

# American Rescue Plan

# Coronavirus Local Fiscal Recovery Fund

\$130 billion split evenly between counties and municipalities

The Municipal Association of SC requests that the state immediately draw down and distribute the \$435 million allocated to SC's 254 non-entitlement units of local government through the American Rescue Plan's Coronavirus Local Fiscal Recovery Fund.

# Metropolitan Cities

*17 SC cities and towns*

*Aiken · Anderson · Bluffton · Charleston · Columbia · Conway · Florence · Greenville · Hilton Head · Mount Pleasant · Myrtle Beach · North Myrtle Beach · Rock Hill · Spartanburg · Summerville · Sumter*

- Cities with populations exceeding 50,000 residents, and all cities that qualify and accept annual CDBG grants.
- Allocations based on population, poverty rates and housing instability to prioritize need.
- Direct recipients of ARP allocations.

# Non-Entitlement Cities

*254 SC cities and towns*

- Cities with fewer than 50,000 residents.
- Allocations based on population to prioritize simplification.
- Indirect recipients of ARP allocations.

# All SC Cities and Towns

- Payments made in two tranches.
- Funds must be obligated by December 31, 2024, and expended by December 31, 2026.
- Reporting to the U.S. Department of Treasury is required.

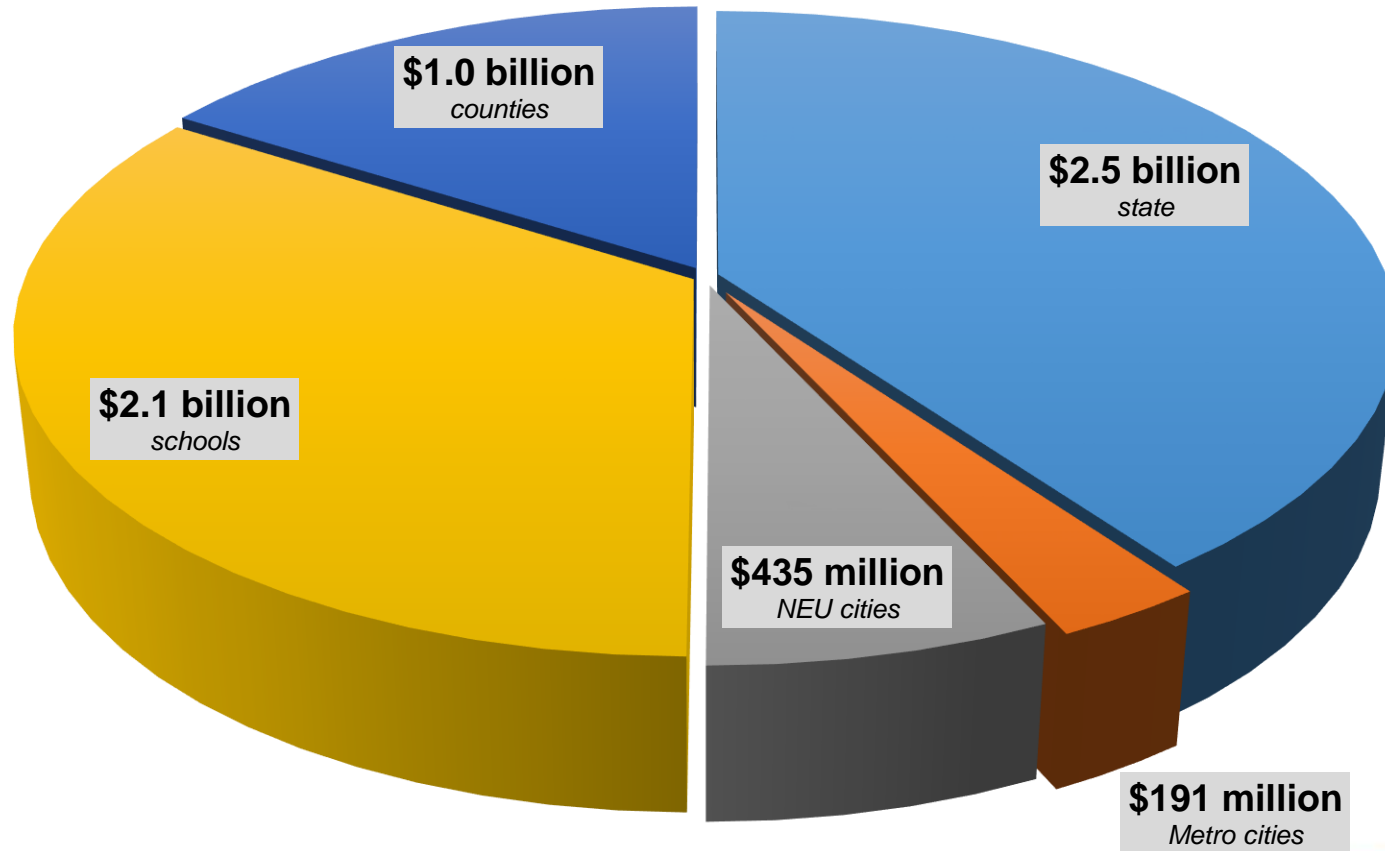
Recipient	Interim Report	Project and Expenditure Report
Metropolitan cities with a population below 250,000 residents which received more than \$5 million	Must be submitted to U.S. Treasury by August 31	Must be submitted by October 31, 2021, and then 30 days after the end of each quarter thereafter
Metropolitan cities with a population below 250,000 residents which received less than \$5 million		Must be submitted by October 31, 2021, and then annually thereafter
Non-entitlement units of government	Not required	

