



**American Rescue Plan**  
**Treasury Final Rule**

**Kansas Office of Recovery**  
**January 19, 2022**

# What We Will Go Over Today



1

Background and Highlights of Final Rule

2

Overview and Details of What New and Added to Eligible Uses

3

Restrictions and Other Provisions

4

Additional Information and Resources

## Highlights of Final Rule

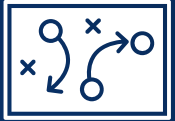
- Allows up to \$10m as “loss revenue”
- Makes other changes to revenue loss calculation
- Adds guidance around capital projects
- “Impacted” and “Disproportionately Impacted” populations
- Re-hiring local government staff above pre-pandemic levels
- Includes culvert repair, dam, and reservoir rehabilitation



# Overview and Details of What New and Added to Eligible Uses

---

## **Government Services/Revenue Loss**



# Public Health and Economic Impacts

- 1 Intent
- 2 Populations Presumed Eligible, Categorical Eligibility & Standards Identifying Eligible Populations
- 3 Responding to Public Health Impacts
- 4 Negative Economic Impacts



## Eligible Uses Continued – Public Health and Economic Impacts

---

### Intent

Treasury has restructured the Final Rule relative to public health and economic impacts "to aid recipients in determining whether a particular response is eligible and how the particular response might be eligible under a particular category.

This restructuring reinforces the fundamental criteria that use of funds is eligible based on its responsiveness to the public health or negative economic impact experienced by individuals, households, small businesses, non-profits, or impacted industries (together "beneficiaries")." (See Final Rule pp. 19-20).

## Eligible Uses Continued – Public Health and Economic Impacts

### Populations Presumed Eligible

"The final rule maintains the presumptions identified in the interim final rule and defines low- and moderate-income for the purposes of determining which households and populations recipients may presume to have been impacted.

To simplify the administration of this presumption, the final rule adopts a definition of low- and moderate-income based on thresholds established and used in other federal programs." (See *Final Rule pp. 30*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Populations Presumed Eligible cont'd

### Additional Considerations

- "Recipients may determine whether to measure income levels for specific households or for a geographic area based on the type of service to be provided." (See *Final Rule pp. 31*).
- "The final rule maintains the presumptions identified in the interim final rule, as well as recipients' ability to identify other impacted or disproportionately impacted classes." (See *Final Rule pp. 37*).
- "The final rule presumes that the general public is impacted by and eligible for services to respond to COVID-19 mitigation and prevention needs, as well as a behavioral health need." (See *Final Rule pp. 37*).
- "...Under the final rule recipients may also presume that households residing in the U.S. territories or receiving services from territorial governments were disproportionately impacted." (See *Final Rule pp. 37*).
- "By allowing recipients to also presume that low-income households were disproportionately impacted, the final rule provides greater flexibility to serve underserved households or communities." (See *Final Rule pp. 39*).
- "Tribal and territorial governments may face both disproportionate impacts of the pandemic and administrability challenges with operationalizing the income-based standard; therefore, Treasury has presumed that services provided by these governments respond to disproportionate pandemic impacts." (See *Final Rule pp. 39*).



# Eligible Uses Continued – Public Health and Economic Impacts

## Categorical Eligibility

### New Guidance:

*"Treasury agrees that allowing recipients to identify impacted and disproportionately impacted beneficiaries based on their eligibility for other programs with similar income tests would ease administrative burden." (See Final Rule pp. 40).*

#### Impacted Households

"Treasury will recognize a household as impacted if it otherwise qualifies for any of the following programs:

- Children's Health Insurance Program (CHIP)
- Childcare Subsidies through the Child Care and Development Fund (CCDF) Program
- Medicaid
- National Housing Trust Fund (HTF), for affordable housing programs only
- Home Investment Partnerships Program (HOME), for affordable housing programs only"

*(See Final Rule pp. 41).*

#### Disproportionately Impacted Households

Households that otherwise qualifies for any of the following programs:

- Temporary Assistance for Needy Families (TANF)
- Supplemental Nutrition Assistance Program (SNAP) o Free and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs
- Medicare Part D Low-income Subsidies
- Supplemental Security Income (SSI)
- Head Start and/or Early Head Start
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Section 8 Vouchers
- Low-Income Home Energy Assistance Program (LIHEAP)
- Pell Grants
- For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible."

