



The American Rescue Plan Act:

Coronavirus State and Local Fiscal Recovery Funds

Introduction

The American Rescue Plan’s Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) provides \$350 billion in pandemic relief aid for state, local, territorial, and Tribal governments. Of the total SLFRF allocations, Mississippi will receive a total of \$1.8 billion. Allocations to Mississippi include \$577 million for counties, \$97 million for metropolitan cities, and \$258 million for local governments with populations of less than 50,000 individuals. Now, state and local lawmakers have a historic opportunity to use this substantial federal aid to invest in a just economic recovery that will leave us all with a better economy and stronger communities than we had before.

American Rescue Plan Fiscal Aid for Mississippi, State and Localities



State Government
\$1.8 billion



Counties
\$577 million



Other Non-counties
\$258 million



Metro Cities
\$97 million

On May 10, 2021, the United States Department of the Treasury (“The Treasury”) released an Interim Final Rule, which provides guidance to state and local governments on eligible uses of the SLFRF. Eligible uses of the federal recovery aid include the following:

Funding public health measures to respond to COVID-19 and mitigating the economic impact of COVID-19

Examples of eligible uses

- Vaccination programs
- COVID-19 testing
- PPE purchases
- Behavioral health care needs
- Payroll and benefits costs for employees working on the COVID-19 response
- Assistance to unemployed workers
- Loans or grants to small businesses and non-profits
- Replenish unemployment insurance trust funds
- Rehiring state, local, and tribal government staff
- Affordable housing development
- Services to individuals experiencing homelessness
- New, expanded, or enhanced early learning services, including prekindergarten, Head Start, or partnerships between pre-kindergarten programs and local education authorities, or administration of those services

Providing pay for essential workers

Examples of eligible uses

- Premium pay, including retroactive pay to staff at nursing homes, hospitals, and home care settings; workers at farms, food production facilities, grocery stores, and restaurants; janitors and sanitation workers; truck drivers, transit staff, and warehouse workers; public health and safety staff; childcare workers, educators, and other school staff; and social service and human services staff
- Grants to eligible employers that have eligible workers who performed essential work

Replacing lost public sector revenue

Examples of eligible uses

- Replace lost revenue by comparing revenues collected in the most recent full fiscal year prior to the pandemic to revenues that would have been expected in the absence of the pandemic

Investing in water, sewer, and broadband infrastructure

Examples of eligible uses

- Improve water and sewer infrastructure
- Build broadband infrastructure
- Address climate change

SLFRF funds cannot be used to:

X Directly or indirectly offset a reduction in net tax revenue to pay for tax cuts;

X Fund debt service, legal settlements, or judgments;

X Make a deposit to a pension fund;

X Make a deposit into rainy day funds or financial services; or

X Support general infrastructure spending.

Addressing Disparities

SLFRF funds should be used to address disparities in health and economic outcomes faced by low-income communities, communities of color, and Tribal communities as a result of the pandemic. The Interim Final Rule acknowledges the following disparities and makes recommendations on how state and local governments can use the SLFRF to address them: (list is shown on the right side of the page).

Reporting

Compliance and reporting responsibilities for the SLFRF Program are guided by the Treasury's Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds. For more information visit the [Treasury's guidance](#).

Community Engagement

State and local governments should use individuals impacted most by the pandemic to use these one-time funds to make long-term investments that benefit all residents, regardless of color or class. In its guidance, the Treasury explicitly "urges State, territorial, Tribal, and local governments to engage their constituents and communities in developing plans to use these payments, given the scale of funding and its potential to catalyze broader economic recovery and rebuilding."

Policy Recommendations

Mississippi policymakers should think strategically about how to 1) spend these one-time federal relief dollars where they are most needed and 2) use state resources to sustain their impact over the long-term. To ensure we all thrive, SLFRF should be used for the following:

Invest in people

- Build a robust outreach operation to help people access available federal, state, and local aid
- Boost incomes for essential workers and people with limited incomes
- Provide food assistance to community members
- Improve public safety
- Fund job training and increase workforce development programs

NOTED DISPARITIES IN TREASURY GUIDANCE:

- higher rates of infection, hospitalization, and death;
- higher rates of unemployment;
- greater lack of basic necessities like food and housing.
- pre-existing social vulnerabilities, including a reduced ability to work from home and increased housing populations that amplified the risk of COVID-19 infection;
- higher rates of pre-existing health conditions;
- pre-existing economic insecurity;
- lack of access to reliable and affordable broadband;
- fewer educational resources in high poverty areas; and
- lack of access to reliable and affordable broadband;







Advance antiracist, equitable policies

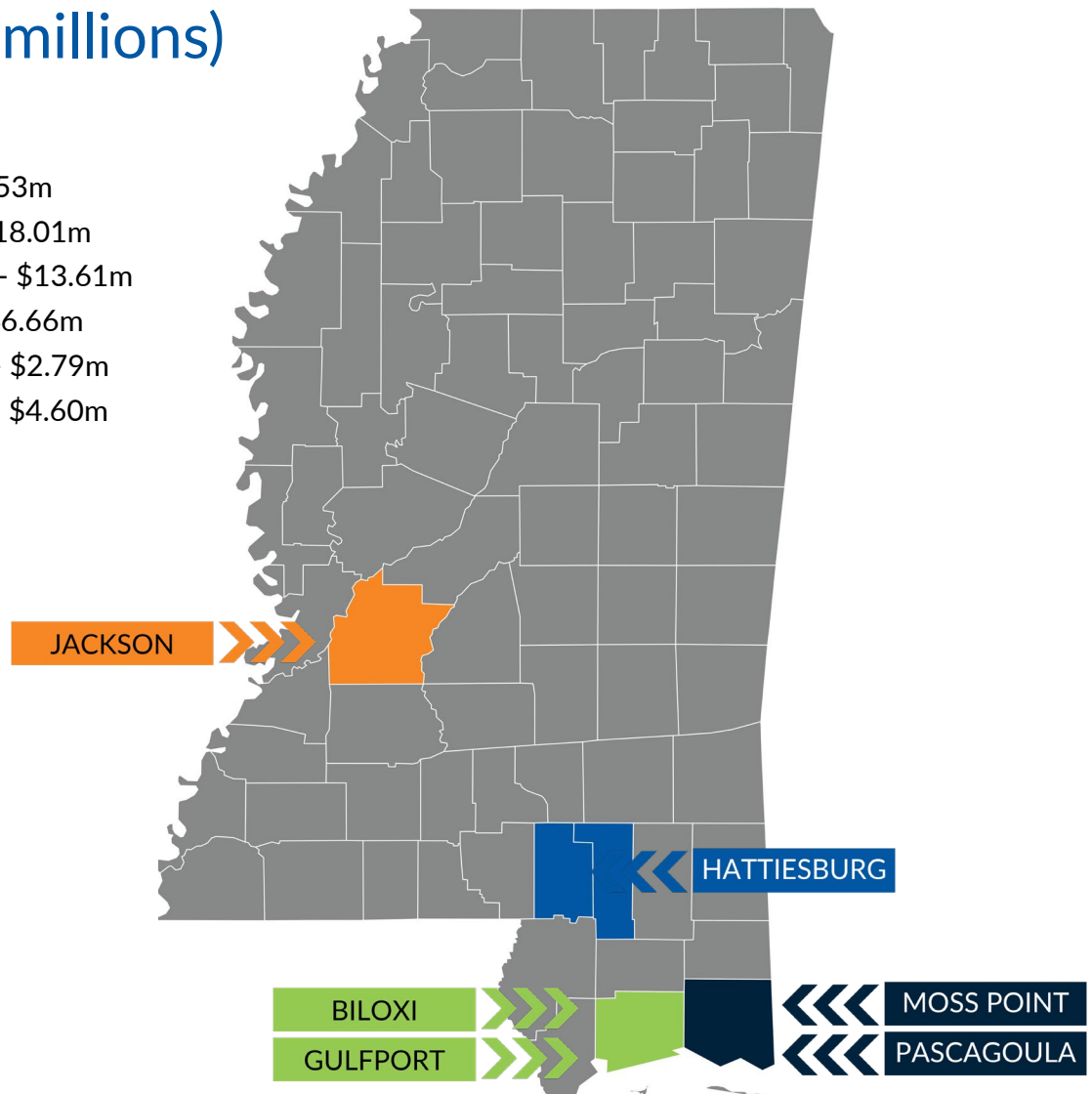
- Help tribal governments harmed by the pandemic
- Eliminate criminal legal fees and base fines on ability to pay
- Implement local emergency and permanent paid leave policies
- Provide rental and housing assistance

