



*Serving and
Strengthening
Vermont Local
Governments*

Date: March 30, 2021

To: Members of the Vermont Senate

From: Karen Horn, Director, Public Policy & Advocacy

RE: H.315, Section 26

Thank you for your support of a \$650,000 appropriation in H.315 to fund a program at the Vermont League of Cities and Towns to help local officials comply with the requirements of the American Rescue Plan Act (ARPA) as they determine how to utilize the direct aid allocated to them.

Local governments have not had access to federal revenue sharing since 1986 when the fourteen-year program was ended. Thus experience with such general direct aid is limited. Following is an outline of VLCT's ARPA coordination program.

We will establish a new two-year program to assist our municipal members in developing and implement plans, tracking, and reporting that comply with ARPA funding. We will not charge members for this program over the next two years as a result of the funding you are providing. We know that they and their residents continue to feel the financial effects of the pandemic.

The program will include reviewing, understanding, interpreting, and disseminating U.S. Treasury guidance and FAQs and navigating their documentation requirements, and also coordinating with state American Rescue Plan administrators. We will maintain an American Rescue Plan inquiry system and coordinate with our partners to answers our members' questions; provide training model templates, policies and guidelines; and maintain an up-to-date FAQ. A substantial amount time will likely be spent on helping answer members' queries about eligible projects, coordinating with other project funding sources, and assisting with accurate and timely reporting, including the review of expenditures and their appropriate categorization.

We also expect to coordinate with regional commissions and, potentially, regional development corporations in their efforts to manage projects on behalf of local governments.