*(See Final Rule pp. 41-42).*

## Eligible Uses Continued – Public Health and Economic Impacts

### Standards for Identifying Other Eligible Populations

*"Consistent with the scope of beneficiaries included in sections 602(c)(1)(A) and 603(c)(1)(A) of the Social Security Act, Treasury is clarifying that a recipient may identify such impacts for a class of households, small businesses, or non-profits.*

- *In such cases, the recipient need only demonstrate that the household, small business, or non-profit is within the relevant class." (See Final Rule pp. 42).*

## Eligible Uses Continued – Public Health and Economic Impacts

### Responding to Public Health Impacts

*"The final rule streamlines and aligns services and standards that are generally applicable or are provided for public health purposes. Under this approach, eligible uses to respond to the public health emergency are organized based on the type of public health problem:*

- 1. COVID-19 mitigation and prevention,*
- 2. medical expenses,*
- 3. behavioral health care, and*
- 4. preventing and responding to violence." (See Final Rule pp 20).*

# Eligible Uses Continued – Public Health and Economic Impacts

## Responding to Public Health Impacts

### Designating a Public Health Impact

"Treasury is clarifying that when assessing whether a program or service is an eligible use to respond to the public health impacts of the COVID-19 public health emergency, the Department will consider two eligibility requirements." (*See Final Rule pp. 21*).

1. "There must be a negative public health impact or harm experienced by an individual or a class" (*See Final Rule pp. 21*).
  - Must be reasonably designed to benefit the individual or class that experienced the public health impact or harm. (*See Final Rule pp. 22*).
2. "The program, service, or other intervention must address or respond to the identified impact, or harm"
  - Must also be related and reasonably proportional to the extent and type of public health impact or harm experienced. (*See Final Rule pp. 22*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Responding to Public Health Impacts cont'd

### 1. COVID-19 Mitigation and Prevention

#### COVID-19 public health response and mitigation tactics:

- "In the final rule, Treasury is maintaining an expansive list of enumerated eligible uses to mitigate and prevent COVID-19, given the wide-ranging activities that governments may take to further these goals, including "other public health responses." (*See Final Rule pp. 56*).
- "Note that capital expenditures are not considered "programs and services" and are not presumed to be reasonably proportional responses to an identified harm except as provided in section Capital Expenditures in General Provisions: other." (*See Final Rule pp. 57*).
- "Recipients can provide any COVID-19 prevention or mitigation service to members of the general public without any further analysis of impacts of the pandemic on those individuals and whether the service is responsive." (*See Final Rule pp. 57*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Responding to Public Health Impacts cont'd

### 1. COVID-19 Mitigation and Prevention

#### Vaccination programs and vaccine incentives:

"Treasury issued guidance clarifying that "[vaccine] programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit." (See *Final Rule pp. 59*).

#### Capital Expenditures

"In recognition of the importance of capital expenditures in the COVID-19 public health response," Treasury enumerates a list of capital expenditures that are eligible "as long as they meet the standards for capital expenditures in section Capital Expenditures in General Provisions: Other." (See *Final Rule pp. 60*).

#### Other clarifications on COVID-19 mitigation: medical care, supports for vulnerable populations, data systems, carceral settings

"These eligible uses should help vulnerable or high-risk populations access services that mitigate COVID-19." (See *Final Rule pp. 62*).

#### Assistance to businesses and non-profits to implement COVID-19 mitigation strategies

- "The final rule consolidates all COVID-19 mitigation and prevention within Public Health" (See *Final Rule pp. 63*)
- "In other words, recipients can provide any COVID-19 prevention or mitigation service to small businesses, non-profits, and businesses in impacted industries without any further analysis of impacts of the pandemic on those entities and whether the service is responsive" (See *Final Rule pp. 63*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Responding to Public Health Impacts cont'd

### 2. Medical Expenses

#### [Previous]

**Rule/Ineligibility:** Medical expenses may not serve as a State or locality's contribution of certain Federal funds. *(See Interim Final Rule pp. 19).*

