

ARPA Capital Projects Fund

9/21/21 Update

ARPA: \$10 billion “to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the Coronavirus Disease (COVID-19).”

Vermont will receive \$113 million

Capital Bill Act 50 2021

Sec. 25. FEDERAL FUNDS; CAPITAL PROJECTS

(a) Intent. It is the intent of the General Assembly, to the extent permitted by federal law and guidance, to use federal funds provided to the State by the American Rescue Plan Act of 2021, Pub. L. 117-2, in the Coronavirus Capital Projects Fund to carry out critical capital projects for the Executive, Legislative, and Judicial Branches to directly enable work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the Coronavirus Disease (COVID-19).

(b) Prioritized uses. The federal funds provided to the State by the American Rescue Plan Act of 2021, Pub. L. 117-2, in the Coronavirus Capital Projects Fund shall be prioritized for critical capital projects proposed by the Executive, Legislative, and Judicial Branches in response to the COVID-19 pandemic and the entire amount provided to the State shall not be for the exclusive use of any single branch of State government.

(c) Recommendation.

(1) On or before December 15, 2021, the Commissioner of Finance and Management shall recommend a list of priority projects for the use of federal funds by the Executive Branch from the Coronavirus Capital Projects Fund for FY 2023 to the Governor for the FY 2022–2023 capital budget adjustment report. Consistent with federal guidance as it becomes available, Executive Branch recommendations may include infrastructure that provides the greatest economic benefit in and among our communities. Any recommendations shall take into consideration the capital needs of all three branches.

(2) On or before December 15, 2021, the Joint Legislative Management Committee shall recommend a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund for capital projects in the Legislative Branch and the Court Administrator shall submit a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund for capital projects in the Judicial Branch to the House Committee on Corrections and Institutions and the Senate Committee on Institutions for allocation in the FY 2022–2023 Capital Budget Adjustment Act. Any recommendations shall take into consideration the capital needs of all three branches.

Treasury Guidance Released 9/20/21

<https://home.treasury.gov/system/files/136/Capital-Projects-Fund-Guidance-States-Territories-and-Freely-Associated-States.pdf>

For a Capital Project to be an eligible use of Capital Projects Fund grant funds, it must meet all of the following criteria:

1. The Capital Project invests in capital assets designed to directly enable work, education, and health monitoring.
2. The Capital Project is designed to address a critical need that resulted from or was made apparent or exacerbated by the COVID-19 public health emergency.
3. The Capital Project is designed to address a critical need of the community to be served by it.

Presumptively Eligible Projects

- Broadband Infrastructure Projects.
- Digital Connectivity Technology Projects
- Multi-Purpose Community Facility Projects.

Ineligible Projects and Projects Not Presumed to be Eligible

- General infrastructure projects, such as highways, bridges, transit systems, and ports, are ineligible under the Capital Projects Fund program. General construction and improvement of hospitals and traditional schools are not presumed to be eligible, although, there may be opportunities for such projects to receive funding under the Capital Projects Fund program if they meet the project eligibility criteria. Such projects will be reviewed on a case-by-case basis.

Case-by-Case Review

1. The Project invests in capital assets designed to directly enable work, education, and health monitoring
2. The Project will be designed to address a critical need that results from or was made apparent or exacerbated by the COVID-19 public health emergency.
3. The Project is designed to address a critical need in the community to be served by it.

All funds must be expended by December 31, 2026.