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MANAGING ARPA STATE AND LOCAL RECOVERY FUNDS IN THE NEW ENGLAND STATES: YEAR ONE

June 2022
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HASSENFELD INSTITUTE FOR PUBLIC LEADERSHIP

Executive Summary

On March 11, 2021, President Joe Biden signed into law the \$1.9 trillion American Rescue Plan Act (ARPA) of 2021. Section 9901 designated \$350 billion for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). This report discusses the first year implementation of the SLFRF in the six New England states and largest metropolitan cities within each state (Bridgeport, Portland, Boston, Manchester, Providence, and Burlington). This draws upon available reports submitted to the federal government, state and municipal level documentation, and relevant media coverage. Below are some major takeaways from this work.

Spending Priorities

During the first year of ARPA, the states and large cities had varied spending priorities. The following were the top priorities for each of the states:

- Connecticut: Revenue replacement, Covid testing, economic impacts of Covid (including unemployment insurance)
- Maine: Infrastructure revitalization (including broadband, technology upgrades, and housing)
- Massachusetts: Water and sewer infrastructure, environmental infrastructure, housing opportunities
- New Hampshire: Public water investments, mental and behavioral health, water and drinking water investments
- Rhode Island: Children, families and social supports, small businesses and impacted industries, affordable housing
- Vermont: Housing, internet and telecom connectivity, climate change

The following were to top priorities for the metropolitan cities:

- Bridgeport: Revenue replacement, clean water
- Portland: Homeless services, housing, childcare
- Boston: Public health, economic impacts, small businesses
- Manchester: Community health and violent crime reduction, water and sewer infrastructure, administrative expenses
- Providence: Revenue replacement, housing
- Burlington: Revenue replacement, general fund and capital budget

Executive-Legislative Roles

Within most states, there was tension between the executive and legislative branches regarding ARPA implementation. While governors publicly set the initial policy priorities, the legislators did their part to provide oversight in the following ways:

- Connecticut: Special Act No. 21-2 required legislative oversight concerning ARPA spending allocations.
- Maine: The legislative vote authorizing the expenditure of ARPA funds was less than a two-thirds majority. Therefore, this took effect 90 days following the legislature's adjournment, rather than immediately.
- Massachusetts: After much pushback, the governor transferred the majority of state ARPA funds to the legislature's Federal Covid-19 Response Fund. The legislature conducted a series of public hearing on different aspects of potential ARPA spending.
- New Hampshire: The Joint Legislative Fiscal Committee had the responsibility of approving state agency requests regarding the use of ARPA dollars.
- Rhode Island: The General Assembly held hearings on the governor's ARPA budget requests.
- Vermont: Legislature exercised budget process oversight.

Impact of Federal Policy on the States

Although the ARPA passed in March 2021, it took time for the states to begin spending funds. The enactment of ARPA coincided with a shift from governors exercising emergency powers during the pandemic to legislators reasserting their oversight authority. By the first U.S. Treasury reporting period (July 31, 2021), relatively few dollars had been expended at the state level. There were comparatively more funds obligated at the municipal level.

However, the existence of ARPA allocations allowed states to consider significant investments across diverse areas of concern, including economic impacts, housing, health care, and infrastructure projects. Municipalities embarked on major public engagement campaigns to gain feedback through surveys, public hearings, and other community forums.

State-Local Capabilities and Roles

All New England states had active municipal leagues available to provide support to localities through training and workshops, as well as continuously updated information on their websites. Entities hired additional staff to provide in-house ARPA expertise, while also drawing on the work of external specialists. Connecticut and Vermont provided assistance to individual municipalities. Separately (at the state level), the Massachusetts Office of the Inspector General offered trainings to professionals on using ARPA funds.

Background

On March 11, 2021, President Joe Biden signed into law the \$1.9 trillion American Rescue Plan Act (ARPA) of 2021. Section 9901 designated \$350 billion for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF).¹ To implement the law, the United States Treasury Department issued the interim final rule on May 17. The rule articulated eligible fund uses, restrictions, the federal recoupment process in case of compliance failure, the payments in two tranches, and reporting requirements.

The interim rule contained four major categories of eligible uses. The first one broadly concerned public health and economic impacts. Eligible public health uses included COVID-19 mitigation and prevention, medical expenses, behavioral health care, public health and safety staff, and expenses to improve the design and execution of health and public health programs.² With respect to economic impacts, the rule contained the following examples of eligible uses: assistance to unemployed workers, state unemployment insurance trust funds, assistance to households, expenses to improve efficacy of economic relief programs, assistance to small business and non-profits, rehiring state, local, and tribal government staff, aid to impacted industries, investments in housing and neighborhoods, addressing educational disparities³, and promoting healthy childhood environments.⁴ The remaining categories of eligible uses included premium pay for essential workers, offsetting COVID-19 revenue loss, and infrastructure investments encompassing water and sewer and broadband.⁵ Non-permissible SLFRF uses included contributions to rainy day funds, pension fund deposits, as an offset to a reduction in net tax revenue, and as a non-Federal match for other Federal programs (e.g. State share of Medicaid).⁶ All funds must be obligated by December 31, 2024 and spent by December 31, 2026.⁷

The Treasury Department received over 1,500 public comments in response to the interim final rule.⁸ On January 27, 2022, the Treasury Department published the final rule, which took effect April 1. This provided for greater clarity and flexibility regarding implementation of funds. First, recipients may use funds for capital expenditures that support an “eligible COVID-19 public health or economic response,” broadly defined. Second, it expanded the types of

¹ American Rescue Plan Act of 2021, 42 U.S.C. 802 *et seq.* (2021).

² Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule, 86 Fed. Reg. 26,788- 26,791 (May 17, 2021).

³ Note that the Elementary and Secondary School Emergency Relief Fund (ESSER), under ARPA Section 2001, designated nearly \$122 billion for education. See https://oese.ed.gov/files/2021/03/FINAL_ARP-ESSER-FACT-SHEET.pdf

⁴ Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule, 86 Fed. Reg. 26,793- 26,796 (May 17, 2021).

⁵ *Ibid*, 26,797- 26,806.

⁶ *Ibid*, 26,796- 26,797; 26,806- 26,811.

⁷ *Ibid*, 26,821.

⁸ Coronavirus State and Local Fiscal Recovery Funds Final Rule, 87 Fed. Reg. 4,338 (January 27, 2022).

essential workers eligible for premium pay. Third, the rule offered the option of a \$10 million “standard” allowance for calculating revenue loss. Finally, it broadened eligible broadband infrastructure as well as water and sewer to include lead remediations and stormwater management.⁹

The Flow of this Report

This report will follow the first year of SLFRF implementation in each the six New England states, as well as the largest metropolitan city recipients (Bridgeport, Portland, Boston, Manchester, Providence, and Burlington).¹⁰ This incorporates publicly available reports submitted to the federal government, state and municipal level documents, and relevant media coverage. It will conclude with summary comparisons of characteristics across the states and municipalities.

Connecticut

The Treasury Department allocated \$2.8 billion to the State of Connecticut in fiscal recovery funds.¹¹

During the implementation of previous federal COVID relief programs, state legislators complained that the governor had not provided enough detail about fund usage.¹² In order to rectify this perceived power imbalance, the General Assembly passed, and the governor signed, Special Act No. 21-1 on March 31. The Act required legislative oversight over ARPA spending allocations.

In late April, Governor Ned Lamont articulated five key areas for investments:

- Defeating COVID-19
- Investing in our Future
- Creating a More Affordable Connecticut
- Economic Growth that Works for All
- Modernizing State Government¹³

⁹ Ibid, 4,339.

¹⁰ The remainder of the report will use the term ARPA (unless otherwise indicated) to refer to state and local recovery funds.

¹¹ United States Department of Treasury, “Coronavirus State and Local Fiscal Recovery Funds: Allocations for States,” <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

¹² Keith Phaneuf, “House Unanimously Adopts Bill Giving Lawmakers a Say in Spending COVID Relief Funds,” *Connecticut Post*, March 16, 2021.

¹³ State of Connecticut Office of Policy and Management, “The American Rescue Plan Act of 2021,” <https://portal.ct.gov/OPM/Coronavirus/Coronavirus-Relief-Fund/American-Rescue-Plan-Act-of-2021>

On April 22, the governor announced a \$103 million workforce development proposal to assist employers and job seekers in coordination with the Office of Workforce Strategy.¹⁴ Four days later, the governor released the full plan for using state fiscal funds, outlined below:

- I. Supporting Early Childhood and Family Needs Resulting from COVID-19 (\$10.8 million)
 - Pay Care4Kids Parent Fees through 2021 (\$5.3M)
 - Free Summer Pre-School for 3-4 Year Olds (\$3.5M)
 - Supplement Home Visiting Programs (\$2M)
- II. Addressing K-12 Education Impacts of COVID-19 (\$21.9M)
 - Summer Experience at Connecticut's Top Venues (\$15M)
 - Summer College Corp (\$1.5M)
 - Summer Camp Scholarships (\$3.5M)
 - Teen Experience (\$1.9M)
- III. Addressing the Higher Education Impacts of COVID-19 (\$95.5M)
 - Funding Additional Roberta Willis Need-Based Scholarships (\$12M)
 - Enhance Retention at Community Colleges (\$19.5M)
 - Providing Revenue Support to the University of Connecticut Health Center (\$10M)
 - Doubling Support for PACT – Last Dollar Financial Aid (\$24M)
 - UConn/CSCU Operating Support (\$30M)
- IV. Addressing the Mental Health Impacts of COVID-19 (\$31.4M)
 - Mental Health Investments (\$54.5M—Medicaid + stimulus)
 - Children's Behavioral Health (\$33.5M—Medicaid + CSFRF)
 - Supporting Adult Behavioral Health (\$20.4M—Includes Medicaid enhanced match)
- V. Continuing the State's Nationally Recognized Testing Program (\$240M)
- VI. Addressing the Public Health Impacts of COVID-19 (\$92.6M)
 - Supporting Local Health Departments and Districts (\$73M—Includes CDC funding)
 - Investing in Personal Protective Equipment (PPE) (\$20.6M)
 - Universal Home Visiting (\$12.5M)
 - Community Health Workers/Navigators (\$33M)
 - Expand the Office of Health Equity (\$875,000)
 - Supporting a Resident One-Stop for Health and Human Services (MyCT) (\$7.8M)

¹⁴ The Office of Governor Ned Lamont, "Governor Lamont Announces Proposal for Using American Rescue Plan Funds To Rebuild Connecticut's Workforce," April 22, 2021, <https://portal.ct.gov/Office-of-the-Governor/News/Press-Releases/2021/04-2021/Governor-Lamont-Announces-Proposal-for-Using-American-Rescue-Plan-Funds-To-Rebuild-Workforce>

- Premium Pay for Direct Care Nursing Home Employees (\$12.5M)
 - Family Caregiver Respite (\$3M)
 - Deaf Community Supports (\$2M)
 - Partnering with Upstream USA to Reduce Unplanned Pregnancies (\$10M)
- VII. Promoting Effective, Safe, and Fair Criminal Justice System Responses to COVID-19 (\$15M)
- Cut the Criminal Case Backlog (\$7M)
 - Divert People Safely from Incarceration and Address Treatment or Service Needs (\$4.75M)
 - Reduce Community Gun Violence (\$3M)
 - Prepare Justice-Involved Youth and Adults to Meet Workforce Needs in the Pandemic (\$4M)
- VIII. Supporting the Recovery of Private Providers through the Pandemic (\$50M)
- IX. Addressing the Economic Impacts of COVID-19 (\$160.9M)
- Supporting the Unemployment Insurance Fund and Mitigating the Impact on Businesses (\$50M)
 - Supporting the Unemployment Insurance Contact Center (\$30M)
 - CT Brand, Hospitality Business Supports and Regulatory Modernization (\$45M)
 - CRDA Economic Support for Venues (\$7M)
 - Support to Arts and Cultural Organizations (\$6.375M)
 - Leveling the Playing Field in Housing Court (\$20M)
 - Food Insecurity Grants to Food Pantries and Food Banks (\$2M)
- X. Addressing Workforce Development Needs Resulting from COVID-19 (\$103.2M)
- Sector Based Training (\$93.5M)
 - Youth Employment (\$2M)
 - Employment Support for Justice-Involved Adults (\$4M)
 - Extended Operating Hours at CTECs (\$3.7M)
- XI. Provision of Government Services Impacted by Revenue Reduction (\$1.75B)
- XII. Addressing Other State Operations (\$50.6M)
- State Operations (\$20M)
 - Premium Pay for Front Line State Employees (\$10M)
- XIII. Governor's Reserves for Contingencies (\$25.7M)¹⁵

¹⁵ Governor Ned Lamont, "Connecticut's Plan for the American Rescue Plan Act of 2021: A Roadmap for a Transformative, Equitable and Healthy Recovery for our State," April 26, 2021, <https://portal.ct.gov/-/media/OPM/Coronavirus/ARPA04262021GovLamontPlan.pdf>

The General Assembly Appropriations Committee proposed modifications to the governor's plan. This included:

1. Increasing the allocation for the unemployment trust fund from \$50 to \$310 million.
2. Decreasing the allocation for the COVID-19 testing program from \$240 million to \$25 million.
3. Not leaving a large amount of discretionary funds for the governor.
4. Creating a \$25 million equity fund for municipalities with high rates of crime and unemployment.
5. Increased spending for local recreational events (e.g., Fairs, festivals, and concerts).
6. Increased spending on private non-profit service providers.¹⁶

The state's July 31 interim report and August 31 recovery plan report to the Treasury Department indicated no funds had been obligated or expended.¹⁷ Both documents indicated, however, that the state intended to use funds for revenue replacement as follows: \$560 million in FY 2022 and \$1.2 billion in FY 2023.

November 29, officials from the Office of Workforce strategy reported to the General Assembly's Higher Education Committee that applications would soon be available for organizations to participate in the CareerConneCT program. This new initiative to assist job seekers incorporated \$70 million in ARPA funds, along with \$40 million in state bonding.

Connecticut Conference of Municipalities

As municipalities learned of their ARPA allocations, the Connecticut Conference of Municipalities (CCM) stepped in to provide assistance. "With all this money coming in, a lot of our members don't have the resources they need to understand how to best allocate this type of funding," said CCM Executive Director Joe DeLong.¹⁸ The organization convened a 13-member advisory group of academics, advocates, business leaders, and elected officials to help localities guide the process. The CCM published two versions (one initial following publication of the interim final rule, the other updated after publication of the final rule) of a toolkit to assist local officials in using their funds. This resource was designed to help officials better understand

¹⁶ Keith M. Phaneuf, "Panel Wants More Federal Money for Businesses, Human Services," *Republican-American* (Waterbury, CT), May 19, 2021; Julia Bergman, "Lamont, Lawmakers Square off on How to Spend \$2.8B Stimulus," *Connecticut Post*, May 18, 2021.

¹⁷ State of Connecticut, "State of Connecticut Interim Report," July 31, 2021, https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001emvc/Iv2Q_IOFFxBc7JJsRbhL1Q826u3UBBLjCUSExzGdRNU; State of Connecticut, "Recovery Plan: State and Local Fiscal Recovery Funds (2021)," August 31, 2021, https://home.treasury.gov/system/files/136/Connecticut_2021-Recovery-Plan_SLT-1468.pdf

¹⁸ Rob Ryser, "Group to Advise Municipalities on Rescue Plan," *The News-Times* (Danbury, CT), May 3, 2021.

eligible fund uses and best practices. Officials from the organization also made themselves available to work with municipalities on a case-by-case basis.¹⁹

Bridgeport

The Treasury Department allocated \$110 million to the City of Bridgeport in fiscal recovery funds.²⁰

In June, the city government began the process of collecting public feedback regarding the use of ARPA funds. The City Council scheduled a virtual public hearing for June 15 to receive proposals. In addition, the city launched an online survey.