#### Considerations:

##### *General Medical Expense Assessment*

The near- and long-term needs may continue, and therefore, State and Local governments may need to provide care and service to address these needs. *(See Interim Final Rule pp. 19).*

#### [New]

**Final Rule Clarifies** “that it covers costs related to medical care provided directly to an individual due to COVID-19 infection (e.g., treatment) or a potential infection (e.g., testing).” *(See Final Rule pp. 65).*

# Eligible Uses Continued – Public Health and Economic Impacts

## Responding to Public Health Impacts cont'd

### 3. Behavioral Health Care

"Covers an expansive array of services for prevention, treatment, recovery, and harm reduction for mental health, substance use, and other behavioral health challenges caused or exacerbated by the public health emergency" (See Final Rule pp. 67).

- "Recipients can identify the impacted population as the general public" (See Final Rule pp. 67).
- "Eligible uses of funds may include services typically billable to insurance or services not typically billable to insurance" (See Final Rule pp. 68).
- "Treasury highlights several ways that funds may be used to respond to opioid use disorder and prevent overdose mortality." (See Final Rule pp. 68-69).

### 4. Preventing and Responding to Violence

"The final rule incorporates guidance issued after the interim final rule on specific types of services eligible." (See Final Rule pp. 71).



# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts\*

### Responding to Negative Economic Impacts

"Eligible uses to respond to the negative economic impacts of the public health emergency are organized based on the type of beneficiary:

- 1) assistance to households,
- 2) assistance to small businesses, and
- 3) assistance to non-profits, alongside a fourth standalone eligibility category for aid to travel, tourism, hospitality, and industries." (See *Final Rule pp. 20*).

### Designating a Negative Economic Impact

1. There must be a negative economic impact, or economic harm, experienced by an individual or a class.
  - a) The recipient should assess whether and the extent to which economic harm, such as loss of earnings or revenue, resulted from the COVID–19 public health emergency. (See *Final Rule pp. 24*).
2. The response must be designed to address the identified economic harm or impact resulting from or exacerbated by the public health emergency.
  - a) The recipient must assess whether and the extent to which the use would respond to or address this harm or impact. (See *Final Rule pp. 25*).

\*"Treasury is clarifying that recipients should assess a potential use of funds based on which beneficiary experienced the negative economic impact, in other words, the households, small businesses, non-profits, or impacted industries that experienced the negative economic impact." (See *Final Rule pp. 27*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Impacts on Households and Individuals

#### [Previous Guidance]

"Rates of unemployment are particularly severe among workers of color and workers with lower levels of educational attainment... "As the economy recovers, the effects of the pandemic-related recession may continue to impact households, including a risk of longer-term effects on earnings and economic potential." (See *Interim Final Rule pp. 23 – 24*).

#### [New Guidance]

"Treasury has determined that several enumerated uses included in the interim final rule for disproportionately impacted communities are directly responsive to negative economic impacts experienced by impacted households. In the final rule, these uses have been moved from "disproportionately impacted" to "impacted" households accordingly, making these services available to both." (See *Final Rule pp. 79*).

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Use Categories

#### **1. Food Assistance:**

"Treasury is clarifying that capital expenditures related to food banks and other facilities primarily dedicated to addressing food insecurity are eligible..." (See Final Rule pp. 81).  
Eligible uses are found on page 32 of Appendix 1: Eligible Use Matrix

#### **2. Emergency Housing:**

No Changes. Eligible uses are found on pages 32 and 36 of Appendix 1: Eligible Use Matrix

#### **3. Emergency assistance for pressing needs: burials, home repairs, weatherization, or other needs**

No Changes-Maintaining provisions of Interim Final Rule

#### **4. Internet access or digital literacy assistance**

"Treasury has determined that these services, which expand internet access without constructing new networks, are an appropriate enumerated eligible use as assistance to households to respond to a negative economic impact, and they are permitted under the final rule." (See Final Rule pp. 89).

#### **5. Cash Assistance**

"Cash transfers, like all eligible uses in this category, must respond to the negative economic impacts of the pandemic on a household or class of households" (See Final Rule pp. 91).

