

Additional ARPA Allocations:

FEMA-

The American Rescue Plan Act includes an additional \$50 billion to the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund, which continues to reimburse states and local governments for a limited array of COVID-19-related expenses including personal protective equipment, vaccine distribution, sanitization of certain public facilities, and other direct responses to the health emergency. The ARPA also increased the reimbursement rate for eligible expenditures from 75% to 100% and added provisions for continued funeral assistance.

Drinking water-

The American Rescue Act of 2021 includes \$500 million for the new Low-Income Household Drinking Water and Wastewater Emergency Assistance Program. The \$500 million will be distributed directly to the States, which will provide grants to owners or operators of public water systems and wastewater treatment facilities to reduce rates and arrearages for low-income households for water and wastewater services.

Direct payments to individuals and families-

Single tax filers who earned up to \$75,000 and joint filers who earned up to \$150,000 as reported on their 2019 or 2020 tax returns will receive payments of \$1,400 and \$2,800, respectively. These taxpayers will receive \$1,400 for each dependent child or adult. Payments will gradually phase out for single filers earning up to \$80,000 and joint filers earning up to \$160,000. Payments for dependents will phase out similarly.

Tax credits for families with children-

The stimulus package significantly increases the existing child tax credit, which provides tax credits for low to moderate-income families with children. In 2021, for individuals that earn up to \$75,000 and for couples that earn up to \$150,000, the credit will be \$3,600 per child under six years old and \$3,000 per child between six and 17 years old. The \$3,000 credit will be gradually phased out for eligible individuals earning up to \$95,000 and for couples earning up to \$170,000.

Unemployment Insurance Benefits-

The December 2020 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) provided \$300 a week of federal unemployment insurance (UI) benefits, on top of state UI benefits, for the 11 weeks between December 26th through March 14th. The American Rescue Plan Act extends the federal UI \$300 weekly benefits through September 6th. Certain workers who report both wage and self-employment income will be eligible for an additional \$100 weekly enhancement, in addition to the \$300 federal UI benefits.

COBRA-

The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to continue group health benefits provided by their group health plan for limited periods of time under certain

circumstances such as voluntary or involuntary job loss. The American Rescue Plan Act requires employers to extend offers of free COBRA coverage to certain individuals for the period from April 1, 2021 through September 30, 2021. The City will be required to provide COBRA benefits to any employee who has involuntarily lost their job, regardless of the reason, as far back as November 1, 2019. The City's responsibility will be to cover the cost of the premiums plus the administrative fees. The Rescue Plan Act then provides tax credits to individuals as a means of offsetting the costs of the free COBRA coverage. The law also requires employers to extend offers of COBRA coverage to other individuals whose right to COBRA coverage previously ended. Details on the implementation are pending.

Rent Assistance and Homeowner Assistance Funding-

The December 2020 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) included \$25 billion for the first-ever federal emergency rent assistance program to be administered by states and local governments. The Rescue Plan Act provides an additional \$21.6 billion to help low-income renters with rent and utility payments. Funds will be allocated to states and municipalities with at least 200,000 people. The bill also includes \$5 billion for emergency Section 8 Housing Choice Vouchers, which HUD will provide to public housing agencies to support transitional housing for survivors of domestic violence, victims of human trafficking, and to those experiencing or at risk of homelessness. ARPA also includes \$10 billion to assist homeowners who have struggled during the pandemic by providing direct assistance with mortgage payments, property taxes, property insurance, and utilities. \$400 million was allocated to FEMA's Emergency Food and Shelter Program (EFSP).

Small businesses-

The American Rescue Plan Act provides a much-needed lifeline to the business community. The relief package sets aside \$28.6 billion in Small Business Administration (SBA) grants specifically for food service establishments. Eligible restaurants, bars, food trucks, and caterers can receive up to \$5 million for individual venues; food service establishments with multiple locations can receive up to \$10 million. Grants funds can be used for payroll, rent, utilities, and personal protective equipment.

The Paycheck Protection Program (PPP)-

The forgivable loan program that was developed for the CARES ACT, and which was renewed for \$284 billion in the December 2020 coronavirus package, will receive an additional \$7 billion in the 2021 coronavirus package. Fifteen billion dollars was allocated to the Small Business Administration (SBA) Emergency Injury Disaster Loan program to help severely impacted small businesses in low-income communities, providing grants up to \$10,000 per business. The SBA also received \$1.25 billion for grants to help movie theaters, live performance venues, and other cultural institutions. The Employee Retention Credit, which was created by the CARES ACT, was extended through the end of 2021. This provision provides tax credits to businesses that keep employees on their payrolls. Lastly, \$175 million will be used to establish a Community Navigator Program for Small Business Development Centers and community financial institutions to help small businesses access financial assistance programs more easily.

Other noteworthy highlight-

The ARPA extends the 15% increase in Supplemental Nutrition Assistance Program (SNAP) benefits through September 30, 2021. This increase was enacted in the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and targets an estimated 50 million Americans that struggle to put food on their tables. The Rescue Plan Act provided for \$15 billion for the Child Care and Development Block Grant (CCDBG) program to ensure that qualified childcare providers can safely operate, increase pay and benefits for childcare workers, and lower childcare costs for families.