

# Everything You Need To Know

## About American Rescue Plan Funding



### What Can Funds Be Used For?

Funds can be used to support public health expenditures, address negative economic impacts caused by the public health emergency, replace lost public sector revenue, provide premium pay for essential workers, and investing in water, sewer, and broadband infrastructure.

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### What Can Funds Not Be Used For?

ARP funds may not be used for debt issuance or debt service, legal settlements or judgments, deposits to rainy day funds or other financial reserves, or general infrastructure spending outside of necessary water, sewer, and broadband investments, and special infrastructure projects that are necessary to deal with pandemic-specific issues.

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### When Must Funds Be Allocated?

The Interim Final Rule requires that costs be incurred by December 31, 2024. Treasury is interpreting the requirement that costs be incurred by December 31, 2024, to only require that recipients have obligated the funds by such date. The period of performance will run until December 31, 2026, which will provide recipients a reasonable amount of time to complete projects.

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### What Projects Should Be Considered?

Governments should consider completing a community needs assessment. Community needs assessments seek to gather accurate information representative of the needs of a community. This involves identifying the strengths, assets, needs, and challenges of a specified community. These assessments will help you make decisions about priorities for program or system improvement.

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### What Are Recording Responsibilities?

Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later. This includes those which demonstrate the award funds were used for eligible purposes in accordance with the American Rescue Plan Act.

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### What Other Funding Is Available?

Governments should be cautious in allocating Treasury funds, as state funding and federal grant opportunities will also be available. Local governments are advised to wait to appropriate any ARP funds until they are apprised of all the contracting, accounting, reporting, documentation, and other applicable federal and state compliance requirements. For further information on upcoming grant opportunities, please visit this [link](#).