

City of Portland, Maine
Remote Finance Committee Meeting
Thursday, June 23, 2022
5:00 PM, Remote via ZOOM

AGENDA

PUBLIC COMMENT INFORMATION

To submit written public comment on an agenda item, email finance@portlandmaine.gov. Submissions must be received by 12:00 pm the day before the Finance Committee meeting to guarantee their inclusion in the agenda packet. All submissions must include the commenter's name and legal address. To help ensure your comment is submitted for the correct item, please include the name of the agenda item (see below).

ZOOM MEETING INFORMATION

This meeting will take place remotely using Zoom.

This meeting will be held remotely pursuant to the Remote Meeting Policy adopted by the Portland City Council and as authorized under 1 M.R.S. 403-B because of the existence of an emergency or urgent issue that requires the committee to meet by remote methods. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, a recording will be available in the Agenda Center following the meeting. For agenda items where public comment is scheduled, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

Please click the link below to join the webinar:

<https://portlandmaine-gov.zoom.us/j/84116709872?pwd=U1JYWEFtNjdvQW9oQ255TG5pTHgzUT09>

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1. Introductions

2. American Rescue Plan Act of 2021 - Project Updates, Second Tranche Funding Timeline and Process Discussion

Staff will provide an update on the American Rescue Plan Act of 2021. Discussion will include:

- Updates on first tranche projects in progress including the Microenterprise Grant program, Portland Growing Child Care Grant program, public restrooms projects and more*
- Discussion of the second tranche funding timeline (draft can be found at the City's American Rescue Plan Act website: <https://portland.civilspace.io/en/projects/american-rescue-plan-act>)*
- Review of initial materials for initial launch of second tranche public outreach process*

This is a discussion item only - no action is scheduled for the current meeting

3. Adjournment



THE AMERICAN RESCUE PLAN ACT

FIRST TRANCHE PROJECT UPDATES
SECOND TRANCHE FUNDING TIMELINE AND UPDATES
Presentation to Finance Committee - 6/23/2022

PUBLIC OUTREACH SUMMARY - FIRST TRANCHE

- Public facing website and public comment portal has been released
 - <https://portlanemaine.gov/arpa> - Launched in Summer 2021
 - Public comment portal received strong participation - 2,000+ participants
- Community Health Improvement Survey - Over 400 participants
- Business community survey - Nearly 200 participants
- Hundreds of additional comments received via email, in person, and in public forums held by the City and others
- Dozens of meetings held with external organizations, individual City Departments, our elected officials and other local governmental organizations.

COMMUNITY PRIORITIES FROM PUBLIC COMMENT PORTAL

Priorities	# of Users Who Selected This As a Priority	% of Users Who Selected This As a Priority
Community Recreation Facilities, Parks and Parks Maintenance	1145	56.18%
Affordable Housing Programs	1061	52.06%
Homeless Services	1057	51.86%
Public Health	871	42.74%
Childcare Program Assistance	774	37.98%
Broadband Infrastructure	623	30.57%
Small Business Assistance	548	26.89%
Roadway/Streetscape Improvements	544	26.69%
Other (please specify)	514	25.22%
Municipal Infrastructure Improvements	482	23.65%
Waterfront Infrastructure Improvements	400	19.63%
Municipal Revenue Loss	179	8.78%
Total # of Survey Starts		2038
Total # of Priorities Selected (users could select multiple)		8198

PROJECT UPDATES: FIRST TRANCHE ARPA FUNDING



1st Tranche ARPA Funding

Over 14 Million
in City and
Community
Projects

Public Health/Social Services

- Recuperative Care Program - Maine Behavioral Health/Greater Portland Health/Preble Street
- Mental Health Crisi Training
- Behavioral Health Alternative Response Program
- Public Restroom Initiative
- EXPO Air Quality/HVAC
- Additon of Big Belly's/Trash Receptacles

Mental/Behavioral Health

- Combined Public Health and Social Services Facility at 39 Forest Ave
- Homeless Service Center

Infrastructure/Broadband

- Portland Water District- Baxter Boulevard
- Portland Public Library - Bridging the Digital Divide

Pandemic Response

- IT Pandemic Related Expenses
- Portland Public Library Covid-19 Related Expenses

Child Care Programs

- Portland's Growing Child Care Grant Program
- Youth and Family Outreach

Small Business Support

- Microenterprise Grants (0-7 employees)
- Support for Portland Pilots

Community Investments Projects

- Housing Program Expansion
- Amethyst Park Public Landing Dock
- Kiwanis Community Pool
- Tree Canopy Project

PROJECT UPDATES: COMMUNITY RECREATION, PARKS AND PUBLIC SPACES

Mentioned as a priority by 1145 survey respondents (56%), 8 of 9 elected officials during 1 on 1 meetings, during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meet all ARPA guiding principles.