Invest in services

- Fund high quality childcare
- Restore funding cuts for schools and other services
- Help children catch up on unfinished learning
- Enhance broadband, clean water, and infrastructure projects
- Provide aid to rural health care centers
- Provide vaccine education
- Increase education about public health measures to help mitigate the impact of COVID-19

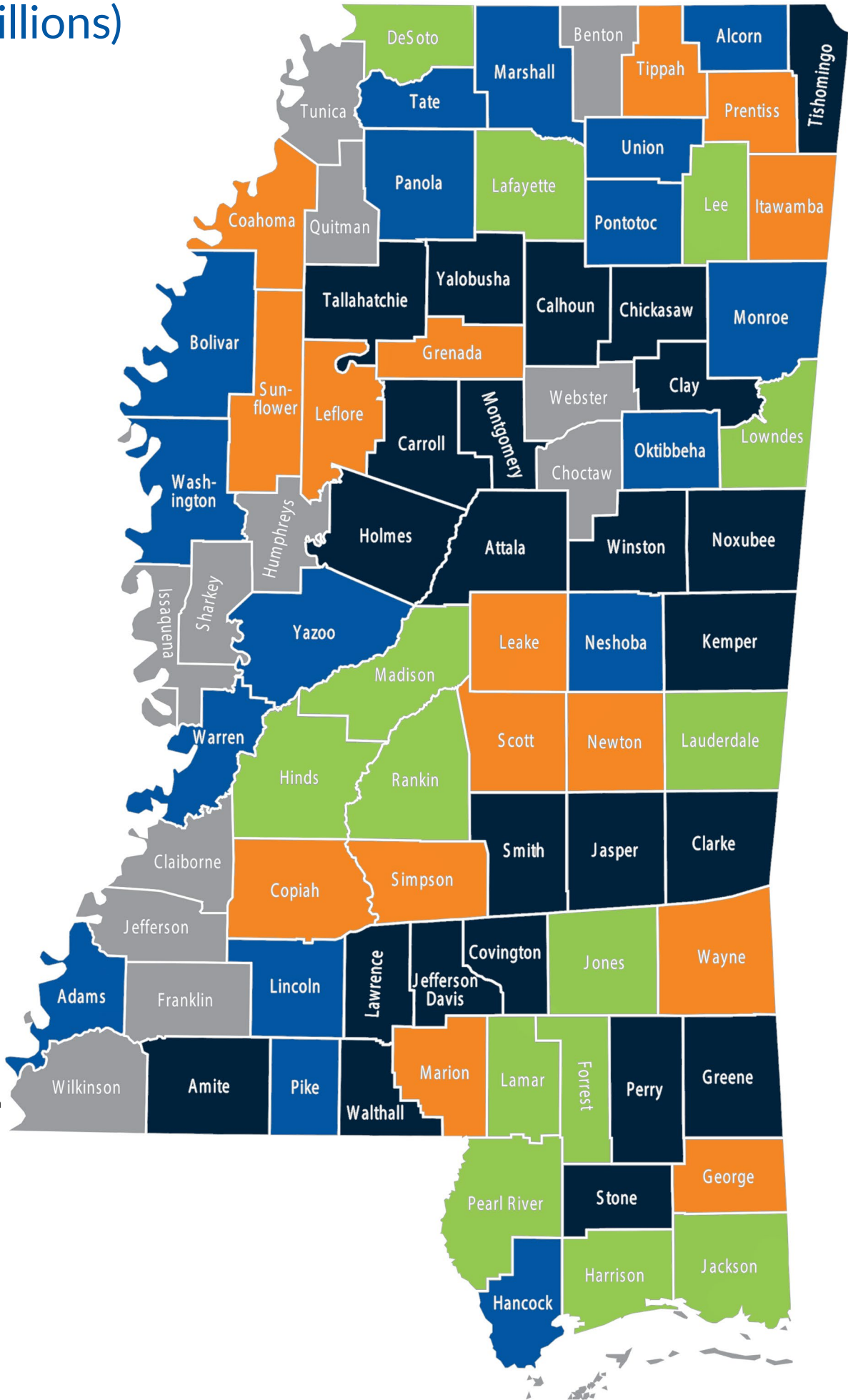
Metro Cities (millions)