The online survey received 337 responses from 327 unique participants. The most requested areas for local spending included youth services, workforce development, mental health and domestic violence services, community health and wellness, and community safety.²¹

The 2021 interim report contained \$8.6 million in obligations across the following areas: personal protective equipment, household assistance: rent, mortgage, and utility aid, healthy childhood environments: childcare, clean water: centralized wastewater treatment, clean water: stormwater, revenue replacement, and administrative expenses. Of this amount, \$2.2 million had been expended by July 31.²²

In August, the city began seeking applications (due September 30) for \$25 million worth of proposals that drew on ARPA funds. In October, Mayor Joseph Ganim announced the formation of twelve committees to review applications. The committees encompassed the following areas: Affordable housing, community health, domestic violence and mental health, faith based initiatives, nutrition, public safety, second chance, small business, visual and

¹⁹ Connecticut Conference of Municipalities, “American Rescue Plan Toolkit,” https://www.ccm-ct.org/Portals/CCM/PDF/ARP/ARP_Toolkit_2021.pdf?ver=hJt7Hxg7dU2xejl4g-Atag%3d%3d; Connecticut Conference of Municipalities, “American Rescue Plan Toolkit: Version 2.0,” https://www.ccm-ct.org/Portals/CCM/ARP_Toolkit_v2_0%20Final_1.pdf

²⁰ Bridgeport received \$82.6 million in direct funding for entitlement communities, plus the \$28 million state pass-through county allocation. See U.S. Treasury, “Allocation for Metropolitan Cities,” <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf> and State of Connecticut, “Coronavirus Local Fiscal Recovery Fund: Allocations to Local Governments in CT,” <https://portal.ct.gov/-/media/OPM/Coronavirus/Local-Fiscal-Recovery-Fund-TBT-Allocations-Backup-6121-330pm.pdf>

²¹ City of Bridgeport ARPA Community Input Survey & Public Hearing Results, https://bridgeportct.gov/filestorage/341450/Community_Input_Survey_Results_ARP.pdf

²² City of Bridgeport, “Bridgeport, Connecticut Interim Report,” July 31, 2021 <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001emZF/pBfmtuKhAqmy692unf2Vmcz1tOAmzqvV3UDNCNndbUo>

performing arts, youth and education, weatherization, and workforce development.²³ Selection committee meetings were made open to the public after complaints that the meetings violated Connecticut's Freedom of Information Act.²⁴ Notably absent from the mayor's announcements was any mention of "premium pay" for municipal employees that reported to their jobs in-person during the pandemic. City Council members had previously pledged to allocate rescue funds for that purpose.²⁵ Throughout October and into November, the committees met to review application files and interview applicants.²⁶

On November 15, the city held the first in a series of planned ceremonies to mark the awarding of grants to Bridgeport small businesses and non-profits. Awardees attending the celebration at the University of Bridgeport included Career Resources, Inc (programs to assist ex-offenders), nOURish Bridgeport (indoor hydroponic farming), and the Council of Churches of Greater Bridgeport. The value of these grants totaled \$10.4 million.²⁷ Two weeks later, officials hosted another event awarding over \$5 million to 400 small local businesses.²⁸ Recipients included restaurants, coffee shops, hair stylists, automotive services, day cares, and entertainment spots.²⁹

According to the December 31 ARPA Goals and Performance Report, the City of Bridgeport had allocated approximately forty percent of the \$110 million for the first forward fiscal year, FY2022. Such allocations fell into the following categories: public health; negative economic

²³ Office of Mayor Joseph P. Ganim, "Mayor Ganim, City of Bridgeport Announces Review Committees for American Rescue Plan," October 4, 2021, <https://www.bridgeportct.gov/feed-news/?FeedID=2922>; <https://www.bridgeportct.gov/arp>

²⁴ Brian Lockhart, "Job Program, Hydroponic Farm Among First Recipients of Bridgeport COVID Aid," *Connecticut Post*, November 16, 2021.

²⁵ Brian Lockhart, "Will Bridgeport City Employees Receive COVID Bonuses?" *Connecticut Post*, October 4, 2021.

²⁶ For example, see Office of Mayor Joseph P. Ganim, "American Rescue Plan Affordable Housing, Rental Assistance and Homelessness Prevention Committee Special Meeting," October 14, 2021, https://www.bridgeportct.gov/filestorage/341307/341387/373776/373803/Affordable_Housing_Committee_Special_Meeting_10.14_Minutes.pdf; Office of Mayor Joseph P. Ganim, "American Rescue Plan Youth & Education Committee," October 14, 2021, https://www.bridgeportct.gov/filestorage/341307/341387/373776/373819/ARP_Youth_%26_Education_Committee_10.14.21_MINUTES-converted.pdf; Office of Mayor Joseph P. Ganim, "American Rescue Plan Act: Workforce Development Committee," October 19, 2021, https://www.bridgeportct.gov/filestorage/341307/341387/373776/373823/Workforce_Development_Committee_Special_Meeting_10.19.21_MINUTES.pdf

²⁷ Brian Lockhart, "Job Program, Hydroponic Farm Among First Recipients of Bridgeport COVID Aid," *Connecticut Post*, November 16, 2021.

²⁸ Office of Mayor Joseph P. Ganim, "City Officials to Announce ARPA Grant Awards of More Than \$5 Million to Small Businesses of Bridgeport," November 29, 2021, <https://www.bridgeportct.gov/feed-news/?FeedID=2926>

²⁹ Brian Lockhart, "Which Bridgeport Businesses are Receiving Thousands in COVID Aid?" *Connecticut Post*, December 19, 2021.

impacts from the pandemic; services to disproportionately impacted communities, public infrastructure, and revenue replacement.³⁰

Maine

The Treasury Department allocated \$997 million to the State of Maine in fiscal recovery funds.³¹

On May 4, Governor Janet Mills announced the Maine Jobs and Recovery Plan, drawing on approximately \$1 billion in ARPA funding.³² The governor's office outlined the plan as follows:

- I. Immediate Economic Recovery (\$260M)
 - Provide Recovery Grants and Loan Guarantees (\$80M)
 - Invest in Heritage Industries (\$50M)
 - Agricultural Infrastructure and Processing (\$20M)
 - Forest Products and Manufacturing (\$20M)
 - Seafood Facilities and Processing (\$10M)
 - Lower Health Care Costs for Small Businesses (\$39M)
 - Replenish the Unemployment Trust Fund (\$80M)
 - Sustain New Businesses and Entrepreneurs (\$8M)
 - Encourage Business Diversity (\$3M)
- II. Long-Term Economic Growth (\$305M)
 - Make Strategic Investments for Future Prosperity
 - Jumpstart Innovation (\$80M)
 - Launch Health Workforce Initiative (\$15M)
 - Create Clean Energy Partnerships (\$8M)
 - Establish a Domestic Trade Partnership (\$15M)
 - Expand and Strengthen Maine's Workforce
 - Attract and Retain Workers (\$18M)
 - Expand the Maine Career Exploration Program (\$28M)
 - Create the Remote Worker Welcome Program (\$5M)
 - Train Workers Through Maine's CTE's and Higher Education Systems (\$105M)
 - Advance Equity (\$8M)
 - Connect Workers to Job Opportunities (\$15M)

³⁰ City of Bridgeport, CT, "ARPA Goals and Performance Report: For Use of State and Local Fiscal Recovery Funds," December 31, 2021, https://www.bridgeportct.gov/filestorage/341650/341652/341813/374421/Performance_Report_2021.pdf

³¹ United States Department of Treasury, "Coronavirus State and Local Fiscal Recovery Funds: Allocations for States," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

³² Office of Governor Janet T. Mills, "Governor Mills Unveils Transformative Plan to Spur Economic Recovery & Achieve Long-Term Economic Growth," May 4, 2021, <https://www.maine.gov/governor/mills/news/governor-mills-unveils-transformative-plan-spur-economic-recovery-achieve-long-term-economic>

- Regulatory Reform
 - Increase Licensing Efficiency (\$8M)
- III. Infrastructure Revitalization (\$547M)
 - Build Out Family Infrastructure
 - Establish the Maine Connectivity Authority to Achieve Universally Available Broadband (\$150M)
 - Build More Affordable Housing for Maine’s Workforce (\$50M)
 - Save Money Through Energy Efficiency (\$50M)
 - Expand Child Care and Early Childhood Infrastructure (\$20M)
 - Invest in Transportation Improvements
 - Fix Maine Roads and Bridges Through the 2021 Capital Work Plan (\$50M)
 - Protect Infrastructure from Climate Change (\$20M)
 - Launch a Workforce Transportation Pilot (\$5M)
 - Expand Municipal and Public EV Charging (\$8M)
 - Invest in Outdoor Recreation and Marine Resources
 - Upgrade Maine State Parks (\$50M)
 - Bolster Fisheries and Wildlife Infrastructure (\$20M)
 - Improve Fishing Industry Infrastructure and Monitoring (\$16M)
 - Support Essential Drinking and Wastewater Projects
 - Ensure the Safety of Drinking Water (\$25M)
 - Repair Wastewater Infrastructure (\$25M)
 - Facilitate Energy Needs
 - Create Interconnection Grants (\$8M)
 - Modernize State Technology
 - Upgrade Government Systems, Accessibility and Cybersecurity Protections (\$50M)

Administration and Successful Deployment of Funds

- State ARP Audit, Controller and Program Management (\$20M)³³

Throughout the month of May, the governor toured different areas of the state to highlight some proposals in the Maine Jobs and Recovery Plan.

There was also legislative action with respect to ARPA implementation. On May 25, 2021, the Governor signed PL 2021, chapter 78, which allocated \$4.6 million to cover initial costs to plan

³³ Office of the Maine Governor, “The Maine Jobs & Recovery Plan Investing in Maine’s Families, Businesses, Communities and Future,” May 4, 2021, <https://www.maine.gov/covid19/sites/maine.gov.covid19/files/inline/files/MaineJobs%26RecoveryPlan.pdf>

and administer state and local recovery funds.³⁴ The following month, she signed legislation to create the Maine Connectivity Authority, which has the goal of achieving broadband that is affordable and universal.³⁵ On July 19, the governor signed PL 2021, chapter 483, which authorized expenditure of the ARPA funds in the state. However, because the legislative vote was less than a two-thirds majority, the law did not qualify for emergency (immediate) enactment. Instead, it would go into effect 90 days following the legislature's adjournment. There were two primary areas where the parties diverged during the bill's negotiations. First, Republicans wanted to designate \$100 million to Maine's unemployment trust fund, rather than the Democrats' proposed \$80 million. Second, the Republicans opposed requiring the use of unionized labor workers for certain affordable housing building projects. The final vote occurred mostly along party lines.³⁶

The state's July 31 interim report and August 31 recovery plan report to the Treasury Department indicated no funds had been obligated or expended.³⁷ Furthermore, the reports indicated that the State did not intend on allocating funds to revenue replacement in 2021 or beyond.

On August 25, the Maine Department of Administrative and Financial Services unveiled an online portal for municipalities to request funding through the Local Fiscal Recovery Program. This \$119 million pot was designated for local Non-Entitlement Units.³⁸ By early October, 245 municipalities received \$42.8 million in funds.³⁹

³⁴ State of Maine, "Recovery Plan: State and Local Fiscal Recovery Funds May 19, 2021 to July 31, 2021 Report," August 31, 2021, https://home.treasury.gov/system/files/136/Maine_2021-Recovery-Plan_SLT-0817.pdf

³⁵ Office of Governor Janet T. Mills, "Governor Mills Signs Legislation Establishing the Maine Connectivity Authority," June 25, 2021, <https://www.maine.gov/governor/mills/news/governor-mills-signs-legislation-establishing-maine-connectivity-authority-2021-06-25>

³⁶ Scott Thistle, "Mills Signs Bill Authorizing Spending of \$1 Billion in Federal Rescue Plan Funds," *Portland Press Herald/Maine Sunday Telegram*, July 19, 2021.

³⁷ State of Maine, "State of Maine Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001emZS/2msL2vzDGYvhzp37W3IWUG7f9quK49ukGr2HJsXhXsI>; State of Maine, "Recovery Plan: State and Local Fiscal Recovery Funds May 19, 2021 to July 31, 2021 Report," August 31, 2021, https://home.treasury.gov/system/files/136/Maine_2021-Recovery-Plan_SLT-0817.pdf

³⁸ Office of Governor Janet T. Mills, "Mills Administration Unveils Local Fiscal Recovery Program to Distribute \$119 Million in American Rescue Plan Act Funds to Maine Towns and Cities," August 25, 2021, <https://www.maine.gov/governor/mills/news/mills-administration-unveils-local-fiscal-recovery-program-distribute-119-million-american> NEUs typically serve populations of less than 50,000 people.

³⁹ Office of Governor Janet T. Mills, "Mills Administration Encourages Maine Towns and Cities to Apply for \$119 Million in Federal American Rescue Plan Act Funds," October 8, 2021, <https://www.maine.gov/governor/mills/news/mills-administration-encourages-maine-towns-and-cities-apply-119-million-federal-american>

In the first quarter of 2022, the governor announced the funding of programs pertaining to housing, childcare, and small business. In January, Maine implemented the State Property Tax Deferral Program using \$3.5 million in ARPA funds. The program covers the annual property taxes of eligible Maine residents aged 65 and older or those who are permanently disabled and unable to afford them. Once the property is sold or becomes part of an estate, the loan gets repaid.⁴⁰ Later that month, the governor publicized a \$50 million program to build more housing. MaineHousing administered the first \$10 million to build at least 150 new affordable single-family homes. The remaining monies were to be made available through the second tranche of ARPA funds.⁴¹ In February, the governor toured the University of Maine at Farmington in support of childcare investments. The University received \$1 million from the Jobs and Recovery Plan to transform an old call center into the Sweatt-Winter Child Care and Early Education Center.⁴² On March, the governor publicized the awarding of \$5 million worth of grants to 382 small businesses and non-profits across the state. The grants, which averaged \$12,700, were used for reimbursing entities for pandemic-related expenses, including interest on deferred loans, increased business costs, and capital improvements.⁴³

Maine Municipal Association

On August 4, the Maine Municipal Association (MMA) distributed a memo to municipal officials with updated ARPA information. The Maine Department of Administrative and Financial Services applied for a 30 day extension for the state's localities to receive their local recovery funds. The organization encouraged communities to complete the ARPA priorities survey. It also notified officials that the MMA had established an in-house team specifically for answering ARPA-related questions.⁴⁴ Publicly, the organization promoted communities' use of

⁴⁰ Office of Governor Janet T. Mills, "Governor Mills Announces \$3.5 Million in Lifeline Loans to Cover the Property Tax Bills of Older or Disabled Maine People," January 5, 2022, <https://www.maine.gov/governor/mills/news/governor-mills-announces-35-million-lifeline-loans-cover-property-tax-bills-older-or-disabled>

⁴¹ Office of Governor Janet T. Mills, "Governor Mills Announces \$50 Million from Maine Jobs & Recovery Plan to Expand Housing Opportunities for Maine People," January 26, 2022, <https://www.maine.gov/governor/mills/news/governor-mills-announces-50-million-maine-jobs-recovery-plan-expand-housing-opportunities>

⁴² Office of Governor Janet T. Mills, "At University of Maine Farmington, Governor Mills Highlights Investments to Expand Child Care in Maine, Increase Pay for Child Care Workers," February 16, 2022, <https://www.maine.gov/governor/mills/news/university-maine-farmington-governor-mills-highlights-investments-expand-child-care-maine>

⁴³ Office of Governor Janet T. Mills, "Governor Mills Announces \$5 Million in Maine Jobs & Recovery Grants to Support Small Businesses," March 3, 2022, <https://www.maine.gov/governor/mills/news/governor-mills-announces-5-million-maine-jobs-recovery-grants-support-small-businesses-2022-03>

⁴⁴ Memo from David Barrett, Interim MMA Executive Director to Key and Elected Municipal Officials regarding American Rescue Plan Act (ARPA) Update, August 4, 2021,

collaboration for dealing with large regional issues, including affordable housing, substance abuse, and telehealth access.⁴⁵ On October 14, the organization hosted an online ARPA housing forum. Representatives from the Maine State Housing Authority, Avesta Housing, City of Portland, and the Governor's Office all presented and answered questions.⁴⁶ The MMA has maintained an updated collection of updates and guidance for the state's localities.⁴⁷

County Role

Counties in Maine, like most other New England states, have relatively few administrative functions. Under ARPA, however, each county received an allocation ranging from \$3.3 million in Piscataquis County to \$57.3 million in Cumberland County.⁴⁸ Cumberland County, where Portland is located, was subject to extra reporting requirements due to its high population. As of July 31, the county had not obligated or expended any ARPA funds.⁴⁹ Cumberland County made a full-time job posting for a staffer to help ensure implementation compliance.⁵⁰ Stephen Gorden, chair of the Cumberland County commissioners and president of the Maine County Commissioners Association, subsequently encouraged officials to pursue partnerships while planning for projects in order to make the most of potentially combined county, municipal and state funds.⁵¹

Portland

The Treasury Department allocated \$46 million to the City of Portland in fiscal recovery funds.⁵²

https://www.memun.org/DesktopModules/Bring2mind/DMX/Download.aspx?Command=Core_Download&EntryId=15009&language=en-US&PortalId=0&TabId=204

⁴⁵ Scott Thistle, "Who's Minding the Store on COVID-19 Relief," *Kennebec Journal*, August 22, 2021.

