

ARPA Guidelines

The regulations governing ARPA are extensive – the Final Rule is 437 pages long. A brief summary can only touch on major points.

ARPA funds can only be used in identified expenditure categories and to eligible populations

Four major expenditure categories:

1. Government Services under Revenue Loss: any government service can be funded up to the amount of calculated lost revenue due to the pandemic
2. Public Health & Economic Response: Respond to COVID-19's negative public health and economic impacts
3. Premium Pay for Essential Workers: Provide additional pay to workers in critical sectors
4. Water, Sewer & Broadband Infrastructure: Fund critical water and sewer projects, and high-speed broadband infrastructure

There are approximately 84 detailed expenditure categories within these four categories that identify eligible uses. These enumerated uses when provided to specific populations and in accordance to detailed requirements are presumed eligible.

Eligible uses under Public Health and Economic Impacts are limited to two eligible population categories:

1. **Impacted** households and communities: generally low-to-moderate income or qualify for certain federal programs
2. **Disproportionately Impacted** households and communities: generally low income or in Qualified Census Tracts or qualify for certain federal programs

The Final Rule enumerates a non-exhaustive list of eligible uses and populations; other uses and populations can be funded but only if defined and documented procedures are followed.

Eligible Costs Timeframe:

- ARPA covers eligible costs incurred from 3/3/2021 to 12/31/2024
- If funds are obligated by 12/31/2024, they can be expended through 12/31/2026
- Obligation is an order placed for property and services, contracts and subawards made, and similar transactions that require payment

Restrictions on Use:

- Cannot use funds for deposits into pension funds, to pay for debt service, to replenish financial reserves, or to satisfy a settlement or judgment
- Use of funds cannot violate Uniform Guidance requirements (Uniform Guidance is an extensive set of requirements separate from the Final Rule that cover federal grant awards)
- Other than use under the "revenue loss" category, funds cannot be used to meet match or cost-share requirements of other federal programs

Required Reporting

- Quarterly project and expenditure reports
 - Primarily details on expenditures, required quarterly through March 2027
- Annual performance report

- Extensive report on use of funds, strategies, performance indicators and equity, required annually through March 2027