# Expenditure Categories

1. Public health
2. Negative economic impacts
3. Services to disproportionately impacted communities
4. Premium pay
5. Infrastructure
6. Revenue replacement
7. Administrative

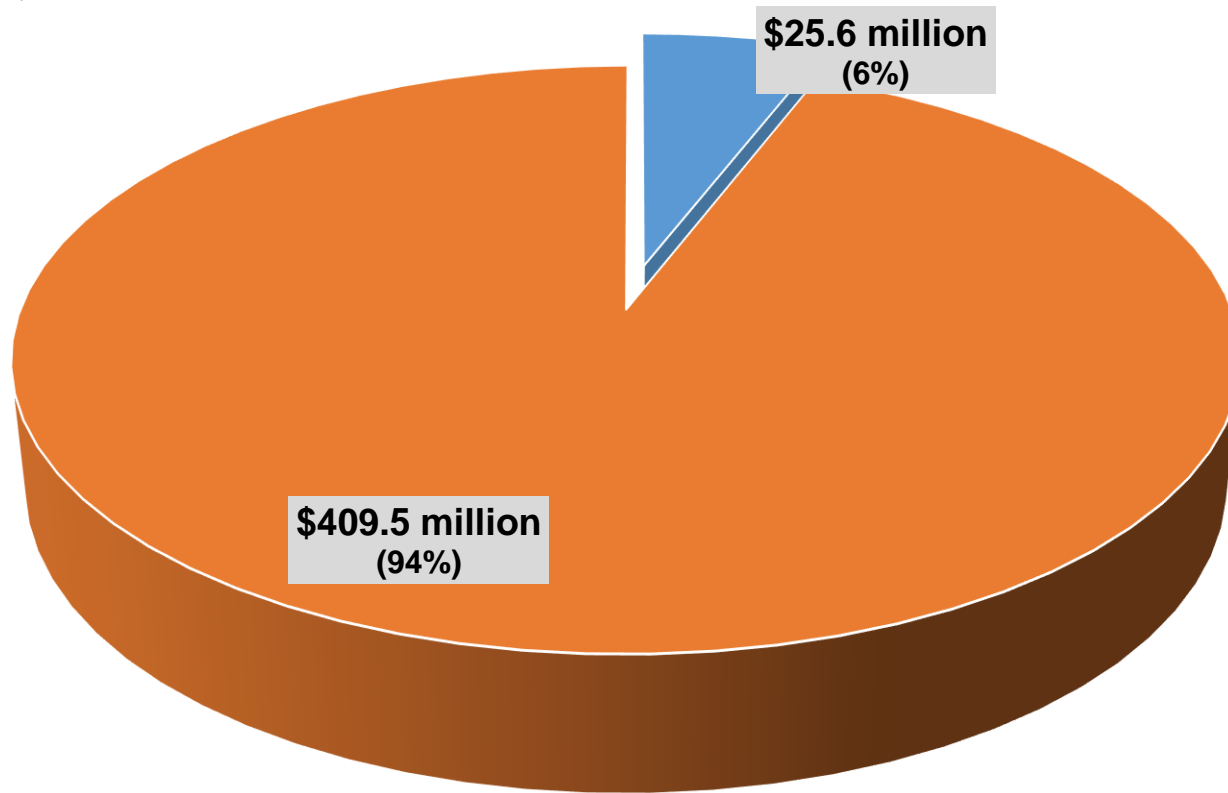


# ARP Dollars in SC



# NEU Allocations in SC = \$435 million

*By population*



■ Less than 1,000 residents

■ More than 1,000 residents

Concern: *The state will be held accountable for misspent dollars.*

"Once funds have been distributed to NEUs, states are not responsible for monitoring NEUs for compliance for use of funds and will not be subject to recoupment of their own state funds in the event that an NEU is in violation of the eligible use of funds detailed in the statute, Interim Final Rule, or Treasury's implementing guidance."

- *U.S. Department of Treasury, August 5, 2021*

Concern: *"Distributions should occur after the state explores ways to maximize ARP investments through a statewide matching program."*

While the Association supports a statewide matching program to maximize investments in infrastructure and other allowable uses, more delays in drawing down the funds will cost the state's NEUs opportunities to get badly needed projects underway.

Concern: "NEUs, particularly those with smaller populations, lack the resources and ability to spend their funds properly."

Local officials, with support from the Association, Councils of Governments and the state, are capable of using the ARP funds in compliance with the guidance issued by the U.S. Treasury Department.



## American Rescue Plan

H.R. 1319, better known as the American Rescue Plan, was signed into law on March 11, 2021.

The \$1.9 trillion emergency relief bill provides \$65.1 billion to municipal governments to respond to the COVID-19 public health emergency, offset revenue losses, bolster economic recovery and provide premium pay for essential workers.

Staff Contact:

**Erica Wright**  
803.354.4793  
[ewright@masc.sc](mailto:ewright@masc.sc)

[Steps to Receive Allocation from American Rescue Plan – Updated April 16](#)

[U.S. Treasury Releases Guidance for American Rescue Plan – Updated May 11](#)

[Treasury Guidance for Non-Entitlement Units of Local Government – May 25](#)

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### Related Links

[Resources](#)

As indirect recipients of the Coronavirus Local Fiscal Recovery Fund, non-entitlement units of

# ARP Contact

**Todd Glover**

Executive Director

803.354.4788

**Erica Wright**

Legislative and Public Policy Advocate

803.354.4793