⁴⁶ Maine Municipal Association, "MMA Hosting ARPA Housing Forum on October 14," October 14, 2021, <https://memun.org/Articles/Article-View/ArticleId/17798/MMA-Hosting-ARPA-Housing-Forum-on-October-14#.YmLmVNrMKUk>

⁴⁷ Maine Municipal Association, "American Rescue Plan Resources," <https://memun.org/Training-Resources/Local-Government/ARP-Local-Relief-Frequently-Asked-Questions>

⁴⁸ U.S. Treasury, "Fiscal Recovery Funds: State County Allocation," https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf

⁴⁹ Cumberland County, Maine "Cumberland County, Maine Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001emE9/3GHO5.9X4qiejgwOxwWMpumxBkfJE5FnI rAgjcJ8Dqs>

⁵⁰ Andrew Howard, "Awash in Federal Cash, Maine Counties Ponder Limited Ways to Spend It," *Kennebec Journal/Maine Monitor*, August 13, 2021.

⁵¹ "Maine's Overlooked Counties Urged to Think big After Hitting the Stimulus Jackpot," *Bangor Daily News* (ME), December 15, 2021.

⁵² U.S. Treasury, "Allocation for Metropolitan Cities," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>

On April 26, City Manager Jon Jennings presented the recommended FY '22 municipal budget to the mayor and Portland City Council.⁵³ The recommendation was for the use of \$8.75 million of ARPA funding for FY '22, \$5-\$6 million for FY '23, and \$2-\$3 million for FY '24 to recoup revenue losses. He stated that it should be up to the City Council to decide how to apply the \$28-\$30 million in remaining funds.⁵⁴ On July 21, the city launched an online survey to collect public feedback regarding the use of ARPA funds.

The City Council held a public forum during the September 13 meeting to receive public comments about ARPA funding. Each speaker had up to three minutes, and city staff took notes on each comment.⁵⁵ The public survey, which remained open until September 17, received responses from 2,083 participants. The most requested uses for local spending were for homeless services and affordable housing programs.⁵⁶

In the weeks following the collection of public feedback, the Finance Committee and City Council as a whole met on multiple occasions to review the public engagement results, policy priorities, and particular project requests.⁵⁷ This culminated in the November 1 City Council meeting, during which time members approved the first tranche of funding projects.⁵⁸ The following table contains the list of allocations:

⁵³ Portland has a council-manager form of government. The City Council appoints the city manager, while the mayor is popularly elected via ranked choice voting for a four year term. The manager and mayor work in consultation on the annual budget. See Portland, ME, "City Council 2021-2022," <https://www.portlandmaine.gov/132/City-Council>

⁵⁴ City of Portland Maine, "City Manager's Recommended Budget: FY '22 Budget," April 26, 2021, <https://www.portlandmaine.gov/DocumentCenter/View/31242/FY22-City-Manager-Recommended-Budget-Blue-Book-Summary?bidId=>

⁵⁵ Portland City Council Meeting Agenda, September 13, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=2975&key=-1&mod=-1&mk=-1&nov=0> Additional written public comments were also available on the google drive associated with the meeting.

⁵⁶ City of Portland, "American Rescue Plan Act Funding Survey," February 18, 2022, https://portland.civilspace.io/en/projects/american-rescue-plan-act/engagement_reports/5 The city posted an additional public survey from August 9 through September 17 for local businesses. However, the results were unavailable at the time of this writing. See City of Portland, "American Rescue Plan Act," <https://portland.civilspace.io/en/projects/american-rescue-plan-act>

⁵⁷ See Portland Finance Committee Meeting Agenda, September 30, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=3025&key=-1&mod=-1&mk=-1&nov=0>; Portland Finance Committee Meeting Minutes, October 7, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=3026&key=-1&mod=-1&mk=-1&nov=0>; Portland City Council Meeting Minutes, October 18, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=1895&key=-1&mod=-1&mk=-1&nov=0>; Portland City Council Meeting Agenda, October 25, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=3251&key=-1&mod=-1&mk=-1&nov=0>

⁵⁸ Portland City Council Meeting Minutes, November 1, 2021, <https://portlandme.civicclerk.com/Web/Player.aspx?id=1912&key=-1&mod=-1&mk=-1&nov=0>

Project	Funding
Amethyst Park Public Landing Dock	\$475,000
Behavioral Health Alternative Response Program	\$85,000
Continuation of Economic Development Programs	\$400,000
Funding to Address Childcare Needs	\$1M
Homeless Service Center	\$3.5M ⁵⁹
Housing Programs and Funding Expansion	\$1M
HVAC/Air Quality at Expo Center	\$475,000
IT Pandemic Related Expenditures	\$400,000
Kiwanis Community Pool Replacement	\$3.8M
Maine Behavioral Health/Greater Portland Health/Preble Street - Recuperative Care Program	\$565,000
Mental Health Crisis Training	\$40,000
Portland Pilots	\$300,000
Portland Public Library - Bridging the Digital Divide	\$135,000
Portland Public Library Reimbursement of COVID related expenses	\$97,000
Portland Water District - Baxter Project	\$400,000
Public Health/Social Services Facility - 39 Forest Ave Renovations and Expansion	\$750,000
Public Restrooms	\$600,000
Replacement and Adding Big Belly's and Trash Barrels	\$125,000
Tree Canopy Funding	\$250,000

Drawing on local recovery funds, the city launched a new initiative in January called the Portland Growing Child Care Grant Program. The program targeted aid to new home-based childcare businesses, small existing providers, and out of school providers, all of which served fewer than 50 children. The goal was to increase the number of slots in the city by providing financial support to these organizations. New businesses were eligible for grants of up to \$15,500, while existing ones could receive up to \$11,000.⁶⁰ In March, the city expanded the program, allowing for providers that served up to 75 children.⁶¹

⁵⁹ Portland also received \$3 million in county-level ARPA funding for the homeless service center. See "Federal Recovery Money Already Committed to Fighting Homelessness and the Housing Crisis in Maine," *Kennebec Journal* (Augusta, ME), February 7, 2022.

⁶⁰ The City of Portland, ME, "City of Portland Announces New Child Care Business Grants," January 5, 2022, <https://www.portlandmaine.gov/civicalerts.aspx?aid=6208>

⁶¹ The City of Portland, ME, "City Expands Eligibility Requirements for Portland Growing Child Care Grant Program," March 3, 2022, <https://www.portlandmaine.gov/civicalerts.aspx?aid=6199>

Massachusetts

The Treasury Department allocated \$5.3 billion to the Commonwealth of Massachusetts in fiscal recovery funds.⁶²

In June, a debate between the Baker Administration and the legislature commenced regarding matters of authority and management of recovery funds. The house speaker and senate president proposed the creation of a “segregated” fund in order to maintain a “robust legislative process.” The governor expressed the proposal would unnecessarily slow down the distribution of funds. Of particular interest, \$100 million of additional aid for the communities of Methuen, Chelsea, Revere, and Randolph. Senators Elizabeth Warren and Ed Markey both urged the legislature to release this portion of funds.⁶³ On June 4, the funds were released to the four localities.⁶⁴ On June 15, the state launched the Massachusetts VaxMillions Vaccine Lottery Program.⁶⁵

On June 17, the administration released an initial \$2.8 billion proposal for the use of state fiscal funds. Portions of the plan are highlighted below:

I. Housing

- Expanding homeownership opportunities (\$300M)
- MassHousing’s CommonWealth Builder Program and similar efforts to support housing production (\$200M)
- Increased rental housing production (\$200M)
- Increased senior and veteran housing production (\$300M)

II. Economic Development

- Downtown development (\$100M)
- Investments and regional collaboration to support downtowns (\$250M)
- Culture and tourism (\$100M)

III. Workforce Development

⁶² United States Department of Treasury, “Coronavirus State and Local Fiscal Recovery Funds: Allocations for States,” <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

⁶³ Christian M. Wade, “Federal Aid Squabbles Begin on Beacon Hill” *The Eagle-Tribune* (Lawrence, MA), June 2, 2021. The four localities received their designated local recovery funds, but officials found that the federal formula yielded lower than expected allocations.

⁶⁴ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Baker-Polito Administration Announces \$109 Million in Direct Federal Aid for Four Communities,” June 4, 2021, <https://www.mass.gov/news/baker-polito-administration-announces-109-million-in-direct-federal-aid-for-four-communities>

⁶⁵ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Commonwealth Launches “Mass VaxMillions” Vaccine Lottery Program,” June 15, 2021, <https://www.mass.gov/news/commonwealth-launches-mass-vaxmillions-vaccine-lottery-program>

- Job training (\$240M)
- Workforce credentials (\$150M)
- English language instruction and adult basic education (\$35M)
- Work readiness and essential skills (\$25M)

IV. Health Care

- Fiscally stressed hospitals (\$50M)
- Addiction treatment and behavioral health (\$175M)

V. Infrastructure Investment

- Water and sewer infrastructure (\$400M)
- Other environmental infrastructure; (\$300M)
- State park facilities; (\$100M)
- Broadband internet access (\$100M)⁶⁶

The governor filed the proposal as an amendment to the legislation administering the recovery funds.⁶⁷ His objective was to give both branches control over the spending priorities.⁶⁸ Legislators rejected the amendment five days later in a party line vote.⁶⁹ Legislative leaders announced that they were in the process of planning a series of public hearings regarding the use of ARPA funds.⁷⁰ On June 28, the governor signed off on the legislation, which transferred \$5.1 billion in federal recovery funds to the Federal COVID-19 Response Fund, overseen by the legislature.⁷¹ He urged legislators to act on his proposal, with the addition of \$100 million for marine port development (\$2.9 billion in total spending).⁷² The legislature set aside \$200 million

⁶⁶ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Baker-Polito Administration Announces Plan to Invest \$2.8 Billion in Federal COVID-19 Funding to Support Economic Recovery, Communities Hit Hardest by Pandemic,” June 17, 2021, <https://www.mass.gov/news/baker-polito-administration-announces-plan-to-invest-28-billion-in-federal-covid-19-funding-to-support-economic-recovery-communities-hit-hardest-by-pandemic>

⁶⁷ See M.A. Gen. Court. H. 3227 Reg. Sess. 192nd 2021-2023 (2021), <https://malegislature.gov/Bills/192/H3827/BillHistory>

⁶⁸ Matt Murphy, “Baker to Lawmakers: Start Spending American Rescue Plan Funds Now,” *Cape Cod Times*, June 19, 2021.

⁶⁹ Nick Stoico, “Legislature Rejects Baker’s Spending Plan for \$2.8b in Federal COVID Funds,” *Boston Globe*, Jun 23, 2021.

⁷⁰ Katie Lannan, “In Disagreement Over How to Spend COVID Relief, Mass. Lawmakers Ditch Gov. Baker’s \$2.8 Billion Plan to Infuse Economy,” *The Republican* (Springfield, MA), June 25, 2021.

⁷¹ MA General Assembly, Bill H.3827, “An Act Relative to Transferring Federal Funds to the Federal COVID-19 Response Fund,” (2021), <https://malegislature.gov/Bills/192/H3827/BillHistory?pageNumber=1>

⁷² Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Baker-Polito Administration Files Plan to Invest \$2.9 Billion in Federal COVID-19 Funding to Support Economic Recovery, Communities Hit Hardest by Pandemic,” June 28, 2021, <https://www.mass.gov/news/baker-polito-administration-files-plan-to-invest-29-billion-in-federal-covid-19-funding-to-support-economic-recovery-communities-hit-hardest-by-pandemic>; Steph Solis, “Mass. Gov. Charlie Baker is Transferring Bulk of Federal Aid to

for the administration for emergency needs. Groups from across the political spectrum called on House and Senate leaders to exercise transparency in their deliberations concerning the spending of funds.

On July 19, the administration announced the following \$186 million investment plan:

- I. Health Care
 - Workforce development in health and human services (\$55M)
 - Fiscally distressed hospitals (\$50M)
 - Psychiatric acute facilities (\$31M)
- II. Workforce
 - Job training in critical areas- including advanced manufacturing, health care, information technology, and construction (up to \$50M)⁷³

The Joint Committee on Ways and Means and the House Committee on Federal Stimulus and Census Oversight held its first public hearing on July 20. Governor Baker provided an overview of his \$2.9 billion spending proposal and urged lawmakers to approve it. House Ways and Means Chair Aaron Michlewitz responded, “I don’t want to drill down too much into the specifics of the pieces that you put in because I think we’re gonna have a number of hearings and robust discussions on those with some of your Cabinet members.”⁷⁴ The second hearing, focusing on workforce development, took place one week later. Speakers included representatives of business and labor groups, and administration officials. Labor and community organizations also held a rally outside the state house advocating initiatives including retroactive essential worker hazard pay, funds for housing, and a state match for the federal child tax credit.⁷⁵

The state’s July 31 interim report and August 31 recovery plan report to the Treasury Department indicated that \$109 million had been allocated and expended for the Aid to Disproportionately Impacted Communities (Chelsea, Everett, Methuen, Randolph). Additional funds were allocated (and partially spent) for the COVID-19 Temporary Emergency Paid Sick Leave Program (\$75 million) and the VaxMillions Giveaway (\$10 million).⁷⁶

Legislative Control, But Now Comes the Fight Over How It’s Spent,” *The Republican* (Springfield, MA), June 28, 2021.

⁷³ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Baker-Polito Administration to Invest \$186 Million in Federal COVID-19 Funding for Critical Health Care and Workforce Priorities,” July 19, 2021, <https://www.mass.gov/news/baker-polito-administration-to-invest-186-million-in-federal-covid-19-funding-for-critical-health-care-and-workforce-priorities>

⁷⁴ Colin A Young, “It Will be Months Before State Leaders Determine How to Spend Pandemic Relief Funds,” *Sentinel & Enterprise* (Fitchburg, MA), July 21, 2021.

⁷⁵ Jasper Goodman, “In Hearing, State Officials Push for Stimulus Spending,” *Boston Globe*, Jul 28, 2021.

⁷⁶ Commonwealth of Massachusetts, “State of Connecticut Interim Report,” July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001eyma/upGkefuidkUyV6RZdZeIQOZgi6t.KdoV51>

On August 2, the administration visited the St. Therese parish housing in Everett, which was supported by the Commonwealth Builder program. The governor pressed for the legislature to direct ARPA funds to the initiative in order to increase homeownership opportunities.⁷⁷

The legislative committees held another public hearing on September 9. Senior administration figures spoke about housing, economic development, the environment, and transportation.⁷⁸ The next hearing took place 12 days later, focused largely on public health. Participants discussed nursing facility staffing shortages and food insecurity.⁷⁹ By late September, the *Boston Herald* had determined that Massachusetts was in the bottom 20 in terms of distributing recovery funds.⁸⁰ The fifth ARPA hearing took place on October 1 and centered on education spending.⁸¹

On October 25, the house leaders revealed their \$3.65 billion proposal for spending the ARPA money. Highlights included: Housing (\$600 million), environment and climate change mitigation (\$350 million), economic development (\$777 million), workforce (\$750 million), health and human services (\$765 million), and education (\$265 million). This included \$500 million for the state's unemployment trust fund and another \$500 million in bonuses for low and middle income essential workers.⁸² The Senate's proposal, released on November 3, contained largely similar provisions. However, the Senate version had different procedures for administering essential worker bonuses, greater funding for behavioral health initiatives and local public health agencies, and some additional policy proposals.⁸³ Despite previously expressed optimism that a bill would be signed by Thanksgiving, there was no compromise

[G.41LVt1k](#); Commonwealth of Massachusetts, "State Fiscal Recovery Funds Recovery Plan Performance Report," August 2021, https://home.treasury.gov/system/files/136/Massachusetts_2021-Recovery-Plan_SLT-3324.pdf

⁷⁷ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, "Baker-Polito Administration Visits Homeownership Project in Everett, Highlights \$1 Billion Housing Plan Using Federal Funds," August 2, 2021, <https://www.mass.gov/news/baker-polito-administration-visits-homeownership-project-in-everett-highlights-1-billion-housing-plan-using-federal-funds>

⁷⁸ Christian M. Wade, "Lawmakers Hear More Pitches for Fed Relief Money," *Gloucester Daily Times* (MA), September 10, 2021.

