taxpayer name
- Contractor and Government Entity (CAGE) code if you have one (If not, one will be assigned to you at the time of SAM registration)
- Notarized letter (for certain entity administrators)
- Financial and banking information to set up Electronic Funds Transfer (EFT)

SAM Registration

- To register an entity to pursue federal assistance only, you need to complete the following documentation:
- Representations and certifications questionnaire
- Points of contact (mandatory and optional POCs)
- Get a login.gov account. With a login.gov account, you will get secure and private online access to government programs such as federal benefits, services, and applications. You can sign into multiple government websites (including SAM.gov) with the same email address and password. It takes just a few minutes to create your account.) [Click here for instructions on how to create a login.gov account.](#)
- When you are ready to start the process, select the Get Started link on SAM and begin to submit your data.

Steps to Prepare to Submit

1. Ensure that you have a valid DUNS number
2. Establish a SAMS number

Guidance has changed: Initial guidance from the Treasury Department stated that cities (non-entitlement) under 50,000 in population would not need a SAMS number, that guidance has changed. Treasury now requires all local governments to have a SAMS number, but Treasury guidance mentions getting a SAMS number after your funds. The SAMS number is not needed prior to submitting your application to the state of Iowa. The League recommends getting your SAMS number as soon as possible to relieve the administrative burden of having to do it later.

3. Fill out these two forms:

The League has made these forms available in a fillable PDF file. You may fill out this file and sign it electronically, or you may print it out and fill it out by hand. If it is printed out, you will need to scan it to convert it to a PDF file for submission.

- [Awards terms and conditions agreement](#)
 - [Assurances of compliance with Title VI of the Civil Rights Act of 1964](#)
4. Fill out and email the two above forms to the state of Iowa at ARPCity@iowa.gov.
Put your city's name in the subject line. (There is no official request form as of this writing.)

Once the forms are submitted and approved:

- Funding will be distributed in two cycles. The first will occur shortly after your request for funding is processed and the second will arrive 12 months after that.
- If you have not already gotten your SAMS number, now is the time to do so.
- Record keeping will be very important.
- NEU Recipient Number - you will be assigned this number after applying for the funds. The NEU Recipient Number is a unique identification code for each NEU assigned by the state to the NEU as part of the request for funding.
- Copy of signed award terms and conditions agreement.
- Copy of signed assurances of compliance with Title VI of the Civil Rights Act of 1964.
- Determine and prioritize the expenditure of ARP dollars. This is a unique opportunity to make long needed improvements in your community.

Eligible Uses: COVID-19 Pandemic Response

To respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.

Eligible Uses: Workforce/Personnel

- Fiscal Recovery Funds payments may be used by recipients to provide **premium pay to eligible workers performing essential work** during the COVID-19 public health emergency or to **provide grants to third-party employers with eligible workers** performing essential work.
 - The Interim Final Rule defines "essential work" as work involving regular in-person interactions or regular physical handling of items that were also handled by others.
 - Such workers include:
 - 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 other school staff; and
 - Social service and human services staff.

Eligible Uses: Necessary Water, Sewer Projects

- **Coronavirus State and Local Fiscal Recovery Funds – “necessary investments in water, sewer, or broadband infrastructure.”**
- Projects eligible under the Clean Water State Revolving Fund
 - Construct, improve, and repair wastewater treatment plants; control non-point sources of pollution; create green infrastructure; manage and treat stormwater; water reuse; protect waterbodies from pollution.
- Projects eligible under the Drinking Water State Revolving Fund
 - Build or upgrade facilities to improve water quality; transmission, distribution, and storage systems; consolidation or establishment of drinking water systems
- Cybersecurity
- Climate Change and Resilience
- Lead Service Line Replacement

Eligible Uses: Broadband

- Eligible projects **must**:
 - "be designed to provide service...to unserved and underserved households and businesses."
 - Unserved and underserved = lacking access at least 25/3 Mbps wireline service
 - Specific service areas and locations may be defined by community
 - Provide service that "reliably meets or exceeds symmetrical speeds of 100 Mbps" or, if impossible, at least 100/20 Mbps with the ability to scale to 100 Mbps symmetrical
- Eligible projects are **encouraged** to:
 - consider affordability
 - avoid investing in locations with "existing agreements to build reliable wireline service with minimum speeds of 100/20 Mbps by December 21, 2024"
 - "deliver a physical broadband connection by prioritizing projects that achieve last-mile connections"
 - prioritize municipal, nonprofit, and cooperative-owned networks
- Digital inclusion: assistance to households, including internet access and digital literacy assistance, are eligible uses

Eligible Uses: Lost Revenue

- For the provision of government services to the extent of the reduction in revenue of such metropolitan city, non-entitlement unit of local government, or county due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city, non-entitlement unit of local government, or county prior to the emergency
 1. General Revenue draws on the Census definition of General Revenue of Own Sources.
 2. **Recipients should sum across all revenue streams covered as general revenue**
 3. What is excluded from General Revenue:
 - refunds and other correcting transactions
 - proceeds from issuance of debt or the sale of investments
 - agency or private trust transactions
 - utilities and insurance trusts

Calculating the Loss

- Towns will calculate the loss based on what could have been expected to occur in absence of the pandemic.

