

**AMERICAN RESCUE PLAN ACT (ARPA) FUNDING**  
**GENERAL DISCUSSION ON SPENDING PRIORITIES**

**July 18, 2022**

**Town of Thetford ARPA Amount - \$756,581.75**

1. U.S. Treasury has identified seven (7) categories of expenditures
  - 1) Public Health
  - 2) Negative Economic Impacts
  - 3) Public Health – negative Economic Impact: Public Sector Capacity
  - 4) Premium Pay
  - 5) Infrastructure
  - 6) Loss Revenue Replacement (what we chose)**
  - 7) Administrative
  
2. Loss Revenue Replacement – VLCT Overview
  - Recipients made “a **one-time, irrevocable election** to utilize either the revenue loss formula or the **standard allowance**” during the April 30, 2022, reporting period
  - For NEUs, the **entire amount of your municipality’s ARPA award** may be taken as “lost revenue”
  - Treasury “**presumes**” this amount is revenue loss – there is no need to calculate, demonstrate or document it
  - **EC 6.1 Government services generally include any service traditionally provided by a government**
  - All spending of ARPA funds up to the amount of revenue loss, regardless of purpose, will be reported under EC 6.1 Government Services.

3. What does Loss Revenue Replacement mean?

**Government services generally include any service traditionally provided by a government**, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- ✓ Construction of schools and hospitals
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)
- ✓ Spending within the other six (6) categories

4. What AFPA funds cannot be spent on:

- 1) Extraordinary" deposits into pension funds
- 2) Contributions to rainy day funds, reserve funds, or satisfaction of a settlement or judgement
- 3) Outstanding Debt service

5. U.S. Treasury's Appendix 1 – Expenditure Categories

I have highlighted categories and specific expenditures that I feel would be beneficial to the town.

I have not highlighted those categories that primary deal with aid to individuals, social services, or assistance to small businesses as there are several state and federal programs established for these expenditures.



## Appendix 1: Expenditure Categories

Treasury’s final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients will report on a broader set of eligible uses and associated Expenditure Categories (“EC”), starting with the April 2022 Project and Expenditure Report. The table below includes the new Expenditure Categories, as well as a reference to previous Expenditure Categories used for reporting under the interim final rule.

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-19 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

\*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disproportionately impacted communities (see Project Demographic Distribution section above for details)

Expenditure Category	EC <sup>27</sup>	Previous EC <sup>28</sup>
<b>1: Public Health</b>		
<b>COVID-19 Mitigation &amp; Prevention</b>		
COVID-19 Vaccination <sup>^</sup>	1.1	1.1
COVID-19 Testing <sup>^</sup>	1.2	1.2
COVID-19 Contact Tracing <sup>^</sup>	1.3	1.3
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.) <sup>^*</sup>	1.4	1.4
Personal Protective Equipment <sup>^</sup>	1.5	1.5
Medical Expenses (including Alternative Care Facilities) <sup>^</sup>	1.6	1.6
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) <sup>^</sup>	1.7	1.8
COVID-19 Assistance to Small Businesses <sup>^</sup>	1.8	-
COVID 19 Assistance to Non-Profits <sup>^</sup>	1.9	-
COVID-19 Aid to Impacted Industries <sup>^</sup>	1.10	-
<b>Community Violence Interventions</b>		
Community Violence Interventions <sup>^*</sup>	1.11	3.16
<b>Behavioral Health</b>		
Mental Health Services <sup>^*</sup>	1.12	1.10
Substance Use Services <sup>^*</sup>	1.13	1.11
<b>Other</b>		
Other Public Health Services <sup>^</sup>	1.14	1.12
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	-	1.7
<b>2: Negative Economic Impacts</b>		
<b>Assistance to Households</b>		
Household Assistance: Food Programs <sup>^*</sup>	2.1	2.1
Household Assistance: Rent, Mortgage, and Utility Aid <sup>^*</sup>	2.2	2.2
Household Assistance: Cash Transfers <sup>^*</sup>	2.3	2.3

<sup>27</sup> Under the final rule to be used starting with April 2022 reports

<sup>28</sup> Under the interim final rule to be used in Interim Report and January 2022 Project and Expenditure Report