⁷⁹ Matt Murphy, "ARPA Revenue Eyed to Fill Widening Gaps in Health Care," *Nashoba Valley Voice* (MA), September 22, 2021.

⁸⁰ Erin Tiernan, "State Sitting on Billions - \$4.9B in COVID Relief Money Languishes While the 'Clock is Ticking' *Boston Herald*, September 29, 2021.

⁸¹ Note: Education funds arrived largely through ESSER, rather than state and local recovery funds. Chris Lisinski, "Massachusetts Schools Sitting Large Pot of Federal COVID Relief Funds," *The Republican* (Springfield, MA), October 2, 2021.

⁸² Matt Murphy, "Mass. Lawmakers Unveil \$3.65 Billion Plan to Spend Most of Surplus, Majority of ARPA Money," *The Republican* (Springfield, MA), October 25, 2021.

⁸³ Matt Stout, "Senate Releases \$3.66b Package," *Boston Globe*, Nov 4, 2021.

proposal available at that time.⁸⁴ At a virtual statewide meeting of municipal officials, Governor Baker encouraged leaders to start planning the spending of their own local recovery funds despite the uncertainty at the state level.⁸⁵ On November 18, the governor criticized legislators for going on their seven week recess without passing a deal: “We’re basically stuck in neutral...I can’t tell you how frustrated I am.”⁸⁶ On December 3, the governor received the compromise proposal.⁸⁷ Despite his concerns regarding red tape, the governor signed the legislation on December 13. The \$4 billion plan contained \$2.55 billion from ARPA state recovery funds and \$1.45 billion in 2021 in state surplus fiscal funds. The final version included spending in the following areas: Housing (\$595 million), health care (\$948 million), workforce development (\$1.1 billion), economic development (\$210 million), infrastructure (\$410 million), and education (\$305 million). He vetoed a section pertaining to the \$500 million Essential Worker Premium Pay Fund (part of workforce development) with the goal of reducing delays in distributing payments. The signed bill also contained 843 earmarks totaling \$347 million.⁸⁸

During a statewide virtual January event, legislators stated that they did not want to rush into spending the remaining \$2.3 billion in state recovery funds. Instead, they wanted to see how the governor would implement the program already on the books. Representative Dan Hunt, Chair of the House Committee on Federal Stimulus and Census Oversight, said that legislators intended to seek out further public input, although he was not certain whether this would entail additional public hearings.⁸⁹

In February, the governor renewed his call to municipalities to move swiftly in allocating their funds. Localities including Lynn, Lawrence, Gloucester, Peabody, and Methuen received additional funds thanks to the federal government’s newly expanded definition of “entitlement” community.⁹⁰ Cities and towns around the state had been hesitant to spend

⁸⁴ Erin Tierney, “Massachusetts Lawmakers Miss Deadline for ARPA Deal, Break for Holidays,” *Sentinel & Enterprise* (Fitchburg, MA), November 18, 2021.

⁸⁵ Meg McIntyre, “Waiting for State, Locals Engaging Residents on ARPA Money,” *Daily Hampshire Gazette* (Northampton, MA), November 20, 2021.

⁸⁶ Matt Stout, “Baker Scolds Lawmakers for not Reaching a Spending Deal,” *Boston Globe*, November 19, 2021.

⁸⁷ Chris Van Buskirk, “Gov. Baker Gets Much Larger ARPA Bill than he Filed,” *The Patriot Ledger* (Quincy, MA), December 3, 2021.

⁸⁸ Office of Governor Charlie Baker and Lt. Governor Karyn Polito, “Governor Baker Signs \$4 Billion Federal COVID-19 Relief Funding Spending Bill,” December 13, 2021, <https://www.mass.gov/news/governor-baker-signs-4-billion-federal-covid-19-relief-funding-spending-bill>; Matt Stout, “Baker Signs COVID Package: Alters Provision for Bonus Payouts,” *Boston Globe*, Dec 14, 2021.

⁸⁹ Colin A. Young, “Lawmakers Eyeing Baker’s Moves on ARPA Funds,” *The Berkshire Eagle* (Pittsfield, MA), January 26, 2022.

⁹⁰ Christian M. Wade, “Local Governments Weigh Plans to Spend APRA Funds,” *The Eagle-Tribune* (Lawrence, MA), February 6, 2022.

funds while waiting to see how things would roll out at the state level.⁹¹ That same month, the administration announced that about 500,000 low-income workers would receive \$500 bonuses in March from the COVID-19 Essential Worker Premium Pay Fund.⁹²

The Massachusetts Office of the Inspector General offered the first of four available trainings to professionals on using ARPA funds.⁹³

County Role

The five Massachusetts functional counties (Norfolk, Bristol, Plymouth, Barnstable, and Dukes) received a total of \$393 million in direct recovery funds.⁹⁴ Geoff Beckwith, Executive Director of the Massachusetts Municipal Association encouraged municipal officials to have conversations with their county-level counterparts.⁹⁵ The eight remaining abolished counties along with Nantucket received a total of \$946 million. Those funds were redistributed to the associated municipalities.⁹⁶ In September, officials from four of the functional counties decided to collaborate on a single system to administer ARPA funds.⁹⁷

Massachusetts Municipal Association

The Massachusetts Municipal Association provided support to localities through a series of online trainings that largely drew on the expertise of various state and local officials. On April 21, the Massachusetts Municipal Association (MMA) co-hosted a webinar with the National League of Cities (NLC) regarding indirect aid to municipalities (e.g. sections of ARPA apart from local recovery funds).⁹⁸ The two organizations co-hosted another session a month later

⁹¹ Colin A. Young, "Lawmakers Eyeing Baker's Moves on ARPA Funds," *The Berkshire Eagle* (Pittsfield, MA), January 26, 2022.

⁹² Alison Kuznitz, "Massachusetts to Send \$500 Payments to 500,000 Essential Workers Next Month," *The Republican* (Springfield, MA), February 8, 2022.

⁹³ Office of the Inspector General - Massachusetts Certified Public Purchasing Official Program (MCPPO), <https://www.mass.gov/service-details/american-rescue-plan-act-arpa-training>

⁹⁴ Memorandum from Heath Fahle, A&F FFO to Municipal Chief Executives Regarding ARPA Coronavirus Local Fiscal Recovery Fund – County Reallocations, August 9, 2021, <https://www.mass.gov/doc/county-reallocations/download>

⁹⁵ Matt Murphy, "Rescue Act Steers Nearly \$400 Million to Mass. Counties," *The Herald News* (Fall River, MA), April 1, 2021.

⁹⁶ Massachusetts Executive Office for Administration and Finance, "About COVID-19 Federal Funds," <https://www.mass.gov/info-details/about-covid-19-federal-funds>

⁹⁷ Wheeler Cowperthwaite, "Three Counties Join Plymouth to Administer \$389 Million in Federal Funds," *The Patriot Ledger* (Quincy, MA), September 21, 2021.

⁹⁸ Massachusetts Municipal Association, "ARPA Includes Numerous Funding Streams in Addition to Direct Local Aid," April 21, 2021, <https://www.mma.org/nlc-panel-explores-range-of-arpa-funding-streams/>

pertaining to the allocations and administrative procedures for handling local funds.⁹⁹ In June, the MMA hosted webinars regarding the latest developments for municipalities, reimbursement timelines, and developing multiyear projects.¹⁰⁰ The organization subsequently held sessions covering reporting requirements for metropolitan cities, non-entitlement units of government, and answered questions.¹⁰¹ In February, the MMA hosted a webinar regarding changes to the Treasury Department's final rule.

Boston

The Treasury Department allocated \$558 million to the City of Boston in fiscal recovery funds.¹⁰²

In March, Mayor Kim Janey allocated \$50 million (\$36 million from local ARPA money) to Boston's rental relief fund. Individuals receiving funding could use it for a variety of purposes such as moving costs, security deposits, and other living expenses.¹⁰³

The 2021 interim report to the Treasury Department indicated that the city had obligated \$55 million in revenue replacement funds and expended \$996,000 for small business economic assistance. The city intended to use revenue replacement funds for government services and post-COVID recovery efforts.¹⁰⁴ In addition to obligated and expended funds, the recovery plan report outlined \$157 million worth of funds authorized by the Boston City Council. Such funds

⁹⁹ Massachusetts Municipal Association, "NLC, State Officials Explain Treasury's ARPA Guidance," May 20, 2021, <https://www.mma.org/mma-hosts-nlc-state-officials-to-explain-treasurys-arpa-guidance/>

¹⁰⁰ Massachusetts Municipal Association, "MMA Hosts Webinar on CARES Extension and ARPA Process," June 10, 2021, <https://www.mma.org/mma-hosts-webinar-on-cares-extension-and-arpa-process/>; Massachusetts Municipal Association, "MMCA Discusses Uses of ARPA Funds," June 30, 2021, <https://www.mma.org/mmca-discusses-uses-of-arpa-funds/>

¹⁰¹ Massachusetts Municipal Association, "State Officials Explain ARPA Reporting Requirements for Metropolitan Cities," August 11, 2021, <https://www.mma.org/state-officials-explain-arpa-reporting-requirements-for-metropolitan-cities/>; Massachusetts Municipal Association, "State Officials Explain ARPA Reporting Requirements for NEUs," September 29, 2021, <https://www.mma.org/state-officials-explain-arpa-reporting-requirements-for-neus/>

¹⁰² Boston received \$424 million in direct funding for entitlement communities, plus the \$134 million state pass-through county allocation. See U.S. Treasury, "Allocation for Metropolitan Cities," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf> and Commonwealth of Massachusetts, Executive Office for Administration and Finance, "COVID-Related Federal Funds in Massachusetts Cities and Towns," <https://www.mass.gov/service-details/covid-related-federal-funds-in-massachusetts-cities-and-towns>

¹⁰³ Sean Philip Cotter, "Rental Relief Fund gets \$50M Boost - City Expands Uses," *Boston Herald*, March 31, 2021.

¹⁰⁴ City of Boston, "City of Boston Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001elri/d37aSPH79Ivpqg7YFEbm14WfEN0Y3hFlrUOv8UPW33U>

encompassed the areas of public health, negative economic impacts, services to disproportionately impacted communities, and administration.¹⁰⁵

On August 10, the mayor announced the formation of a virtual listening tour and task force for gaining public feedback on the following topics:

- Affordable homeownership
- Supporting small businesses
- Substance use disorders
- Access to internet and career training
- Career training for quality jobs
- Quality jobs and childcare.¹⁰⁶

Additional listening sessions were added regarding immigrant advancement, the arts sector, and food insecurity.¹⁰⁷ The city later reported that more than 600 attendees participated in the issue-specific meetings, while more than 500 people responded to an online survey.¹⁰⁸

That same day the mayor announced her \$50 million emergency relief plan, which included investments in public health (\$10 million), communities most impacted by COVID-19 (\$10 million), economic impact of the pandemic on food access, housing, arts, culture and tourism (\$14.5 million), and small business relief (\$15.5 million).¹⁰⁹

¹⁰⁵ City of Boston, “American Rescue Plan Act: Annual Recovery Plan; State and Local Fiscal Recovery Funds,” August 31, 2021, https://home.treasury.gov/system/files/136/Boston_2021-Recovery-Plan_SLT-0542.pdf

¹⁰⁶ Office of Boston Mayor Kim Janey, “Community Engagement Launched For Boston’s Use of American Rescue Plan Act Federal Funding,” August 10, 2021, <https://www.boston.gov/news/community-engagement-launched-bostons-use-american-rescue-plan-act-federal-funding>

¹⁰⁷ Mayor’s Office for Immigrant Advancement, “ARPA Funds Listening Session,” September 21, 2021, https://www.boston.gov/sites/default/files/file/2021/11/ARPA%20Listening%20Session_Immigrants%20Advancement.pdf; City of Boston, “Let’s Go Better Listening Session: Arts Sector,” September 22, 2021, https://www.boston.gov/sites/default/files/file/2021/11/ARPA%20Listening%20Session_Arts.pdf; City of Boston, “Let’s Go Better: Food Access,” October, 2021, https://www.boston.gov/sites/default/files/file/2022/01/ARPA%20Listening%20Session_Local%20Food%20Access_102021.pdf

¹⁰⁸ City of Boston, “Let’s Go Better Listening Campaign: What We Heard from Residents on Boston’s ARPA Federal Funds,” March 2022, https://drive.google.com/file/d/14fDziu_IVPw3fkpFtEAnRQ2FCgPIbEoj/view

¹⁰⁹ Office of Boston Mayor Kim Janey, “Mayor Janey Proposes \$50 Million Emergency Relief Plan, Funded Through the American Rescue Plan,” August 10, 2021, <https://www.boston.gov/news/mayor-janey-proposes-50-million-emergency-relief-plan-funded-through-american-rescue-plan>

The city opened up grant applications in September for the arts community called Reopen Creative Boston. Organizations had the opportunity to apply for grants of up to \$50,000 for reopening and restarting programs.¹¹⁰

In October, the mayor's office awarded \$2.2 million worth of grants from the Food Sovereignty and Community Grants program to 39 local non-profit organizations. These grants supported the distribution of Community Supported Agriculture (CSA) boxes and assisting organizations with increasing quality food access.¹¹¹ Later that month, mayor Janey announced that the City Council authorized \$3 million in ARPA funds for the Cabinet of Environment, Energy and Open Space, in support of the green economy.¹¹²

A new administration took office in the new year. Mayor Michelle Wu collaborated with the City Council and MBTA to implement an \$8 million two-year pilot program making three bus lines fare-free.¹¹³ In April, the city added \$5 million into the Small Business Relief Fund, which re-opened the grant process. Small businesses had the opportunity to apply for two types of grants (up to \$10,000 each): relief (outstanding debts) and growth (new tools, technology, personnel, etc.).¹¹⁴

The Pew Charitable Trusts found that compared with other large cities, Boston was able to spend ARPA funds proactively on policy priorities rather than strictly on making up for revenue loss. This was made possible thanks to a stable stream of property tax revenue.¹¹⁵

New Hampshire

The Treasury Department allocated \$995 million to the State of New Hampshire in fiscal recovery funds.¹¹⁶

¹¹⁰ Office of Boston Mayor Kim Janey, "More Than \$3 Million in Funding Available For Arts Organizations," September 1, 2021, <https://www.boston.gov/news/more-3-million-funding-available-arts-organizations>

¹¹¹ Office of Boston Mayor Kim Janey, "Grantees of Food Sovereignty and Community Grants Announced," October 14, 2021, <https://www.boston.gov/news/grantees-food-sovereignty-and-community-grants-announced>

¹¹² Office of Boston Mayor Kim Janey, "Youth Green Jobs Training Program Announced," October 27, 2021, <https://www.boston.gov/news/youth-green-jobs-training-program-announced>

¹¹³ Office of Boston Mayor Michelle Wu, "Mayor Wu Takes Steps To Expand Fare-Free Bus Service," January 19, 2022, <https://www.boston.gov/news/mayor-wu-takes-steps-expand-fare-free-bus-service>

¹¹⁴ City of Boston, "Small Business Relief Fund 2.0," March 1, 2022, <https://www.boston.gov/departments/economic-development/small-business-relief-fund>

¹¹⁵ See Emma Platoff, "COVID Aid Will Help Fund Wu's Vision: Infusion of Cash will be Steered to Housing, Transit," *Boston Globe*, March 10, 2022.