#### **6. Survivor's benefits**

**No Changes-Maintaining provisions of Interim Final Rule except:**

"The final rule organizes survivor's benefits under assistance to households to clarify that households are the intended beneficiaries of survivor's benefits" (See Final Rule pp.92).  
Eligible uses are found on page 32 of Appendix 1: Eligible Use Matrix

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Use Categories cont'd

#### **7. Assistance accessing or applying for public benefits or services**

- “In the final rule, this use is eligible for any impacted household or class of households, not only in disproportionately impacted communities.” (See *Final Rule pp. 93*). Eligible uses are found on page 32 of Appendix 1: Eligible Use Matrix

#### **8. Promoting healthy childhood environments**

- “Under the Final Rule childcare and early learning services are available to impacted households or classes of households, not just those disproportionately impacted” (See *Final Rule pp.95-96*).
- “Given the widespread impact of COVID-19 on pregnant and recently pregnant individuals, Treasury is re-categorizing home visiting services as an eligible use for impacted communities, not just disproportionately impacted communities. Under the final rule, these eligible uses are available to impacted households or classes of households” (See *Final Rule pp. 98-99*).
- “In the final rule, Treasury is clarifying that services to foster youth, including those aging out of the system, and child welfare-involved families may encompass a wide array of financial, educational, child development, or health supports, or other supports necessary, including supports for kinship care.” (See *Final Rule pp. 100*). Eligible uses are found on page 32 of Appendix 1: Eligible Use Matrix

#### **9. Addressing the impacts of lost instructional time**

- “When providing services to address lost instructional time, recipients may presume that any K-12 student who lost access to in-person instruction for a significant period of time has been impacted by the pandemic and is thus eligible for responsive services.” (See *Final Rule pp.101*). Eligible uses are found on page 32 of Appendix 1: Eligible Use Matrix

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Use Categories cont'd

#### **10. Promoting long-term housing security: affordable housing and homelessness**

- Treasury has determined that supportive housing or other programs or services improving access to stable, affordable housing among individuals who are homeless, and the development of affordable housing to increase the supply of affordable and high-quality living units are responsive to the needs of impacted populations, not only disproportionately impacted populations (*See Final Rule pp. 103*).
- Treasury will presume that any projects that would be eligible for funding under either the National Housing Trust Fund (HTF) or the Home Investment Partnerships Program (HOME) are eligible uses of SLFRF funds (*See Final Rule pp. 106*).
- Additionally, affordable housing projects provided by a Tribal government are eligible uses of SLFRF if they would be eligible for funding under the Indian Housing Block Grant program, the Indian Community Development Block Grant program, or the Bureau of Indian Affairs Housing Improvement Program. (*See Final Rule pp. 106*).
- “Recipients may consider offering down payment assistance, such as through contributions to a homeowner’s equity at origination or that establish a post-closing, mortgage reserve account on behalf of the borrower that may be utilized to make a missed or partial mortgage payment at any point during the life of the loan (e.g., if the borrower faces financial stress). Homeownership assistance that would be eligible under the Community Development Block Grant (at 24 CFR 507.201(n)) is also an eligible use of SLFRF funds.” (*See Final Rule pp. 107*).

Eligible uses are found on pages 32 and 36 of [Appendix 1: Eligible Use Matrix](#)

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Use Categories cont'd

#### **11. Paid sick, medical, or family leave**

- “Under the final rule, creating, expanding, or financially supporting paid sick, medical, or family leave programs is an enumerated eligible use of funds to respond to the negative economic impacts of the pandemic.” (See *Final Rule pp. 112*).

Eligible uses are found on page 33 of *Appendix 1: Eligible Use Matrix*

#### **12. Health Insurance**

- “Under the final rule, programs or services to expand access to health insurance coverage are an enumerated eligible use as assistance to households.” (See *Final Rule pp. 113*).

Eligible uses are found on page 33 of *Appendix 1: Eligible Use Matrix*

#### **13. Services for the unbanked and underbanked**

No Changes. Eligible uses are found on page 33 of *Appendix 1: Eligible Use Matrix*

# Eligible Uses Continued – Public Health and Economic Impacts

## Negative Economic Impacts cont'd

### Assistance to Non-profit Organizations

"The final rule expands the definition of non-profits to mean 501(c)(3) organizations and 501(c)(19) organizations." (See Final Rule pp. 160).

