

The American Rescue Plan Act

2021



Providing direct flexible funding to cities across the country

President Joe Biden recently signed the American Rescue Plan Act (ARP) into law. The sweeping **\$1.9 trillion** federal relief plan brings much needed financial assistance to individuals, businesses, and local governments across the nation.

Under the plan, U.S. cities and towns will receive **\$65.1 billion** in direct and flexible federal funds. The funding will begin to arrive in the next couple of months and will be distributed in two tranches: the first in 2021 and a second in 2022.



Washington cities are projected to receive more than **\$1.1 billion** in federal funding.

Cities can use ARP funds for:

- Responding to the COVID-19 pandemic
- Covering costs incurred from the public health emergency
- Replacing lost, delayed, or decreased revenues due to COVID-19
- Addressing the negative economic impacts on local businesses and nonprofits
- Making necessary investments in water, sewer, and broadband infrastructure

A chart of projected allocations for cities is available on our website. **The estimates are not official values and are subject to change.**



Funds will be available to cities through **December 31, 2024.**

In addition to city funding, the ARP provides **\$1.4 billion** to Washington counties and critical funding to social programs, schools, small businesses, and individuals.

The bill includes funding for:

- Agriculture and nutrition programs, including extending SNAP and Pandemic EBT to keep families fed through the pandemic;
- Schools and institutions of higher education to safely reopen schools, address learning loss, and support students and staff, including broadband support for students;
- Childcare to help sustain providers and expand childcare assistance to 857,000 children;
- COVID-19 vaccinations, testing, treatment, and prevention, especially for hard-to-reach communities;
- Mental health and substance use disorder services;
- Emergency rental assistance, homeowner assistance, and other housing programs to help families pay rent, mortgages, and utilities;
- Transit agencies to prevent transit worker layoffs and prevent severe cuts to transit services that essential workers and the public rely on;
- Small business assistance, including specific programs for restaurants and live venues;
- Tribal government services;
- Extending enhanced unemployment benefits through September 2021, providing an additional \$300 per week, on top of all state unemployment benefits; and
- Expanding the Child Tax Credit and the Earned Income Tax Credit, two powerful and effective tools to end poverty.

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