

American Rescue Plan Act Update

by [Brenna Durden](#)

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The State of Florida, through the Department of Emergency Management (“DEM”) is in the last stages of distributing American Rescue Plan Act (“ARPA”) funds to certain local governments in Florida. Overall, Florida received \$7,105,927,713.00 for metropolitan cities, counties and “non-entitlement units of local government” – those with less than 50,000 population. The U.S. Department of Treasury disbursed \$5,689,502,590.00 directly to counties and metropolitan cities. The DEM recently issued its formal agreement to the “non-entitlement” local governments for adoption and execution, in order to distribute the remaining \$1,416,425,123.00. Those funds will be distributed in two “tranches” (or payments) – one in the near future and the second about 12 months after the first payment is made.

Funds may only be used to cover expenses incurred by the local government by December 31, 2024 which fall under one or more of the following four categories:

1. Public Health and Economic Impacts: Examples of eligible uses of Fiscal Recovery Funds under this category include, but are not limited to:
 - a. COVID-19 Mitigation and Prevention expenses, such as vaccination programs, medical care, testing, personal protective equipment (PPE), and ventilation improvements;
 - b. Medical expenses, including both current expenses and future medical service for individuals experiencing prolonged symptoms and health complications from COVID-19.
 - c. Payroll expenses for public safety, public health, health care, human services, and other similar employees, to the extent that their services are devoted to mitigating or responding to COVID-19.
 - d. Efforts to remedy the economic impact of the COVID-19 public health emergency on households, individuals, businesses, and state, local and tribal governments; and
 - e. Efforts to remedy pre-existing economic disparities which were exacerbated by the COVID-19 public health emergency.
2. Premium Pay: Fiscal Recovery Funds may also be used to provide premium pay to essential workers, per Treasury Guidance’s definition of “essential work.” Examples of essential workers include, but are not limited to:
 - a. Staff at nursing homes, hospitals and home care settings;
 - b. Workers at farms, food production facilities, grocery stores, and restaurants;
 - c. Janitors, truck drivers, transit staff, and warehouse workers;
 - d. Public health and safety staff;
 - e. Childcare workers, educators, and other school staff; and
 - f. Social service and human services staff.



3. Revenue Loss: Recipients may use Fiscal Recovery Funds for the provision of government services to the extent of the reduction in revenue experienced due to the COVID-19 Public Health Emergency.
4. Investments in Infrastructure: Treasury Guidance specifies that Fiscal Recovery Funds may be used to improve access to clean drinking water, improve wastewater and stormwater infrastructure systems, and provide access to high-quality broadband services.

For additional guidance regarding eligible uses of the ARPA funds, as well as impermissible uses, see <https://www.regulations.gov/document/TREAS-DO-2021-0008-0002> / Federal Register, Vol. 86, No. 93, Pg. 26786.

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