### Aid to Impacted Industries

For the process for identifying an impacted industry. (See Final Rule pp. 164).

"The final rule requires that aid to impacted industries, including to Tribal development districts, be designed to address the harm experienced by the impacted industry." (See Final Rule pp. 168).

### Public Sector Capacity and Workforce

"Indirect costs for administrative, management, and financial management personnel to support public health and safety staff responding to COVID-19 are not permissible under [the provision that allows SLFRF to be used for public health and safety staff], given the relatively greater challenge of differentiating the marginal increase in staff time and workload due to pandemic response for indirect versus direct costs." (See Final Rule pp. 177).

*The final rule provides two options to restore pre-pandemic employment:*

- "Under the first and simpler option, recipients may use SLFRF funds to rehire staff for pre-pandemic positions that were unfilled or were eliminated due the pandemic without undergoing further analysis.
- Under the second option, the final rule provides recipients an option to hire above the pre-pandemic baseline by adjusting the pre-pandemic baseline for historical growth in public sector employment over time, as well as flexibility on roles for hire."

"Recipients may choose between these options but cannot use both." (pp. 179-180).

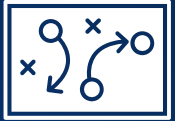
## Eligible Uses Continued – Public Health and Economic Impacts

### Negative Economic Impacts cont'd

#### Capital Projects

"Treasury will require projects with total expected capital expenditure costs of \$1 million or greater to undergo additional analysis to justify their capital expenditure. Projects that are larger in size, and projects that are not enumerated uses, will have increased reporting requirements, including a Written Justification." (See Final Rule pp. 193).





## Infrastructure

- 1 Water Infrastructure
- 2 Sewer Infrastructure
- 3 Broadband Infrastructure



# Infrastructure - Water and Sewer

---

The final rule expands the list of eligible water and sewer infrastructure projects to include certain dam and reservoir rehabilitation projects, additional stormwater projects, private well projects, and a more comprehensive range of projects that remediate lead in water. (See Final Rule pp. 7).

With expanded eligibility provided within the Final Rule, SLFRF funds may be used to fund additional projects. Furthermore, concerning water and sewer infrastructure, SLFRF may be used beyond the CWSRF and DWSRF if the given project is found to be "necessary" according to the definition provided in the Final Rule and outlined below. Also, DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. (See Final Rule pp. 261 & 266).

A "necessary" investment in infrastructure must be:

1. “Responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise;
2. A cost-effective means for meeting that need, considering available alternatives;
3. For investments in infrastructure that supply drinking water to meet projected population growth, projected to be sustainable over its estimated useful life.”

(See Final Rule pp. 266).

The Final Rule indicates that recipients are required to assess the cost-effectiveness of specific projects, including new drinking water systems, dams, reservoir rehabilitation projects, or projects to extend drinking water services to meet population growth needs. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. (See Final Rule pp. 267-269).

# Infrasture - Water and Sewer cont'd

---

## Other Considerations

- **[New Guidance]** Construction can continue past December 31, 2024, if funds have been obligated prior to that date. Projects must be completed by December 31, 2026. (See *Final Rule pp. 357*).
- **[Previous Guidance]** “Recipients may not use funds as a state match for the CWSRF and DWSRF due to prohibitions in utilizing federal funds as a state match in the authorizing statutes and regulations of the CWSRF and DWSRF.” (See [Interim Final Rule Frequently Asked Questions \(FAQ\) 6.2 pp. 28](#)).
- **[New Guidance]** However, the Final Rule does permit the use of SLFRF funds to meet non-federal matching requirements of any authorized Bureau of Reclamation project, regardless of whether the underlying project would be an eligible use of SLFRF funds under the water and sewer infrastructure eligible use category. (See *Final Rule pp. 270 & 291*).
- Please Note: “The National Environmental Policy Act (NEPA) does not apply to the Treasury's administration of the Funds. Projects supported with payments with payments from the Funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.” (See *Interim Final Rule FAQ 6.4 pp. 28-29*).