Specific requests in this category for funding supported in the first tranche included:

- Kiwanis Community Pool Replacement
- Amethyst Park Public Landing Dock at Ocean Gateway
- Additional Big Belly's, Trash Barrels and Recycling Barrels in Public Spaces
- Additional Tree Canopy Funding

PROJECT UPDATES: AFFORDABLE HOUSING PROGRAMS

Mentioned as a priority by 1061 survey respondents (52%), 9 of 9 elected officials (meets a direct City Council goal), during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meet all ARPA guiding principles.

- **No specific requests came to the City in regards to specific housing development**
- **\$1M of funding was recommended to be allocated to housing needs anticipated in upcoming 24 months**
- **See attached staff memo from the original ARPA request for additional details regarding Housing Trust Fund requests in pipeline**

PROJECT UPDATES: HOMELESS SERVICES

Mentioned as a priority by 1061 survey respondents (52%), 9 of 9 elected officials (meets a direct City Council goal), during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meet all ARPA guiding principles.

Specific requests for funding supported in the first tranche included:

- **\$3.5M of Funding in Support for New Homeless Services Center**
(note - \$3M of funds also awarded from Cumberland County, \$200k from SP)
- **Renovations and Expansion of Programs at 39 Forest Avenue**
- **Mental Health Crisis Training and Equipment for Dispatchers and Behavioral Health Staff**

PROJECT UPDATES: PUBLIC HEALTH

Mentioned as a priority by 871 survey respondents (43%), 9 of 9 elected officials, during public comment received in person and via email, and by city staff. Broadly eligible for ARPA spending per the FAQ and meets (in most cases) ARPA guiding principles.

Specific requests for funding supported in the first tranche included:

- **Funding for Additional Public Restrooms**
- **Renovations and Expansion of Programs at 39 Forest Avenue**
- **Portland Exposition Building HVAC / Air Quality**
- **Additional Big Belly's, Trash Barrels and Recycling Barrels in Public Spaces**
- **Mental Health Crisis Training and Equipment for Dispatchers and Behavioral Health Staff**

CHILDCARE PROGRAM ASSISTANCE

Mentioned as a priority by 774 survey respondents (38%), 8 of 9 elected officials, during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meets most ARPA guiding principles.

Specific requests for funding supported in the first tranche included:

- **\$1M in allocated funding for Additional Childcare Program Assistance**
 - This may include: expansion of voucher programs, workforce development, grant program for existing child care providers, direct financial assistance to Youth & Family Outreach project to the extent they do not receive sufficient funding from other sources, and other solutions developed in consultation with City and regional network of community partners.



**18 Child Care Providers
have been approved for
\$198,500 in funding**

**Potential creation of
up to 127 additional
child care slots**

WATER, SEWER AND BROADBAND INFRASTRUCTURE

Mentioned as a priority by over 1000 survey respondents (623 or 31% for Broadband Infrastructure, 400 or 20% for water/sewer infrastructure), 6 of 9 elected officials mentioned Broadband, 7 of 9 mentioned water/sewer infrastructure and water/sewer bill affordability), one or both were mentioned during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meets ARPA guiding principles.

Specific requests for funding supported in the first tranche included:

- **Portland Water District - Various Water/Sewer Infrastructure Projects**
- **Portland Public Library - Bridging the Digital Divide Project**
- **City Hall and IT Pandemic Related Technology / Remote Meeting Needs**

SMALL BUSINESS ASSISTANCE & OTHER

Mentioned as a priority by over 548 survey respondents (27%), 6 of 9 elected officials, in our business survey, and also mentioned during public comment received in person and via email, and by city staff. Eligible for ARPA spending per the FAQ and meets ARPA guiding principles.