¹¹⁶ United States Department of Treasury, "Coronavirus State and Local Fiscal Recovery Funds: Allocations for States," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

In June, 2021, oversight for most ARPA expenditures moved from the executive branch to the legislature's Joint Legislative Fiscal Committee. State agencies submitted their funding requests directly to the Committee.¹¹⁷

The 2021 interim report and recovery plan contained \$25.2 million in obligations across the following areas: Unemployment benefits (\$5 million), revenue replacement (\$16.7 million), and administrative expenses (\$3.5 million). Of this amount, \$5 million had been expended by July 31.¹¹⁸

By early August, approximately one-third of non-metropolitan New Hampshire municipalities had not applied to the state for ARPA recovery funds. Governor Sununu encouraged communities to take advantage of the dollars available to them.¹¹⁹ Margaret Burns, Executive Director of the New Hampshire Municipal Association, advised localities to accept funds, even in the absence of a written plan.¹²⁰ Nearly all of the state's cities and towns agreed to take the funds.¹²¹

New Hampshire plus 12 other states had sued the Treasury Department over ARPA provision limiting the use of the funds to cut taxes. In November, the United States District Court for the Northern District of Alabama granted a permanent injunction favoring the 13 states regarding their tax cut plans.¹²²

The Governor's Office for Emergency Relief and Recovery released a report containing a spending overview by category on December 29. The following fiscal items had been approved:

- I. Administrative Assistance (\$12.6M)
- II. Affordable Housing Assistance (\$1.5M)

¹¹⁷ New Hampshire Fiscal Policy Institute, "Nearly 20 Percent of State's New Flexible Federal Funds Have Been Appropriated," September 1, 2021, <https://nhfpi.org/blog/nearly-20-percent-of-states-new-flexible-federal-funds-have-been-appropriated/>

¹¹⁸ State of New Hampshire, "State of New Hampshire Interim Report," July 31, 2021, https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001elmK/R3Um5Hd9sCtF5.nT6Dsi_2f6CN726qSEs4qMcSgK.Z8; State of New Hampshire, "The State of New Hampshire Recovery Plan: State Fiscal Recovery Funds 2021 Report," 2021, https://home.treasury.gov/system/files/136/New-Hampshire_2021-Recovery-Plan_SLT-1811.pdf

¹¹⁹ Kevin Landrigan, "Time Short for Towns to Apply for Money - Some \$20 Million in 2021-2022 COVID-related Federal Grants is Still Available," *New Hampshire Union Leader*, August 9, 2021.

¹²⁰ Annmarie Timmins, "'It's Wicked Confusing': Dozens of Towns Have Not Filed Paperwork to Receive Relief Funds," *Argus-Champion* (New London, NH), August 14, 2021.

¹²¹ Community Development Finance Corporation, "99% of New Hampshire Cities and Towns Accept Coronavirus State and Local Fiscal Recovery Funds," August 24, 2021, <https://nhcdfa.org/99-of-new-hampshire-cities-and-towns-accept-coronavirus-state-and-local-fiscal-recovery-funds/>

¹²² Office of Governor Chris Sununu, "NH Prevails in Fight Against Feds Over Cutting Taxes," November 16, 2021, <https://www.governor.nh.gov/news-and-media/nh-prevails-fight-against-feds-over-cutting-taxes>

- III. Broadband and Cybersecurity (\$30.7M)
- IV. Clean Energy Investment (\$.3M)
- V. COVID-19 Testing (\$12M)
- VI. Economic Development (\$28M)
- VII. Enhanced Healthcare Capacity (\$40.6M)
- VIII. First Responder Support (\$18.7M)
- IX. Legal and Victim Services (\$8.5M)
- X. Mental Health/Behavioral Health (\$52.8M)
- XI. PFAS Remediation (\$25M)
- XII. Public Water Investments (\$76.5M)
- XIII. Vaccine Distribution (\$4.7M)
- XIV. Ventilation Improvements (\$28.4M)
- XV. Wastewater and Drinking Water Investment (\$50M)
- XVI. Wetland/Wildlife Protection (\$.56M)
- XVII. Workforce Development (\$19.5M)¹²³

In February, Governor Sununu proposed dedicating \$100 million in ARPA funds for housing. This included \$60 million to flexible matching grants for developers building multifamily housing units, \$30 million for municipalities to expedite permitting, and \$10 million to demolish vacant and dilapidated buildings.¹²⁴

The New Hampshire Fiscal Policy Institute found that of the \$995 million allocated to the state government, about 42% had been appropriated by March.¹²⁵

New Hampshire Municipal Association

The New Hampshire Municipal Association (NHMA) collaborated with state organizations to provide a series of ARPA virtual informational sessions. On June 16, The NHMA partnered with the Governor's Office for Emergency Relief and Recovery for a webinar concerning information regarding the local fiscal recovery fund for Non-Entitlement Units of local government.¹²⁶ The following month, the organization partnered on a virtual resources and

¹²³ "New Hampshire State Fiscal Recovery Fund Program Obligations Approved Fiscal Items," December 29, 2021, <https://www.goferr.nh.gov/sites/g/files/ehbemt366/files/inline-documents/2021-12/2021-nh-fiscal-recovery-fund-obligations.pdf>

¹²⁴ Holly Ramer, "Sununu Touts Successes, Calls for Rejection of Extremism," *Associated Press State Wire: New Hampshire*, February 17, 2022; Ethan DeWitt, "Advocates Say \$100 Million Could Help Grease Wheels for More Affordable Housing," *Manchester Ink Link (NH)*, February 18, 2022.

¹²⁵ New Hampshire Fiscal Policy Institute, "About \$578 Million Remain of the State's Flexible Federal Funds to Support an Equitable Recovery," March 10, 2022, <https://nhfpi.org/resource/about-578-million-remain-of-the-states-flexible-federal-funds-to-support-an-equitable-recovery/>

¹²⁶ The New Hampshire Governor's Office for Emergency Relief and Recovery in partnership with the New Hampshire Municipal Association, "Local Fiscal Recovery Fund: Key Information and Processes," June 16, 2021, https://www.nhmunicipal.org/sites/default/files/uploads/goferr_webinar_2021-06-17_0.pdf

information fair with Senator Jeanne Shaheen’s Office, the Community Development Finance Authority, NH Association of Counties, NH Charitable Foundation, and the NH Center for Nonprofits. The purpose was to share information about ARPA implementation and spur collaboration.¹²⁷ In January, the NHMA held a webinar regarding the State and Local Fiscal Recovery Funds Final Rule.¹²⁸

The organization compiled an “ARPA at a Glance” information pamphlet online.¹²⁹

The NHMA has maintained an ongoing partnership with the National Collaborative for Digital Equity to assist communities that wanted to improve their broadband access. Interested localities had the opportunity to apply local recovery funds to this collaborative effort.¹³⁰

County Role

New Hampshire counties received a total ARPA allocation of \$263.7 million.¹³¹

The New Hampshire Association of Counties worked with the Dupont Group, a Concord-based government affairs consulting firm, on planning the implementation of recovery funds.¹³² Dupont Group President James Monahan said that staff recruitment and retention was a major priority, particularly with respect to nursing staff at county nursing homes and corrections staff at county jails.¹³³

¹²⁷ New Hampshire Municipal Association in partnership with the New Hampshire Association of Counties, New Hampshire Charitable Foundation, Senator Jeanne Shaheen, and the Community Development Finance Agency, “ARPA Resource & Information Fair Session Recording,” July 26, 2021, <https://www.youtube.com/watch?v=oKxmH2ffOzQ>

¹²⁸ New Hampshire Municipal Association, “Coronavirus State & Local Fiscal Recovery Funds Final Rule,” January 27, 2022, https://www.nhmunicipal.org/sites/default/files/uploads/documents/1.27.2022_-_cslfrf_final_rule_webinar_questions_and_answers.pdf

¹²⁹ New Hampshire Municipal Association, “ARPA at a Glance,” August 23, 2021, <https://documentcloud.adobe.com/link/track?uri=urn%3Aaaid%3Aascds%3AUS%3Af9125672-486b-4161-814e-9874ed6ce1e0#pageNum=1>

¹³⁰ New Hampshire Municipal Association, “Broadband Planning Network Opportunity,” <https://www.cognitoforms.com/NewHampshireMunicipalAssociation/BroadbandPlanningNetworkOpportunity>

¹³¹ U.S. Treasury, “Fiscal Recovery Funds: State County Allocation,” https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf

¹³² See NH Association of Counties Executive Committee Meeting Minutes, September 10, 2021, https://www.nhcounties.org/files/ugd/2d2e8b_ba84a0f361384f6cafb48e5c56550924.pdf and October 1, 2021, https://www.nhcounties.org/files/ugd/2d2e8b_c4013704c306410dacd974457cc5fa67.pdf

¹³³ Michael Kitch, “How are New Hampshire Municipalities, Counties Going to Spend ARPA Windfall?” *NH Business Review*, August 31, 2021, <https://www.nhbr.com/how-are-new-hampshire-municipalities-counties-going-to-spend-arpa-windfall/>

Hillsborough County, the largest in the state and where both Manchester and Nashua are based, received an allocation of \$81 million.¹³⁴ As of July 31, the county had not obligated or expended any ARPA funds.¹³⁵ The Hillsborough County website contained a two-phase strategy for allocating funds. First, an internal needs assessment for funding pandemic response and strategic investments in infrastructure and services. Second, an external needs assessment that incorporated mechanisms of community engagement (e.g., surveys and public meetings).¹³⁶

Manchester

The Treasury Department allocated \$43.3 million to the City of Manchester in fiscal recovery funds.¹³⁷

The city aldermen unanimously accepted receipt of the funds on March 16.¹³⁸ Two days later, Mayor Joyce Craig launched a survey for residents to collect feedback on the use of ARPA funds.¹³⁹ The online survey, which remained open until May 6, received 159 responses. These responses fell into the following categories:

- Infrastructure/Recreation/Transportation (31.6%)
- Housing/Homelessness (27.9%)
- Downtown/Business/Events (10.2%)
- Education (10.2%)
- Financial (7%)
- Health (6.5%)
- Other (6.5%)¹⁴⁰

On July 2, the administration released the following set of funding recommendations:

¹³⁴ U.S. Treasury, "Fiscal Recovery Funds: State County Allocation,"

https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf

¹³⁵ Hillsborough County, New Hampshire "Hillsborough County, New Hampshire Interim Report," July 31, 2021, https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001eIY/TnYUewkma.hniR_9N6An0w0MWPiudnKG_r89i1LmjswU

¹³⁶ Hillsborough County, New Hampshire, <http://hcnh.org/AmericanRescuePlan>

¹³⁷ U.S. Treasury, "Allocation for Metropolitan Cities,"

<https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>

¹³⁸ Paul Feely, "Aldermen Accept \$44M in American Rescue Plan Funds," *New Hampshire Union Leader*, March 17, 2021.

¹³⁹ Office of Mayor Joyce Craig, "How would you Spend \$44 Million to Make the City Better?" *Manchester Ink Link* (NH), March 18, 2021.

¹⁴⁰ Office of Mayor Joyce Craig, City of Manchester American Rescue Plan Act Funding Recommendations, July 2, 2021,

https://www.manchesternh.gov/Portals/2/Departments/elected_officials/mayor/press_room/ARP%20Recommendations.pdf?ver=2021-07-02-113207-393

- I. Services to Impacted Communities
 - a. Community Health and Violent Crime Reduction Program (\$13.6 million)
 - b. Manchester Healthy Eating Active Living (HEAL) Initiative (\$1 million)
 - c. Affordable Housing Trust Fund (\$3 million)
 - d. Newborn Home Visit Program (\$1.1 million)
 - e. Director of Homelessness Initiatives (\$711,000)
- II. Addressing Negative Economic Impacts
 - a. Job Resource Coaching and Higher Education Partnership (\$3 million)
 - b. Small Business Grants and Program Assistance (\$2 million)
 - c. City of Manchester Economic Development (\$3.3 million)
 - d. Community Event and Activation Grants (\$1 million)
- III. Public Health
 - a. Waiving Online Service Fees (\$1 million)
 - b. City Building Ventilation Upgrades (\$1.1 million)
 - c. Emergency Management Coordinator (\$602,000)
- IV. Infrastructure
 - a. Water and Sewer Infrastructure Projects (\$5 million)
- V. Public Sector Revenue Replacement
 - a. Budget (\$937,000)
 - b. Roads and Sidewalks (\$1 million)
- VI. Administrative
 - a. Two Additional Planner II positions (\$1.3 million)
 - b. Additional Future Expenses (\$3.7 million)¹⁴¹

Four days later, the Manchester Board of Mayor and Aldermen granted preliminary approval of the proposed recommendations.

On July 16, Mayor Craig addressed the public about the proposal in a piece published in the *New Hampshire Union Leader*.¹⁴²

The Board of Alderman provided final approval of the proposed ARPA initiatives on July 20.¹⁴³

The 2021 interim report contained \$39.6 million in obligations across the following areas: Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency, Payroll Costs for Public Health, Safety, and Other Public Sector Staff

¹⁴¹ Office of Mayor Joyce Craig, City of Manchester American Rescue Plan Act Funding Recommendations, July 2, 2021, https://www.manchesternh.gov/Portals/2/Departments/elected_officials/mayor/press_room/ARP%20Recommendations.pdf?ver=2021-07-02-113207-393

¹⁴² Joyce Craig, "Plan Delivers for Manchester," *New Hampshire Union Leader*, July 16, 2021.

¹⁴³ Andrew Silvia, "Aldermen Tackle ARP Funds, Sober Homes, School Charter Amendment in String of Meetings," *Manchester Ink Link* (NH), July 20, 2021.

Responding to COVID-19, Small Business Economic Assistance (General), Aid to Tourism, Travel, or Hospitality, Other Economic Support, Rehiring Public Sector Staff, Education Assistance: Other, Healthy Childhood Environments: Home Visiting, Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System, Housing Support: Affordable Housing, Housing Support: Services for Unhoused persons, Social Determinants of Health: Other, Social Determinants of Health: Community Health Workers or Benefits Navigators, Social Determinants of Health: Community Violence Interventions, Clean Water: Stormwater, Revenue Replacement, and Administrative Expenses. None of the funds had been expended by July 31.¹⁴⁴

The January 2022 report indicated that the city had obligated \$37.1 million and expended \$1.8 million.¹⁴⁵

In February, the mayor announced the launch and re-launch of two programs funded with local APRA dollars. The Community Event and Activation Grant program was designed to support economic development, tourism and healthy communities. Applicants had until March 31 to apply for grants of up to \$10,000 each.¹⁴⁶ The city also publicized the re-establishment of the Manchester Small Business Grant and Program Assistance (originally launched in 2020). Small businesses had the opportunity to apply for grants of up to \$10,000 to support a variety of costs. They city placed special emphasis on providing support for minority owned businesses.¹⁴⁷

Rhode Island

The Treasury Department allocated \$1.13 billion to the State of Rhode Island in fiscal recovery funds.¹⁴⁸

¹⁴⁴ City of Manchester, New Hampshire “Manchester, New Hampshire Interim Report,” July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001elIL/WkwezAeEtddgoTRfXkLF4HKj7oN912DmXVwA4Q0SB8o>

¹⁴⁵ The City of Manchester, NH, “American Rescue Plan Reporting: City of Manchester ARPA Program Expenditures (As of Q4 2021),” <https://www.manchesternh.gov/Departments/Planning-and-Comm-Dev/American-Rescue-Plan-Act/ARP-Reporting>

¹⁴⁶ City of Manchester, NH, “Mayor Craig Announces Launch of Community Event and Activation Grant Program,” February 1, 2022, <https://www.manchesternh.gov/Departments/Planning-and-Comm-Dev/American-Rescue-Plan-Act/ARP-Announcements>

¹⁴⁷ The City of Manchester, NH, “Mayor Joyce Craig, City of Manchester Launch Small Business Grant and Program Assistance,” February 16, 2022, <https://www.manchesternh.gov/Departments/Planning-and-Comm-Dev/American-Rescue-Plan-Act/ARP-Announcements>

¹⁴⁸ United States Department of Treasury, “Coronavirus State and Local Fiscal Recovery Funds: Allocations for States,” <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

The state's July 31 interim report and August 31 recovery plan report to the Treasury Department indicated no funds had been obligated or expended.¹⁴⁹

Governor Dan McKee had been unable to persuade the General Assembly to spend any of the ARPA funds. He urged the legislators to spend \$110 million on small business assistance, childcare access, and affordable housing.¹⁵⁰

On October 7, Governor McKee unveiled his initial \$113 million spending plan called Rhode Island Rebounds.¹⁵¹ This was presented as an amendment to the FY 2022 budget before the legislature. An outline of the plan follows:

- I. Investing in Small Businesses and Impacted Industries (\$32M)
 - a. Direct Grants for Small Businesses, including 20% for Minority Owned Businesses (\$12.5M)
 - b. Technical Assistance for Businesses, including Infrastructure Improvements (\$10.5M)
 - c. Outdoor Activities, Clean and Safe Business Districts, and Public Health Improvements (\$7.5M)
 - d. Outreach, Reporting, Compliance and Administration (\$1.5M)
- II. Tourism, Hospitality, and Events Industries (\$13M)
 - a. Direct Grants to Businesses (\$8M)
 - b. Sub-awards to Intermediaries (\$3M)
 - c. Tourism Marketing (\$2M)
- III. Children, Families and Social Supports (\$38.5M)
 - a. Retention Bonuses for Child Care Program Providers (\$12.7M)
 - b. Startup Grants and Technical Assistance (\$300,000)
 - c. DCYF Workforce Stabilization (\$12.5M)
 - d. Pediatric Healthcare Relief Programming (\$7.5M)
 - e. Early Intervention Services (\$5.5M)
- IV. Affordable Housing and Housing Stability Supports (\$29.5M)
 - a. Affordable Housing Production (\$15M)

¹⁴⁹ State of Rhode Island, "State of Rhode Island Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001elmL/4ED9z9jYvjX1A0Hp2lvT3ivcaXKT4ftmHYNvetirTmw> ; State of Rhode Island, "State of Rhode Island Recovery Plan; State Fiscal Recovery Fund August 2021 Report," August 31, 2021, https://home.treasury.gov/system/files/136/Rhode-Island_2021-Recovery-Plan_SLT-0547.pdf

¹⁵⁰ Patrick Anderson, "McKee Says Time has Come to Start Spending \$1.1B COVID Aid," *The Providence Journal*, September 21, 2021.