# Infrastructure - Broadband

---

“The COVID-19 public health emergency has underscored the importance of universally available, high-speed, reliable, and affordable broadband coverage as millions of Americans rely on the internet to participate in, among critical activities, remote school, healthcare, and work.” (See *Final Rule pp. 86*). ARPA provides funds to State, territorial, local, and Tribal governments to make necessary investments in broadband infrastructure.

“The final rule expands eligible areas for investment by requiring recipients to invest in projects designed to provide service to households and businesses with an identified need for additional broadband infrastructure investment, which would include but not be limited to a lack of broadband service reliably delivering certain speeds.” (See *Final Rule pp. 296*).

Eligible areas for investment in broadband infrastructure include locations where the recipient has identified need for additional broadband investment. Recipients are “encourage to prioritize projects that are designed to provide service to locations not currently served by a wireline connection that reliably delivers at least 100 Mbps of download speed and 20 Mbps of upload speed.” (See *Final Rule pp. 296*).

“Recipients are encouraged to require that services provided by a broadband infrastructure project include at least one low-cost option offered without data usage caps and at speeds that are sufficient for a household with multiple 298 users to simultaneously telework and engage in remote learning. (See *Final Rule pp. 297*).

## Infrastructure - Broadband cont'd

Recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that existing federal or state funding commitments are not met. Recipients must also ensure that SLFRF funds will not be used for costs reimbursed by the other federal or state funding streams. *(See Final Rule pp. 311).*

Recipients are required to design projects to meet or exceed symmetrical 100 Mbps download and 20 Mbps upload speeds. Where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds. *(See Final Rule pp. 297).*

It is encouraged to prioritize investments in fiber-optic infrastructure wherever feasible and focus on projects that will achieve last-mile connections. Further, Treasury encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, non-profits, and co-operatives. *(See Final Rule pp. 305-311).*

Enrollment in a low-income subsidy program is required, and recipients must require that the service provider for a broadband project that provides service to households to either:

- Participate in the FCC's Affordable Connectivity Program (ACP); *(See Final Rule pp. 396).*
- Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP.

*(See Final Rule pp. 297, 308, 396 & 430).*

Treasury encourages broadband services to include at least one low-cost option offered without data usage caps at speeds sufficient for households with multiple users to telework and simultaneously engage in remote learning. Recipients are also encouraged in consult with the community on affordability needs. *(See Final Rule pp. 309).*

# Infrastructure – Broadband cont'd

---

## **Cybersecurity Investments**

SLFRF may be used to modernize cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes the modernization of hardware and software. *(See Final Rule pp. 272).*

## **Applicable Standards and Requirements**

It is encouraged with water, sewer, and broadband projects that strong labor stands are adhered to, including project labor and community benefits agreements that offer wages at or above the prevailing rate and have local hire provisions. Furthermore, it is also encouraged that recipients prioritize procuring employers who have strong labor standards and pursuing employers who do not have recent federal or state labor and employment law violations. *(See Final Rule pp. 262 & 397).*

## **Eligible Expenses**

To meet the immediate needs of unserved and underserved households and businesses, recipients are encouraged to focus on projects that deliver a physical broadband connection by prioritizing projects that achieve last-mile connections. Treasury also encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, non-profits, and co-operatives—providers with less pressure to turn profits and with a commitment to serving entire communities. Recipients are also encouraged to consider ways to integrate affordability options into their program design.



## Additional Information and Resources

*H.R.1319- American Rescue Plan Act of 2021.*

<https://www.congress.gov/bill/117th-congress/house-bill/1319>

*Basic Considerations; (Government Regulations Uniform Guidance) 2 CFR 200*

[https://www.govregs.com/regulations/expand/title2\\_chapterII\\_part200\\_subpartA](https://www.govregs.com/regulations/expand/title2_chapterII_part200_subpartA)

*Full Final Rule Text*

<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>

*Treasury Overview of the Final Rule*

<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-Overview.pdf>

*Center on Budget and Policy Priorities – How States Best Use Federal Funds*

<https://www.cbpp.org/research/state-budget-and-tax/how-states-can-best-use-federal-fiscal-recovery-funds-lessons-from>

The Office of Recovery is producing Job Aids to provide additional context for these links that will be added to the [Resource Library](#) once available.



Questions