	Biloxi - \$11.53m
	Gulfport - \$18.01m
	Hattiesburg - \$13.61m
	Jackson - \$46.66m
	Moss Point - \$2.79m
	Pascagoula - \$4.60m



Counties (millions)

- Hinds - \$44.96m
 - Harrison - \$40.36m
 - DeSoto County - \$35.87m
 - Rankin County - \$30.11m
 - Jackson County - \$27.85m
 - Madison County - \$20.6m
 - Lee County - \$16.57m
 - Forrest County - \$14.53m
 - Lauderdale County - \$14.38m
 - Jones County - \$13.21m
 - Lamar County - \$12.28m
 - Lowndes County - \$11.36m
 - Pearl River County - \$10.77m
 - Lafayette County - \$10.48m
-
- Oktibbeha County - \$9.62m
 - Hancock County - \$9.24m
 - Warren County - \$8.80m
 - Washington County - \$8.52m
 - Pike County - \$7.62m
 - Alcorn County - \$7.17m
 - Marshall County - \$6.85m
 - Monroe County - \$6.84m
 - Panola County - \$6.63m
 - Lincoln County - \$6.62m
 - Pontotoc County - \$6.24m
 - Adams County - \$5.95m
 - Bolivar County - \$5.94m
 - Yazoo County - \$5.59m
 - Neshoba County - \$5.65m
 - Union County - \$5.59m
 - Tate County - \$5.49m
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- Leflore County - \$5.47m
 - Scott County - \$5.45m
 - Covich County - \$5.44m
 - Simpson County - \$5.17m
 - Prentiss County - \$4.87m
 - Sunflower County - \$4.87m
 - Marion County - \$4.77m
 - George County - \$4.75m
 - Itawamba County - \$4.54m
 - Leake County - \$4.42m
 - Coahoma County - \$4.29m
 - Tippah County - \$4.27m
 - Newton County - \$4.08m
 - Grenada County - \$4.03m
 - Wayne County - \$3.91
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- Tihomingo County - \$3.76m
 - Clay County - \$3.75m
 - Covington County - \$3.61m
 - Stone County - \$3.56m
 - Attala County - \$3.52m
 - Winston County - \$3.48m
 - Chickasaw County - \$3.32m
 - Holmes County - \$3.30m
 - Jasper County - \$3.18m
 - Smith County - \$3.09m
 - Clarke County - \$3.01m
 - Calhoun County - \$2.79m
 - Walthall County - \$2.77m
 - Tallahatchie County - \$2.68
 - Greene County - \$2.63m
 - Lawrence County - \$2.44m
 - Amite County - \$2.38m
 - Yalobusha County - \$2.35m
 - Perry County - \$2.32m
 - Jefferson Davis County - \$2.16m
 - Noxubee County - \$2.02m
 - Carroll County - \$1.93m
 - Montgomery County - \$1.90m
 - Kemper County - \$1.89m
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- Webster County - \$1.88m
 - Tunica County - \$1.87m
 - Claiborne County - \$1.74m
 - Wilkinson County - \$1.67m
 - Benton County - \$1.60m
 - Choctaw County - \$1.59m
 - Humphreys County - \$1.56m
 - Franklin County - \$1.50m
 - Jefferson County - \$1.36m
 - Quitman County - \$1.32m
 - Sharkey County - \$0.84m
 - Issaquena County - \$0.26m





One Voice

SLFRF resources

[American Rescue Plan Factsheet | The White House](#)

[Coronavirus State and Local Fiscal Recovery Funds | U.S. Department of the Treasury](#)

[The Coronavirus State and Local Fiscal Recovery Funds Fact Sheet | The U.S. Department of Treasury](#)

[Priorities for Spending the American Rescue Plan's State and Local Fiscal Recovery Funds | Center on Budget and Policy Priorities](#)

[ARP Toolkit: Guidance on Community Engagement | The Southern Economic Advancement Project](#)