¹⁵¹ Rhode Island Office of the Governor, "Governor McKee Submits Plan for Rhode Island Rebounds: Immediate Investments in Rhode Island's Families, Workers and Small Businesses," October 7, 2021, <https://governor.ri.gov/press-releases/governor-mckee-submits-plan-rhode-island-rebounds-immediate-investments-rhode>

- b. Property Acquisition Grant Program (\$12M)
- c. Promoting Housing Stability (\$1.5M)
- d. Contract Staffing Support (\$500,000)
- e. Broadband Investments (\$500,000)

Twelve days later, the Rhode Island Foundation released their report entitled, “Make it Happen: Investing for Rhode Island’s Future.” The report represented the culmination of a months-long community engagement campaign with diverse stakeholders from across the state. Forms of engagement included stakeholder interviews (about 150 people), an anonymous focus group (30 community members hardest hit by Covid), local non-profit visioning sessions (125 participants), and a survey (410 investment ideas). Recommendations regarding the use of state-level recovery funds included housing (\$405 million), behavioral health (\$255 million), workforce development (\$205 million), small business assistance (\$100 million), neighborhood trusts (\$50 million), and immediate relief (\$50 million).¹⁵² In response to the report’s release, Governor McKee and Lt. Governor Sabina Matos expressed that while it complemented the 2030 plan, they could not comment any further on the specifics.¹⁵³

The House Finance Committee met on October 20 to review the governor’s supplemental budget request, Rhode Island Rebounds.¹⁵⁴ That same day, the General Assembly launched an ARPA State Fiscal Recovery Fund Recommendation Portal (<https://www.rilegislature.gov/Special/Pages/ARPASFSPFRP.aspx>) where members of the public could post their own recommendations and view those of others.¹⁵⁵ The House Committee held follow-up hearings on October 28 and November 15 to hear testimony on some portions of the governor’s supplemental budget request.¹⁵⁶ The Senate Finance Committee held its own ARPA

¹⁵² Rhode Island Foundation, “Make it Happen: Investing for Rhode Island’s Future,” October, 2021, https://assets.rifoundation.org/images/Impact/RIF_MakeItHappen_DIGITAL_vF2_SinglePgs.pdf

¹⁵³ Patrick Anderson, “RI Foundation: Use Federal COVID aid to Build Homes, not to fix Superman Building,” *The Providence Journal*, October 19, 2021. Rhode Island 2030, a working document released on October 15, contained goals and priorities for guiding the state into the next decade. See Office of Governor Dan McKee and Lt. Governor Sabina Matos, “Rhode Island 2030: Charting a Course for the Future of the Ocean State,” https://www.ri2030.com/files/public/RI%202030_final.pdf

¹⁵⁴ House Fiscal Advisory Staff, “ARPA Fiscal Recovery Funds Supplemental Proposal,” October 20, 2021, <https://www.rilegislature.gov/housefiscalreport/2020/ARPA%20Fiscal%20Recovery%20Funds%20Supplemental%20Proposal.pdf#search=%22ARPA%22>

¹⁵⁵ State of Rhode Island General Assembly, “General Assembly Launches ARPA Fund Recommendation Webpage to Promote Transparency,” October 20, 2021, <https://www.rilegislature.gov/pressrelease/layouts/RIL.PressRelease.ListStructure/Forms/DisplayForm.aspx?List=c8baae31%2D3c10%2D431c%2D8dcd%2D9dbbe21ce3e9&ID=372125&Web=2bab1515%2D0dcc%2D4176%2Da2f8%2D8d4beebdf488>

¹⁵⁶ House Committee on Finance, “Notice of Meeting: Supplemental Request to Amend FY 2022 Appropriations Act (H 6494),” October 28, 2021, <https://www.rilegislature.gov/Special/comdoc/House%20Finance/10-28-2021%20Agenda.pdf>; State of Rhode Island General Assembly, “MEDIA ADVISORY: House Finance Committee to Continue

hearings throughout October and November.¹⁵⁷ Following the November 1 hearing, Chairman Ryan Pearson indicated that the Senate would work with the administration on the spending proposal later that month or in December.¹⁵⁸

Governor McKee, along with House Speaker Shekarchi and Senate President Dominick Ruggerio held a news conference on December 6 to announce their shared commitment to the Rhode Island Rebounds proposal.¹⁵⁹ Ten days later, the House and Senate Finance Committees amended the plan by adding an additional \$6 million to support childcare and supplementary language specifying allowable uses and accountability measures across funding categories.¹⁶⁰

Reviewing Budget Requests for ARPA Spending,” November 15, 2021, <https://www.rilegislature.gov/pressrelease/layouts/RIL.PressRelease.ListStructure/Forms/DisplayForm.aspx?List=c8baae31%2D3c10%2D431c%2D8dcd%2D9dbbe21ce3e9&ID=372166&Web=2bab1515%2D0dcc%2D4176%2Da2f8%2D8d4beebdf488>

¹⁵⁷ See Senate Committee on Finance, “Governor’s Supplemental Request to Amend FY2022 Appropriations Act,” October 21, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/10-21-2021%20Agenda.pdf>; Senate Committee on Finance, “ENTITLED, AN ACT RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FISCAL YEAR 2022,” October 27, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/10-27-2021%20Agenda.pdf>; Senate Finance Committee, “ARPA Supplemental: Business Supports,” November 1, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/SFO%20ARPA%20-%20Business%20Supports%20Hearing.pdf>; Senate Committee on Finance, “Recommendations for How to Spend \$1.1 billion in Federal American Rescue Plan Act Funding,” November 10, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/11-10-2021%20Agenda.pdf>; Senate Committee on Finance, “American Rescue Plan Act Proposals – Public and Stakeholder Input,” November 15, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/11-15-21%206PM%20AGENDA.pdf>; Senate Committee on Finance, “American Rescue Plan Act Proposals - Public and Stakeholder Input,” November 16, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/11-16-2021%20Agenda.pdf>; Senate Committee on Finance, “American Rescue Plan Act Proposals – Public and Stakeholder Input,” November 22, 2021, <https://www.rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/11-22-2021%20Agenda.pdf>

¹⁵⁸ Patrick Anderson, “RI Senate Planning to Vote Later this Year on Spending some COVID aid Money,” *The Providence Journal*, November 4, 2021.

¹⁵⁹ Rhode Island Office of the Governor, “Governor McKee, Speaker Shekarchi, Senate President Ruggerio Announce Legislature’s Commitment to Act on Governor’s RI Rebounds Plan for Initial, Near-term American Rescue Plan Spending,” December 6, 2021, <https://www.ri.gov/press/view/42622>

¹⁶⁰ State of Rhode Island General Assembly, “Finance Committees add Safeguards to Plan for ARPA Funds; Proposal Heads to Full Assembly in January,” December 16, 2021, <https://www.rilegislature.gov/pressrelease/layouts/RIL.PressRelease.ListStructure/Forms/DisplayForm.aspx?List=c8baae31%2D3c10%2D431c%2D8dcd%2D9dbbe21ce3e9&ID=372226&Web=2bab1515%2D0dcc%2D4176%2Da2f8%2D8d4beebdf488>

On January 4, the legislature unanimously approved, and the governor signed, the amended proposal.¹⁶¹

The governor's January 18 State of the State Address included new proposals for using ARPA funds. He called for a \$10 million Minority Business Support Initiative to strengthen the minority business community through access to capital, technical support, and building capacity.¹⁶² He also proposed more than \$150 million in spending on climate resiliency and green jobs.¹⁶³

The governor's FY 2023 budget proposal incorporated a five-year \$1.13 billion ARPA spending plan. The categories of spending included housing (\$250 million), economic and workforce development (\$211.8 million), aid to small business and impacted industry (\$180.5 million), public health (\$152.3 million), climate (\$132 million), children, families and education (\$118.6 million), behavioral health (\$42.4 million), public infrastructure and technology (\$26.5 million), and administrative costs (\$17 million).¹⁶⁴

In February, the governor along with other state leaders convened in the Olneyville neighborhood of Providence to announce availability of \$12 million in funding from Rhode Island Rebounds for the Site Acquisition Program.

Also related to the 2023 budget, the governor announced a new program in conjunction with HealthSource RI, the state's official health insurance marketplace. A portion of residents enrolled in Medicaid had the opportunity to switch to a Qualified Health Plan. The state's ARPA funds would be used to cover the first month of premium costs.¹⁶⁵

¹⁶¹ Rhode Island Office of the Governor, "Governor McKee Signs RI Rebounds," January 4, 2022, <https://governor.ri.gov/press-releases/governor-mckee-signs-ri-rebounds>

¹⁶² Rhode Island Office of the Governor, "Governor McKee to Include Small Business Article in FY2023 Budget; Utilize \$10M of ARPA Dollars to Fund Minority Business Support Initiative," January 18, 2022, <https://governor.ri.gov/press-releases/governor-mckee-include-small-business-article-fy2023-budget-utilize-10m-arpa-dollars>

¹⁶³ Rhode Island Office of the Governor, "Governor McKee to Propose More Than \$150 Million To Combat Climate Change in FY2023 Budget," January 19, 2022, <https://governor.ri.gov/press-releases/governor-mckee-propose-more-150-million-combat-climate-change-fy2023-budget>

¹⁶⁴ Rhode Island Office of Management and Budget, "FY 2023 Budget Overview," January 20, 2022, https://omb.ri.gov/sites/g/files/xkgbur751/files/documents/Prior-Year-Budgets/Operating-Budget-2023/0_FY-2023-Budget-Media-Presentation.pdf

¹⁶⁵ Rhode Island Office of the Governor, "Governor McKee Proposes Initiative to Help Keep Rhode Islanders Insured," February 4, 2022, <https://governor.ri.gov/press-releases/governor-mckee-proposes-initiative-help-keep-rhode-islanders-insured>

Later that month, the governor announced a call for proposals for the “Take it Outside” program. The Rhode Island Rebounds program designated \$4.5 million to increase outdoor commercial activities, particularly among small businesses.¹⁶⁶

Rhode Island League of Cities and Towns

The Rhode Island League of Cities and Towns offered several training opportunities for local officials to learn more information about ARPA. On June 16, the organization sponsored an event called “Best Practices for Using your Local COVID-19 Fiscal Recovery Funds.” Former Cranston Mayor Allan Fung and former Pandemic Flu Coordinator at the Rhode Island Department of Health Jeff Stevens presented.¹⁶⁷ In January, the League hosted professionals from Ernst & Young, LLP to discuss ARPA planning, administration, compliance, and reporting protocols.¹⁶⁸ Finally, as part of its annual conference, there were planned workshop sessions concerning infrastructure investments, planning and grants management, and best practices for capital improvement planning.¹⁶⁹

Providence

The Treasury Department allocated \$166.3 million to the City of Providence in fiscal recovery funds.¹⁷⁰

In May, Mayor Jorge Elorza signed a resolution creating the City of Providence COVID-19 Recovery and Resiliency Task Force. The mayor and City Council appointed the members to devise recommendations for spending ARPA funds.¹⁷¹

¹⁶⁶ Rhode Island Office of the Governor, “McKee Administration Announces Opening of Take It Outside RFP,” February 24, 2022, <https://governor.ri.gov/press-releases/mckee-administration-announces-opening-take-it-outside-rfp>

¹⁶⁷ Allan Fung and Jeff Stevens, “Best Practices For Using Your Local COVID-19 Fiscal Recovery Funds,” June 16, 2021, <https://www.rileague.org/DocumentCenter/View/1431/ARP-A-Fung--J-Stevens>

¹⁶⁸ Rhode Island League of Cities and Towns, “ARPA Monitoring and Reporting Compliance for Localities,” January 26, 2022, <https://www.rileague.org/calendar.aspx?eid=200>

¹⁶⁹ Rhode Island League of Cities and Towns, “2022 Annual Conference- Education Sessions,” April 28, 2022, <https://www.rileague.org/DocumentCenter/View/1536/22-Workshop-Descriptions-Programn>

¹⁷⁰ This includes the \$131.4 million in direct funding for entitlement communities, plus the \$34.9 county pass-through allocation. See U.S. Treasury, “Allocation for Metropolitan Cities,” <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf> and Mayor Jorge Elorza, City of Providence, RI, “Providence American Rescue Plan Act Ordinance,” https://www.providenceri.gov/wp-content/uploads/2022/05/ARPA_Overview_English_052022.pdf

¹⁷¹ City of Providence COVID-19 Recovery and Resiliency Task Force, “Recommendations for Use of American Rescue Plan Act (ARPA) Funds,” November 29, 2021, <https://pvdrescueplan.com/wp-content/uploads/2021/11/PVDARPA-Report112921-.pdf>

On July 15, the Providence City Council approved a spending ordinance that drew on \$42.5 million in local recovery funds (first tranche).¹⁷² The ordinance contained the following provisions:

- I. Summer Programming (\$1.7M)
 - a. Summer Camp for Providence Residents (\$600,000)
 - b. Summer Jobs for Providence Youth (\$1M)
- II. ARPA Youth Investments (\$2M)
 - a. Early Learning Infrastructure (\$1M)
 - b. Youth and Family Broadband Access (\$1M)
- III. ARPA Anti-Violence Investments (\$2.6M)
 - a. Mentoring Program (\$1.1M)
 - b. Non-Violence Training (\$500,000)
 - c. Year-Round Youth Jobs (\$1M)
- IV. ARPA Funding to Providence Redevelopment Agency (\$4M)
 - a. Roger Williams Park Gateway (\$4M)
- V. ARPA Grants to Libraries (\$600,000)
 - a. Providence Community Library (\$500,000)
 - b. Providence Public Library (\$100,000)
- VI. ARPA Grants to Non-Profits (\$987,000)
 - a. Homelessness Intervention (\$500,000)
 - b. Providence Center (\$187,000)
 - c. Waterfire, Inc. (\$300,000)
- VII. ARPA Sewer Water Investment (\$3M)
 - a. Street Sweeping and Sewer Repair (\$3M)
- VIII. ARPA Funding to General Fund (\$19.5M)
 - a. FY '21 Revenue Recovery (\$19.5M)
- IX. ARPA Small Business Relief Program (\$7M)
 - a. Relief for Small Businesses in Providence (\$7M)
- X. ARPA Administration (\$1.2M)
 - a. FY '21 Administrative Expenditures (\$1.2M)¹⁷³

On August 24, the city broke ground on the new Gateway to Roger Williams Park. The \$5 million project received \$4 million in ARPA funds, plus an additional million from RIHousing.

