



**American Rescue Plan Act (ARPA) Coordination and Assistance Program**  
*Program Outline, April 14, 2021*

The Vermont League of Cities and Towns (VLCT) is the statewide membership association dedicated to supporting and strengthening local governments, having been established by cities and towns in 1967 for those purposes. With the passage of H. 315 and upon the Agency of Commerce and Community Development granting program funds, VLCT hopes to establish a support program to assist local governments to expend funds in compliance with the American Rescue Plan Act (ARPA). (42 USC 801 Sec. 603) The H. 315 appropriation would fund the development of the program through state FY 2024.

The American Rescue Plan provides significant direct local aid to municipalities to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts. Final allocations to cities, towns and villages have not yet been determined by the US Department of Treasury.

Coronavirus Capital Projects Fund	\$112,295,706
Metro City (Burlington)	\$19,080,134
Local Government/Non-Entitlement	\$57,470,276
County Government	\$121,018,827

The sum of the Metro City, Local Government/Non-Entitlement and County Government funds is \$197,569,237. The US Treasury has 60 days from the date of the President signing the bill to send local aid dollars to states. Then the states have 30 days to disburse local aid dollars to cities, towns and villages. That means local aid dollars will be received by the state in approximately two weeks and in local coffers by June 9, 2021.

The state may not direct local governments expenditure of the ARPA local direct aid dollars.

ARPA funds will come with significant restrictions regarding what projects are eligible to be funded, tracking and reporting requirements, and data monitoring, as well as training and general consultation requirements. HR – 1319 provides funding to a narrow set of circumstances which US Treasury will interpret - responding to workers performing essential work during the crisis, provision of government services to the extent of the reduction in revenue of the state, territory or tribal government due to the public health emergency, and making necessary investments in water, sewer, or broadband infrastructure.

As we have seen with the CARES Act, Treasury guidance continues to evolve throughout the lifespan of the federal funding program. Nor is it easy to follow. The consequences for failing to comply with

Treasury Guidance or constraints imposed by the legislation are significant as the federal government may claw back funding.

VLCT is uniquely positioned to provide that assistance to municipalities. We have spent the last year helping to guide municipalities through the pandemic, seeking answers to every one of the thousands of questions local officials have asked. We are being asked what kind of help will be available to guide municipalities through this new and complex process.

VLCT did not ask member local governments for any increase in dues this year in recognition of the fiscal distress that cities and towns are facing. We do not have the capacity to start up and sustain a new program targeted to compliance with the American Rescue Plan, as such a program is not within our budget. Nor is it anticipated in the budgets of our member municipalities, most of whom adopted their budgets on March 2.

Should VLCT receive the \$650,000 in H. 315 in order to deliver the ARPA Coordination Program to municipalities, the following will be needed:

- American Rescue Plan Support Coordinator (1 full time equivalent)
- Administrative/Data Technician (1 full time equivalent)
- Software to conduct data maintenance, tracking in compliance with federal requirements, auditing, cybersecurity, finance and budgeting systems maintenance and monitoring
- On-going Training for local officials
- On-going response to requests for assistance from local officials
- On-going coordination with the Vermont Agency of Administration regarding record keeping, tracking of funds, and reporting.

The establishment of this program in providing the panoply of intermediary services to assure that local governments comply with state distribution and federal compliance requirements, will demonstrate a new, significant and helpful partnership between the local, state, and federal levels of government.

VLCT American Rescue Plan Act Resources

<https://www.vlct.org/american-rescue-plan-act-resources>

VLCT American Rescue Plan Act Outreach and Finance Assistance Coordinator

<https://www.vlct.org/classified/american-rescue-plan-act-outreach-and-finance-assistance-coordinator>