<b>Expenditure Category</b>	<b>EC<sup>27</sup></b>	<b>Previous EC<sup>28</sup></b>
Household Assistance: Internet Access Programs* <sup>^</sup>	2.4	2.4
Household Assistance: Paid Sick and Medical Leave <sup>^</sup>	2.5	-
Household Assistance: Health Insurance* <sup>^</sup>	2.6	-
Household Assistance: Services for Un/Unbanked* <sup>^</sup>	2.7	-
Household Assistance: Survivor's Benefits <sup>^</sup>	2.8	-
Unemployment Benefits or Cash Assistance to Unemployed Workers* <sup>^</sup>	2.9	2.6
Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)* <sup>^</sup>	2.10	2.7
Healthy Childhood Environments: Child Care* <sup>^</sup>	2.11	3.6
Healthy Childhood Environments: Home Visiting* <sup>^</sup>	2.12	3.7
Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* <sup>^</sup>	2.13	3.8
Healthy Childhood Environments: Early Learning* <sup>^</sup>	2.14	3.1
Long-term Housing Security: Affordable Housing* <sup>^</sup>	2.15	3.10
Long-term Housing Security: Services for Unhoused Persons* <sup>^</sup>	2.16	3.11
Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities* <sup>^</sup>	2.17	-
Housing Support: Other Housing Assistance* <sup>^</sup>	2.18	3.12
Social Determinants of Health: Community Health Workers or Benefits Navigators* <sup>^</sup>	2.19	3.14
Social Determinants of Health: Lead Remediation* <sup>^</sup>	2.20	3.15
Medical Facilities for Disproportionately Impacted Communities <sup>^</sup>	2.21	-
Strong Healthy Communities: Neighborhood Features that Promote Health and Safety <sup>^</sup>	2.22	-
Strong Healthy Communities: Demolition and Rehabilitation of Properties <sup>^</sup>	2.23	-
Addressing Educational Disparities: Aid to High-Poverty Districts <sup>^</sup>	2.24	3.2
Addressing Educational Disparities: Academic, Social, and Emotional Services* <sup>^</sup>	2.25	3.3
Addressing Educational Disparities: Mental Health Services* <sup>^</sup>	2.26	3.4
Addressing Impacts of Lost Instructional Time <sup>^</sup>	2.27	-
Contributions to UI Trust Funds <sup>^</sup>	2.28	2.8
<b>Assistance to Small Businesses</b>		
Loans or Grants to Mitigate Financial Hardship <sup>^</sup>	2.29	2.9
Technical Assistance, Counseling, or Business Planning* <sup>^</sup>	2.30	-
Rehabilitation of Commercial Properties or Other Improvements <sup>^</sup>	2.31	-
Business Incubators and Start-Up or Expansion Assistance* <sup>^</sup>	2.32	-
Enhanced Support to Microbusinesses* <sup>^</sup>	2.33	-
<b>Assistance to Non-Profits</b>		
Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted) <sup>^</sup>	2.34	2.10
<b>Aid to Impacted Industries</b>		
Aid to Tourism, Travel, or Hospitality <sup>^</sup>	2.35	2.11
Aid to Other Impacted Industries <sup>^</sup>	2.36	2.12
<b>Other</b>		
Economic Impact Assistance: Other* <sup>^</sup>	2.37	2.13
Household Assistance: Eviction Prevention* <sup>^</sup>	-	2.5
Education Assistance: Other* <sup>^</sup>	-	3.5
Healthy Childhood Environments: Other* <sup>^</sup>	-	3.9
Social Determinants of Health: Other* <sup>^</sup>	-	3.13





Expenditure Category	EC <sup>27</sup>	Previous EC <sup>28</sup>
<b>3: Public Health-Negative Economic Impact: Public Sector Capacity</b>		
<b>General Provisions</b>		
Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	3.1	1.9
Public Sector Workforce: Rehiring Public Sector Staff	3.2	2.14
Public Sector Workforce: Other	3.3	-
Public Sector Capacity: Effective Service Delivery	3.4	7.2
Public Sector Capacity: Administrative Needs	3.5	-
<b>4: Premium Pay</b>		
Public Sector Employees	4.1	4.1
Private Sector: Grants to Other Employers	4.2	4.2
<b>5: Infrastructure</b>		
<b>Water and Sewer</b>		
Clean Water: Centralized Wastewater Treatment	5.1	5.1
Clean Water: Centralized Wastewater Collection and Conveyance	5.2	5.2
Clean Water: Decentralized Wastewater	5.3	5.3
Clean Water: Combined Sewer Overflows	5.4	5.4
Clean Water: Other Sewer Infrastructure	5.5	5.5
Clean Water: Stormwater	5.6	5.6
Clean Water: Energy Conservation	5.7	5.7
Clean Water: Water Conservation	5.8	5.8
Clean Water: Nonpoint Source	5.9	5.9
Drinking water: Treatment	5.10	5.10
Drinking water: Transmission & Distribution	5.11	5.11
Drinking water: Lead Remediation, including in Schools and Daycares	5.12	5.12
Drinking water: Source	5.13	5.13
Drinking water: Storage	5.14	5.14
Drinking water: Other water infrastructure	5.15	5.15
Water and Sewer: Private Wells	5.16	-
Water and Sewer: IIJA Bureau of Reclamation Match	5.17	-
Water and Sewer: Other	5.18	-
<b>Broadband</b>		
Broadband: "Last Mile" projects	5.19	5.16
Broadband: IIJA Match	5.20	-
Broadband: Other projects	5.21	5.17
<b>6: Revenue Replacement</b>		
Provision of Government Services	6.1	6.1
Non-federal Match for Other Federal Programs	6.2	-
<b>7: Administrative</b>		
Administrative Expenses	7.1	7.1
Transfers to Other Units of Government	7.2	7.3
Transfers to Non-entitlement Units (States and territories only)	-	7.4