¹⁷² Mark Reynolds, "Providence Council Approves \$539M Spending Plan for the New Fiscal Year," *The Providence Journal*, July 18, 2021.

¹⁷³ City of Providence, "AN ORDINANCE ADOPTING THE AMERICAN RESCUE PLAN ACT GRANT BUDGET FOR THE PERIOD OF APRIL 29, 2021 THROUGH SEPTEMBER 30, 2021," <https://pvdrescueplan.com/wp-content/uploads/2021/08/ARPA-2nd-Passage.pdf>

In September, the city announced that nine organizations had been chosen to participate in the expanded One Providence for Youth Jobs program. The initiative, which drew on ARPA funds designated for anti-violence investments, added 450 year-round jobs for young people.¹⁷⁴

On October 15, the city publicized the launch of the COVID-19 Small Business Grant Program, which drew on \$7 million in ARPA funds. Qualifying Providence small businesses had the opportunity to apply for microgrants of up to \$2,500 each to support economic recovery efforts.¹⁷⁵

The COVID-19 Recovery and Resiliency Task Force submitted its final recommendations for the mayor and City Council in November. This report resulted from a three-month public engagement campaign that incorporated community meetings and rescue plan surveys. More than 2,000 people participated in the process, which included the submission of over 1,100 surveys. The task force published the following funding recommendations:

- Arts, Culture, and Tourism (\$10.4M)
- Business and Economic Development (\$14.4M)
- City Services and Infrastructure (\$15.3M)
- Housing and Homelessness (\$28M)
- Racial Equity (\$14.6M)
- Sustainability (\$11.5M)
- Youth and Community Investments (\$17.9M)
- Administration of Funds (\$4.7M)
- Revenue Replacement (\$49.5M)¹⁷⁶

With the new year came a new proposal for spending the remaining recovery fund dollars. On January 5, Mayor Elorza laid out his recommendations for a second budget ordinance totaling \$123.8 million. The proposal was intended to incorporate guidelines from the November task force report. The mayor's plan included the following:

- I. Arts, Tourism and Hospitality (\$7.7M)
 - a. Arts, Culture and Special Events Support (\$1.2M)
 - b. PVDfest Producing Partner, FirstWorks (\$275,000)

¹⁷⁴ City of Providence, "Mayor Elorza Announces Nine Organizations Selected to Provide Year-Round Youth Jobs as Part of Anti-Violence Investments," September 28, 2021, <https://www.providenceri.gov/mayor-elorza-announces-nine-organizations-selected-provide-year-round-youth-jobs-part-anti-violence-investments/>

¹⁷⁵ City of Providence, "Mayor Jorge O. Elorza, Providence City Council Members Launch COVID-19 Small Business Relief Program," October 15, 2021, <https://www.providenceri.gov/mayor-jorge-o-elorza-providence-city-council-members-launch-covid-19-small-business-relief-program/>

¹⁷⁶ City of Providence COVID-19 Recovery and Resiliency Task Force, "Recommendations for Use of American Rescue Plan Act (ARPA) Funds," November 29, 2021, <https://pvdrescueplan.com/wp-content/uploads/2021/11/PVDARPA-Report112921-.pdf>

- c. Cultural Facilities (\$4.2M)
 - d. Public Art to Encourage Tourism (\$800,000)
 - e. Tourism and Marketing (\$700,000)
 - f. Providence-Warwick Convention & Visitors Bureau (\$500,000)
- II. Business and Economic Development (\$5.3M)
 - a. COVID-19 Adaptive Reuse Program (\$3M)
 - b. Hardest Hit Community Organization (\$300,000)
 - c. Shared Use Infrastructure Grant Program (\$500,000)
 - d. Workforce Development for COVID-19 Impacted Individuals (\$1.5M)
- III. City Services and Infrastructure (\$12.5M)
 - a. Cybersecurity and Information Technology Investments (\$2.5M)
 - b. Parks and Recreation Capital Investment (\$2M)
 - c. Activating Open Spaces in Downtown Qualified Census Tracts (QCTs) (\$8M)
- IV. Sustainability (\$12M)
 - a. Resiliency Infrastructure in Frontline Communities (\$3M)
 - b. Improving and Protecting Downtown Open Spaces in QCTs (\$6M)
 - c. Stormwater and Sewer Repair (\$3M)
- V. Housing and Homelessness (\$28.1M)
 - a. Affordable Housing Development (\$17M)
 - b. Home Repair Program (\$3M)
 - c. Affordable and Alternate Housing Programming (\$500,000)
 - d. Emergency Housing Solutions (\$1M)
 - e. Expand Rapid Rehousing (\$4M)
 - f. Right to Counsel (\$600,000)
 - g. Permanent Supportive Housing (\$2M)
- VI. Racial Equity (\$15M)
 - a. COVID-19 Inequities Program (\$10M)
 - b. Direct Relief to Providence Residents (\$500,000)
 - c. Facilities Development Program (\$4.5M)
- VII. Youth and Community Investments (\$12.2M)
 - a. Justice Reform (\$3.8M)
 - b. Anti-Violence Investments (\$2M)
 - c. Providence Promise (\$2M)
 - d. Providence Talks Early Learning Intervention, Federal Hill House (\$470,000)
 - e. Pre-K and Early Learning Infrastructure Fund (\$2.5M)
 - f. Providence Community Library (\$500,000)
 - g. Food Security Infrastructure Planning (\$250,000)
 - h. Elderly Service Supports (\$400,000)
 - i. Grants to Community Centers (\$300,000)
- VIII. ARPA Funding to General Fund (\$28M)

- a. Revenue Recovery (\$28M)
- IX. ARPA Administration (\$3M)
 - a. FY22 & FY23 Administrative Expenditures (\$3M)¹⁷⁷

The following day, the Providence City Council held its first meeting of the year. Council President John Igliazzi pledged strong oversight of ARPA fund spending, including the use of an independent external audit company and bi-weekly reporting.

The City has maintained a website containing ARPA funding application opportunities.¹⁷⁸

Vermont

The Treasury Department allocated \$1.05 billion to the State of Vermont in fiscal recovery funds.¹⁷⁹

On April 6, the Office of Governor Phil Scott published the Proposed Investment of American Rescue Plan Funds, as follows:

- I. Economic Development (\$143M)
 - a. Capital Investment (\$90M)
 - i. Fund impactful regional priority projects across the state as identified by Regional Development Corporations (RDCs)/ Regional Planning Commissions (RPCs) for each year until December 2024 to address the unique opportunities of each region coming out of COVID19.
 - ii. Community Reinvestment: Award the four towns that lost out on the Federal Reserve Bank of Boston's Working Communities Challenge: Includes Northeast Kingdom, Southern Vermont, Franklin County, and Upper Valley.
 - iii. Fund transformational outdoor recreation destinations to seize the growing market of outdoor enthusiasts and make Vermont and Vermont's hospitality businesses their favorite destination.
 - b. Economic Recovery Grants (\$50M)
 - c. Exempted and Expedited Permitting for ARPA Projects (\$3M)
- II. Climate Change (\$200M)
 - a. Electric Vehicle (EV) Infrastructure (\$25M)
 - b. Weatherization (\$21M)
 - c. Fuel Switching/Electrification Incentives (\$29M)
 - d. Hazard Mitigation Buy-Out (\$25M)
 - e. Climate Action Plan (\$100M)

¹⁷⁷ Mayor Jorge Elorza, City of Providence, RI, "Providence American Rescue Plan Act Ordinance," https://www.providenceri.gov/wp-content/uploads/2022/05/ARPA_Overview_English_052022.pdf

¹⁷⁸ City of Providence, "Apply for American Rescue Plan Funds," <https://pvdrescueplan.com/apply/>

¹⁷⁹ United States Department of Treasury, "Coronavirus State and Local Fiscal Recovery Funds: Allocations for States," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

- III. Water/Sewer Infrastructure (\$170M)
 - a. Implementation of Stormwater Retrofit Projects (\$75M)
 - i. 3-acre Stormwater Permit (design and construction) (\$55M)
 - ii. Stormwater Impaired Waters/Flow Restoration Plan implementation (\$5M)
 - iii. Stormwater management for municipal roads and state highways (\$15M)
 - b. Village Water/Wastewater/Pretreatment (\$35M)
 - c. Combine Sewage Overflows (CSO) Abatement/Elimination (\$30M)
 - d. Dam Safety Improvements (\$15M)
 - e. Healthy Homes (\$15M)
- IV. Housing (\$249M)
 - a. Increase capacity in emergency shelter communities (\$12M, 150 Shelter Units)
 - b. Rapid development of new permanent multi-family housing, exiting households from motels within the next 12-18 months (\$90M, 600 Affordable Rental Units)
 - c. Use one-time American Rescue Plan investments to leverage other federal and state affordable housing resources to fully fund the existing pipeline of affordable housing projects (\$90M, 2,434 Units: Mixed Income Rental Units, Homeownership Units, Manufactured Homes and improved Farm Worker Housing)
 - d. Continue investing in the successful Vermont Housing Investment Program (VHIP) helping private owners of vacant rental properties bring units back online providing safe, healthy, affordable housing to low- and moderate-income households. (\$15M, 681 Affordable Rental Units)
 - e. Invest in a new private Homebuilder Program focused on creating “missing middle” housing for moderate-income homebuyers. Funding and purchase incentives to improve homeownership. (\$42M, 1,135 Homeownership Units)
- V. Connectivity (\$250.5M)
 - a. Broadband Deployment (\$225M)
 - i. Communications Union District (CUD) Network Build
 - ii. Public Private Partnership
 - b. Telecom/Cell Service (\$25M)
 - i. Identify Priority Corridors
 - ii. Identify Suitable Tower Sites
 - iii. Expand Commercial Mobile Radio Service (CMRS) Partnerships
 - c. FiberConnect Network (\$500,000)
- VI. Administrative Costs (\$17M)¹⁸⁰

The Vermont legislature approved the state’s FY ‘22 budget which incorporated ARPA state funds in the following categories: Economy, workforce, and communities (\$109.2 million),

¹⁸⁰ Governor Philip B. Scott Proposed Investment of American Rescue Plan Funds, April 6, 2021, <https://governor.vermont.gov/sites/scott/files/documents/Governor%20Scott%20Proposed%20ARPA%20Budget.pdf>

housing investments (\$99 million¹⁸¹), broadband investments (\$150 million), technology modernization (\$52 million), climate action investments (\$50 million), clean water investments (\$115 million), tax conformity and administration (\$24 million).¹⁸²

The state opened up the application process in June for the Economic Recovery Bridge Program. Businesses across the state that suffered losses due to COVID-19 had the opportunity to apply for grants.¹⁸³

The state, in conjunction with the University of Vermont and the Community College of Vermont, launched Upskill Vermont Scholarship Program in July. The initiative targeted unemployed and underemployed residents, with a particular focus on courses pertaining to the digital economic, health care, and leadership and management.¹⁸⁴

Some consternation arose in the state over the distribution of recovery funds due to the lack of county governments in Vermont. The U.S. Treasury Department had designated \$121 over both tranches for county governments.¹⁸⁵ In late July, the Department confirmed that the funds would be passed through the state to the municipalities.¹⁸⁶

The state's July 31 interim report and August 31 recovery plan report to the Treasury Department indicated that \$131,000 had been obligated and expended for Aide to Other Impacted Industries. The state did not anticipate funding revenue replacement due to insufficient revenue losses.¹⁸⁷

¹⁸¹ This was in addition to \$51 million from the ARPA rental assistance program.

¹⁸² Vermont Legislative Joint Fiscal Office, "H. 439 FY 2022 Budget Highlights," May 20, 2021, <https://lifo.vermont.gov/assets/Uploads/427fd163b7/H.439-Budget-Highlight-Sheet.pdf>

¹⁸³ Office of Governor Phil Scott, "Governor Phil Scott Announces Economic Recovery Bridge Program," June 3, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-announces-economic-recovery-bridge-program>

¹⁸⁴ Office of Governor Phil Scott, "Governor Phil Scott, UVM and CCV Announce Upskill Vermont Scholarship Program," July 13, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-uvm-and-ccv-announce-upskill-vermont-scholarship-program#:~:text=The%20program%2C%20appropriated%20from%20funds,2021%20and%20Spring%2022%20semesters>.

¹⁸⁵ Office of Governor Phil Scott, "Governor Phil Scott Certifies for State and Local Fiscal Recovery Funds," July 22, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-certifies-state-and-local-fiscal-recovery-funds>

¹⁸⁶ Shawn Cunningham, "In Policy Shift, Feds to Redirect 'County' ARPA Funds to Vermont Towns," *The Chester Telegraph* (VT), July 29, 2021.

¹⁸⁷ State of Vermont, "State of Vermont Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001eqqF/IpA5I5lCmS7TSdRdMAEBialBEQjSTqcJlhXILpXa2e4>; State of Vermont, "Recovery Plan: State and Local Fiscal Recovery Funds (2021)," August 31, 2021, https://home.treasury.gov/system/files/136/Vermont_2021-Recovery-Plan_SLT-0873.pdf

Governor Scott announced the distribution of \$5 million in ARPA funds to adult day care centers to support financial stability in August. Such centers had experienced extended closures during the pandemic.¹⁸⁸

The following month, the state's Agency of Commerce and Community Development began accepting applications for the Capital Investment Grant Program. Funded with ARPA dollars, it was meant to support "transformational" projects to support the state's economic recovery.¹⁸⁹

In October, the governor's office announced that four municipalities (Montpelier, Northfield, St. Johnsbury and Vergennes) had been awarded \$10 million total in ARPA funds to execute projects to control sewer overflows.¹⁹⁰

Governor Scott, in partnership with the Vermont Department of Housing and Community Development, announced the Vermont Housing Improvement Program in December. Using ARPA funds, the program was designed to rehabilitate old housing units to bring them up to code.¹⁹¹ These efforts directly connected to the governor's participation in the U.S. Department of Housing and Urban Development's House America initiative, aimed at combatting homelessness.¹⁹²

Also in December, the state awarded funds to Vermont localities, agencies, and non-profits to support infrastructure projects to prevent flooding and improve water quality.¹⁹³

In the governor's January state of the state address, he implored the legislature to fund additional ARPA projects pertaining to high speed internet, cell phone service, and

¹⁸⁸ Office of Governor Phil Scott, "Governor Phil Scott Announces Distribution of \$5 Million in Federal Funds to Vermont Adult Day Centers for Covid Recovery Efforts," August 26, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-announces-distribution-5-million-federal-funds-vermont-adult-day>

¹⁸⁹ Office of Governor Phil Scott, "Governor Phil Scott Announces Availability of \$10 Million for Capital Improvement Grants through the Agency of Commerce and Community Development," September 27, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-announces-availability-10-million-capital-improvement-grants>

¹⁹⁰ Office of Governor Phil Scott, "Governor Phil Scott Announces Release of ARPA Funds for Critical Municipal Sewer Infrastructure," October 21, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-announces-release-arpa-funds-critical-municipal-sewer>

¹⁹¹ Office of Governor Phil Scott, "Governor Scott Announces Launch of Vermont Housing Improvement Program to Rehabilitate Housing Stock," December 8, 2021, <https://governor.vermont.gov/press-release/governor-scott-announces-launch-vermont-housing-improvement-program-rehabilitate>

¹⁹² Office of Governor Phil Scott, "Governor Scott Joins National Effort to Address Homelessness," December 15, 2021, <https://governor.vermont.gov/press-release/governor-scott-joins-national-effort-address-homelessness>

¹⁹³ Office of Governor Phil Scott, "Governor Phil Scott Announces Flood Resilient Community Grants," December 10, 2021, <https://governor.vermont.gov/press-release/governor-phil-scott-announces-flood-resilient-community-grants>

infrastructure for water, sewer, and stormwater.¹⁹⁴ His FY 2023 proposed ARPA budget included the following provisions:

- I. Economic Development (\$101M)
 - a. Grant List Enhancement Program (\$30M)
 - b. Capital Investment Program (\$50M)
 - c. Business Assistance Program (\$20M)
 - d. Expedited Permitting for ARPA Projects (\$1.05M)
- II. Climate Change (\$161.5M)
 - a. Electric Vehicle (EV) Infrastructure (\$15M)
 - i. EV Charging Infrastructure – Highway Network
 - ii. EV Charging Infrastructure
 - b. Weatherization (\$80M)
 - i. Low-income Weatherization Assistance (\$45M)
 - ii. Moderate-income Weatherization Assistance (\$35M)
 - c. Transportation Electrification Incentives (\$22M)
 - i. EV Incentives (\$14M)
 - ii. Mileage Smart Incentives (\$3M)
 - iii. VT Replace Your Ride Program (\$3M)
 - iv. eRecreation (\$2M)
 - d. Electric Service Upgrades (\$20M)
 - e. Load Management and Storage (\$2M)
 - f. Hazard Mitigation Buy-Out (\$15M)
 - g. Working Lands Resilience (\$7.5M)
 - i. Agronomic Practices (\$5M)
 - ii. Vermonters Feeding Vermonters (\$1.5M)
 - iii. Urban Tree Planting (\$1M)
- III. Water/Sewer Infrastructure (\$72M)
 - a. Implementation of Stormwater Retrofit Projects (\$32M)
 - b. Village Water/Wastewater/Pretreatment (\$20M)
 - c. CSO Abatement/Elimination (\$10M)
 - d. Healthy Homes (\$10M)
- IV. Housing (\$145M)
 - a. Affordable/Mixed Income Housing (\$105M)
 - b. VHIP (\$25M)
 - c. Missing Middle Homeownership (\$15M)
- V. Connectivity (\$95M)
 - a. Broadband Deployment (\$95M)

¹⁹⁴ Office of Governor Phil Scott, “Governor Scott’s Transformative Agenda and Fiscal Year 2023 Budget Proposal,” January 5, 2022, <https://governor.vermont.gov/FY23Budget>

VI. Administration Costs (\$10.5M)¹⁹⁵

A week later, the Broadband Construction Grant Program was announced by the Vermont Community Broadband Board. The program provided grants to eligible providers for construction costs associated with broadband service and offered applicants to chance join a Community Match Program to receive matching contributions from state and local fiscal recovery funds.¹⁹⁶

The governor expressed frustration with the legislature during his February 22 weekly media address. He sought to have such funds spent on “tangible, transformative initiatives” that fell into the agreed upon categories of housing, climate change, water and sewer infrastructure, and broadband.¹⁹⁷

Vermont League of Cities and Towns

From the time of ARPA’s passage, the Vermont League of Cities and Towns maintained a comprehensive website with updates, services, and tools geared toward municipalities.¹⁹⁸ The League held an initial ARPA panel discussion in April that included the participation of Senator Bernie Sanders.¹⁹⁹ Several online trainings took place over the course of the year, covering topics such as applicable funding areas, instructions on how to use the state’s funding portal, presentations from the heads of different state departments, and a webinar specifically on broadband.²⁰⁰ The organization developed tools, including a revenue loss calculator and a template for municipalities doing RFPs for auditing services.²⁰¹ General guidance was provided

¹⁹⁵ Governor Philip B. Scott, “FY23 Proposed ARPA Budget,” January 18, 2022,

<https://finance.vermont.gov/sites/finance/files/Gov%20FY23%20Proposed%20ARPA%20Budget.pdf>

¹⁹⁶ “Broadband Construction Grant Program Announced,” *Brattleboro Reformer* (VT), January 24, 2022.

¹⁹⁷ Office of Governor Phil Scott, “Transcript: Governor Phil Scott Calls for Changes to Legislature’s Budget Adjustment Bill,” February 22, 2022, <https://governor.vermont.gov/press-release/transcript-governor-phil-scott-calls-changes-legislature%E2%80%99s-budget-adjustment-bill>

¹⁹⁸ Vermont League of Cities and Towns, “American Rescue Plan Act,”

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

¹⁹⁹ Vermont League of Cities and Towns, “Virtual Panel Discussion on Municipalities and the American Rescue Plan,” April 8, 2021, <https://www.vlct.org/news/virtual-panel-discussion-municipalities-and-american-rescue-plan>

²⁰⁰ Vermont League of Cities and Towns, “Intro to Coronavirus Local Fiscal Recovery Funds,” May 18, 2021, <https://www.vlct.org/resource/intro-coronavirus-local-fiscal-recovery-funds>; Vermont League of Cities and Towns, “Accessing Local Fiscal Recovery Funding,” June 16, 2021, <https://www.vlct.org/resource/accessing-local-fiscal-recovery-funding>; “ARPA Funds: Take Your Time and Think Big,” <https://www.vlct.org/resource/arpa-funds-take-your-time-and-think-big>; Vermont League of Cities and Towns, “Broadband and ARPA: A Roadmap to the Last Mile,” December 1, 2021, <https://www.vlct.org/resource/broadband-and-arpa-roadmap-last-mile>

²⁰¹ Vermont League of Cities and Towns, “ARPA: Revenue Loss Calculator for NEMRC Users,” November 5, 2021, <https://www.vlct.org/news/arpa-revenue-loss-calculator-nemrc-users>; Vermont League of Cities and Towns, “Model RFP for Auditing Services,” November 9, 2021, <https://www.vlct.org/resource/model-rfp-auditing-services>

on the use of ARPA funds for housing affordability and empowering the creative sector.²⁰² The League engaged in advocacy, by successfully calling on the Treasury Department to reverse its initial determination that Vermont had general units of county government²⁰³ At the one-year anniversary of ARPA's passage, Executive Director Ted Brady stated that the League's ARPA webpage had received over 18,000 page views, more than 2,000 municipal inquiries had been answered, and that more than 1,500 municipal officials had received training.²⁰⁴

Burlington

The Treasury Department allocated \$27 million to the City of Burlington in fiscal recovery funds.²⁰⁵

On May 20, 2021, Burlington Mayor Miro Weinberger signed off on the City Council's request to spend \$880,000 in ARPA funds for the following areas of Covid response: public health, citywide property tax credit lag relief, and water, wastewater, and stormwater.²⁰⁶

The mayor unveiled his proposed FY '22 budget on June 11. This budget incorporated about \$10 million in ARPA funds in the following areas:

- Operating budget (\$5M)
- General fund capital budget (\$3.5M)
- Ongoing public health emergency, constituent service and re-opening needs (\$500,000)
- Revenue replacement in Traffic and Parking fund (\$1M)²⁰⁷

²⁰² Vermont League of Cities and Towns, "ARPA Funds for Empowering the Creative Sector," November 9, 2021, <https://www.vlct.org/resource/arpa-funds-empowering-creative-sector>; Vermont League of Cities and Towns, "ARPA Funds for Housing Affordability," November 9, 2021,

<https://www.vlct.org/resource/arpa-funds-housing-affordability>

²⁰³ Bob Audette, "'Like a Foreign Language': Vt. League of Cities and Towns Helps Small Towns Interpret Pandemic Fund Guidelines," *Brattleboro Reformer*, August 27, 2021; Shawn Cunningham, "Area Towns Look — Cautiously — to Spend Large ARPA Allocations," *The Chester Telegraph* (VT), November 17, 2021.

²⁰⁴ Ted Brady, Vermont League of Cities and Towns Executive Director, "Happy Birthday ARPA!" March 11, 2022, <https://www.vlct.org/news/happy-birthday-arpa>

²⁰⁵ This includes the \$18.9 million in direct funding for entitlement communities, plus the additional Chittenden County pass-through allocation. See U.S. Treasury, "Allocation for Metropolitan Cities," <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf> and The City of Burlington, "Mayor Weinberger Announces Additional \$1,795,000 of Immediate ARPA Investment," September 14, 2021, <https://www.burlingtonvt.gov/Press/mayor-weinberger-announces-additional-1795000%C2%A0of-immediate-arpa-investment%C2%A0>

²⁰⁶ Burlington, VT, Resolution 5.06 (2021).

[https://go.boarddocs.com/vt/burlingtonvt/Board.nsf/files/C38MAA59E5DB/\\$file/Signed%20CC%20Resolution%20Requesting%20%24330%2C076%20Of%20ARPA%20Funds%20To%20Continue%20City's%20COVID%20Response%20And%20Recovery%20-%20Revised.pdf](https://go.boarddocs.com/vt/burlingtonvt/Board.nsf/files/C38MAA59E5DB/$file/Signed%20CC%20Resolution%20Requesting%20%24330%2C076%20Of%20ARPA%20Funds%20To%20Continue%20City's%20COVID%20Response%20And%20Recovery%20-%20Revised.pdf)

²⁰⁷ Memo from the Office of Burlington Mayor Miro Weinberger to City Council regarding Fiscal Year 2022 Proposed Budget, June 11, 2021, <https://www.burlingtonvt.gov/sites/default/files/6-12-21%20Mayor%27s%20Proposed%20Budget%20FY%202022.pdf>

The 2021 interim report indicated that funds in the following areas had been obligated and expended by July 31: Other public health services (\$14,000), small business economic assistance (\$17,000), and administrative expenses (\$1,800).²⁰⁸

In September, Mayor Weinberger signed off on a resolution to immediately spend \$1.795 million in ARPA funds for the following priorities:

- Public health response (\$685,000)
- Citywide property tax credit lag relief (\$250,000)
- Water, wastewater, and stormwater (\$860,000)

In addition to these spending provisions, the mayor announced further ARPA planning to occur, including the formation of an internal task force, and public engagement through a community survey and town hall.²⁰⁹

Later that month, the mayor and acting police chief requested that the City Council approve \$1.27 million in ARPA funds for the Burlington Police Department to cover retention and recruitment incentives.²¹⁰ The City Council ended up approving \$850,000 in funds for the program by eliminating one of the proposed retention payments that had been scheduled for 2023.²¹¹

As part of its public engagement campaign, the city launched its online survey in October. Additionally, the internal ARPA task force convened to review potential projects. This team was comprised of the city's economic recovery director, as well as members of the racial equity,

²⁰⁸ City of Burlington, Vermont "Burlington, Vermont Interim Report," July 31, 2021, <https://apps-treas.my.salesforce.com/sfc/p/t0000000TZbC/a/t0000001emnn/RHHTs3NRmrNVFqWnGSITWVrpXPGBffOy7q4t2BcNyzw>

²⁰⁹ The City of Burlington, "Mayor Weinberger Announces Additional \$1,795,000 of Immediate ARPA Investment," September 14, 2021, <https://www.burlingtonvt.gov/Press/mayor-weinberger-announces-additional-1795000%C2%A0of-immediate-arpa-investment%C2%A0>; Burlington, VT, Resolution 5.03 (2021).
[https://go.boarddocs.com/vt/burlingtonvt/Board.nsf/files/C73NTZ6101EE/\\$file/Signed%20CC%20Resolution%20Request%20For%20%241.795%20Million%20Of%20ARPA%20Funds%20To%20Address%20Ongoing%20Health%20Response%2C%20Negative%20Impacts%20Of%20Reappraisal%2C%20And%20Water%20Main%20Replacement.pdf](https://go.boarddocs.com/vt/burlingtonvt/Board.nsf/files/C73NTZ6101EE/$file/Signed%20CC%20Resolution%20Request%20For%20%241.795%20Million%20Of%20ARPA%20Funds%20To%20Address%20Ongoing%20Health%20Response%2C%20Negative%20Impacts%20Of%20Reappraisal%2C%20And%20Water%20Main%20Replacement.pdf); The City of Burlington, "September 2021 - Net Zero Revenue Bond, Capital Investments, ARPA Investment," September, 2021,
<https://www.burlingtonvt.gov/mayor/mayorsupdates/september2021>

²¹⁰ The City of Burlington, "Mayor Miro Weinberger Statement on Burlington Police Department Stabilization Plan," September 24, 2021, <https://www.burlingtonvt.gov/Press/mayor-miro-weinberger-statement-on-burlington-police-department-stabilization-plan>

²¹¹ Elizabeth Murray, "Burlington Approves Paying \$850K of COVID Relief Funds to City Police Officers," *Burlington Free Press*, September 27, 2021.

inclusion and belonging committee, community economic development office, and the COVID response leader.²¹²

For the remainder of the year, the city focused great attention on the problem of homelessness. A new, ARPA-supported Community Resource Center opened in downtown Burlington to assist needy individuals with emergency essentials.²¹³ Mayor Weinberger released a 10-point plan to increase housing production with goal of ending chronic homelessness. This plan proposed the spending of at least \$5 million in ARPA funds to that end.²¹⁴

The city released the results of the public engagement survey in January. The survey contained five major categories: homelessness, racial equity, housing, small business support, and community infrastructure. Over the course of five weeks, there were over 3,800 responses from Burlington residents, employees, property owners, and business owners. The top three concerns identified by respondents were addressing homelessness, supporting the creation of more housing, and improving water, wastewater, and stormwater systems.

In preparation for the FY '23 budget, the administration preliminarily proposed using ARPA funds in two ways:

- Creating a \$3 million revenue replacement reserve in case projected revenues were not realized.
- Using \$1.2 million in funds to help absorb General Fund equity investments.²¹⁵

Summary Comparisons across the States and Municipalities

The following tables contain summary comparisons across states and municipalities along the following dimensions: Spending in the first Treasury reporting period, examples of legislative oversight, activities undertaken by state municipal leagues, and the public engagement strategies.

²¹² City of Burlington, VT, "Mayor Miro Weinberger Announces Public Survey to Guide ARPA Investment,"

<https://www.burlingtonvt.gov/Press/mayor-miro-weinberger-announces-public-survey-to-guide-arpa-investment>

²¹³ The City of Burlington, "Mayor Weinberger and Partners Announce New Community Resource Center," November 23, 2021, <https://www.burlingtonvt.gov/Press/mayor-weinberger%C2%A0and-partners-announce-new-community-resource-center%C2%A0>

²¹⁴ The City of Burlington, "Mayor Miro Weinberger Releases Action Plan to Fulfill the Promise of Housing as a Human Right in Burlington," December 16, 2021, <https://www.burlingtonvt.gov/Press/mayor-miro-weinberger-releases-action-plan-to-fulfill-the-promise-of-housing-as-a-human-right>

²¹⁵ The City of Burlington, "#2 Proposed Increase to General Fund Tax Rate," March 7, 2022. https://www.burlingtonvt.gov/CT/Elections/Results/TMD2022_ballot_items/question-2-GF-tax-rate

State	Spending by July 31, 2021
Connecticut	N/A
Maine	N/A
Massachusetts	Aid to Disproportionately Impacted Communities (\$75M); Emergency paid sick leave (\$75M); VaxMillions (\$10M)
New Hampshire	Unemployment benefits (\$5M); Revenue Replacement (\$16.7M), Administrative expenses (\$3.5M)
Rhode Island	N/A
Vermont	Aid to Other Impacted Industries (\$131,000)

Municipality	Spending by July 31, 2021
Bridgeport	\$8.6M obligated/\$2.2M expended
Portland	N/A
Boston	\$55M obligated/\$996,000 expended
Manchester	\$39.6M obligated/\$0 expended
Providence	\$112,000 obligated and expended
Burlington	\$32,800 obligated and expended

State	Legislative Oversight
Connecticut	Special Act 21-1 required oversight over ARPA spending allocations
Maine	Law authorizing expenditure of ARPA funds passed with less than 2/3 majority making it take effect 90 days later, rather than immediately
Massachusetts	\$5.1 billion in ARPA funds placed in COVID-19 Response Fund; Public legislative hearings
New Hampshire	Joint Legislative Fiscal Committee
Rhode Island	Public legislative hearings
Vermont	Budget process oversight

State	Municipal League Activity
Connecticut	Advisory group formed; Toolkit for localities; Individual work with municipalities
Maine	In-house team for ARPA; Online forum; Priorities survey
Massachusetts	Online trainings
New Hampshire	Information sessions; Partnership with National Collaborative for Digital Equity
Rhode Island	Training sessions and workshops
Vermont	Training sessions; Online tools; Individual work with municipalities

State/Municipality	Nature of Public Engagement
Connecticut/Bridgeport	Survey; Public hearing; Committees to review grant proposals; Ceremonies to mark grant awards
Maine/Portland	Governor tour stops; Public forum; Survey
Massachusetts/Boston	Governor tour stops; Community meetings; Survey
New Hampshire/Manchester	Survey
Rhode Island/Providence	Governor tour stops, RI Foundation public engagement, ARPA recommendation portal, Providence Resiliency Task Force public engagement; Surveys
Vermont/Burlington	Survey