- **Key Points**

1. To determine the what would have happened in absence of the pandemic, towns will use a predetermined growth rate of 4.1% or the average annual growth rate over the three full fiscal years prior to the pandemic

2. Recipients should calculate the extent of the reduction in revenue as of four points in time:

December 31, 2020

December 31, 2021;

December 31, 2022;

December 31, 2023.

Steps to Calculating Lost Revenue

1. Identify the revenue collected in the most recent full fiscal year prior to the pandemic (i.e. Jan. 27, 2020). **This is the base year.**
2. Estimate the growth rate your city would have experienced using either 4.1% or the average annual revenue growth in the three full fiscal years prior to the public health emergency, whichever is higher.
3. Identify **actual revenue collected** over the past 12 months.
4. Lost revenue is equal to the expected growth rate less actuals. If actuals exceed expected, then set the figure to zero.

Example of Eligible Uses: Lost Revenue

1. Town X has \$100 in revenue in the base year, the last full year before Jan. 27, 2020
2. Town X finds that 4.1% is greater than Town X's average annual revenue growth in the three full fiscal years prior to the public health emergency
3. The base year ends June 30, 2019
4. Town X has 18 months from the end of its base year (June 2019) to December 31, 2020, and its projected revenue would have been \$106.2.
 $100 + [(1 + .041)^{(18/12)}]$
5. Town X had \$80 of actual revenue in 2020
6. The revenue loss for 2020 is $\$106.2 - \$80 = \$26.2$
7. **If actuals collected exceeds calculated projected, then no revenue loss for that year**

Ineligible Uses

- Federal Matching Requirements
- Pensions
- Infrastructure Not Directly Addressed in ARPA
- Rainy Day Funds, Financial Reserves, and Outstanding Debt

Reporting Requirements

Non-entitlement units of local government (NEU) are NOT required to submit interim reports or Recovery Performance Reports. However, NEUs will be required to submit annual Project and Expenditure reports.

Timeline to Expend Funds

- Section 602(c)(1) and section 603(c)(1) require that payments from the Fiscal Recovery Funds be used only to cover costs incurred by the State, territory, Tribal government, or local government by **December 31, 2024.**

Non-Entitlement Cities Guidance from U.S. Department of the Treasury

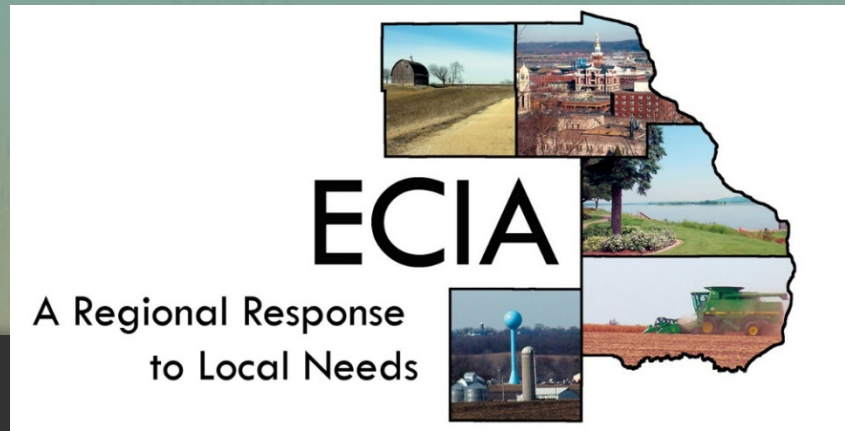
Visit the NLC Resources page at:

[Treasury's webpage for non-entitlement cities](#)

[Checklist for non-entitlement cities requesting initial payments](#)

[Award terms and conditions for non-entitlement cities](#)

[FAQ on relief funds](#)



For more information:

Visit the NLC Resources page at: <https://bit.ly/3yw6rQH>
or

Visit the Iowa League of Cities Resource Page at: <https://bit.ly/3wk6ey8>
or

Visit the NLC COVID-19 Pandemic & Relief Interim Guidance Plan page at:
<https://www.nlc.org/covid-19-pandemic-response/>

Also, feel free to contact Kelley Deutmeyer (kdeutmeyer@ecia.org) if
you have additional questions.