Specific requests for funding supported in the first tranche included:

- Allocation of Funding for Continuation of Economic Development Programs from FY20**
- Portland Harbor Pilots
(note - request for funding also made by Pilots to Cumberland County)**
- Portland Public Library - Reimbursement of eligible COVID related expenditures**



**50+ Small
Businesses
with low-moderate
income owners
assisted in 2022 with
grants ranging from
\$1,000 to \$7,500**

ARPA MICROENTERPRISE GRANTS
(\$272,500)

ARPA FUNDING: FIRST TRANCHE SUMMARY

Total ARPA Funding Allocated to City of Portland	\$46,290,428
First Tranche ARPA Payment Received	\$23,145,214
Amount of Revenue Loss Category Utilized in FY22 Budget	\$8,750,000
Remaining First Tranche Funds	\$14,395,214

First Tranche Recommendations: Fixed Amounts	\$11,440,000
First Tranche Recommendations: "Up To" Category	\$2,760,000
	\$14,200,000

ARPA FUNDING REMINDER REMINDER: Revenue Loss Allocations FY22-FY24

During the FY22 budget process the City outlined the “off ramp” for reliance on ARPA funding to sustain critical municipal services. \$8.75M was used from the first tranche of funding with an additional \$8.25M expected to be used in the second tranche to avoid significant tax rate increases. As ARPA impacted revenues rebound in FY22, FY23 and FY24 the City will utilize less ARPA funding in each of those budget years to offset revenue losses. This avoids a “budget cliff” where we would no longer have significant ARPA funding available in FY25.

FY22 - \$8.75M of ARPA funding to support revenue loss

FY23 - \$5.5M* of ARPA funding to support revenue loss

***plus up to \$2M for non-congregate sheltering**

FY24 - \$2.75M of ARPA funding to support revenue loss

FY25 - \$0.00 of ARPA funding

ARPA AVAILABLE FUNDING: SECOND TRANCHE SUMMARY (\$11.2M AVAILABLE)

Second Tranche Snapshot:

\$46,290,625 - Total Expected ARPA Funding

(8,750,000) - Appropriated by City Council in May 2021 - revenue replacement in FY22 budget

(14,395,215) - Appropriated by City Council in November 2021 - various community priorities

(1,650,000) - Vaccination incentive and employee retention payments

(5,550,000) - Revenue replacement to sustain municipal services - FY23 CM Rec budget

(2,029,190) - Use of ARPA funding to fill revenue gap / address housing issues in FY23 budget

(2,750,000) - Revenue replacement to sustain municipal services - FY24 amount per plan

\$11,216,220 - Current unallocated funding expected to be available for Tranche 2 public process

SELECTION CRITERIA / CONSIDERATIONS

- 1. Does the request fall into an eligible category of ARPA spending?**
- 2. Does the request address a priority (or multiple priorities) identified by the Community?**
- 3. Does the request address a priority (or multiple priorities) identified by the City Council?**
- 4. Is the request uniquely the responsibility of Portland or is it a shared / regional responsibility?**
- 5. Does the request follow the ARPA guiding principles? (see next 2 slides for refresher)**

These criteria / considerations have been addressed via other communities in a PRE-APPLICATION required to be completed prior to completion of a full application.

ARPA GUIDING PRINCIPLES

Temporary Nature of ARPA Funds

- Care should be taken to **avoid creating new programs or add-ons** to existing programs that require an ongoing financial commitment.
- **Use of ARPA funds** to cover operating deficits caused by COVID-19 should be **considered temporary** and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.
- Investment in **critical infrastructure** is particularly well suited use of ARPA funds because it is a **non-recurring expenditure** that can be targeted to strategically important long- term assets that provide benefits over many years.

ARPA GUIDING PRINCIPLES

Take Time and Careful Consideration

- Use other dedicated grants and programs first whenever possible and **save ARPA funds for priorities** not eligible for other federal and state assistance programs.
- Whenever possible, expenditures related to the ARPA funding should be spread over the qualifying period (through December 31, 2024) to enhance budgetary and financial stability.
- **Adequate time should be taken to carefully consider all alternatives for the prudent use of ARPA funding prior to committing the resources to ensure the best use of the temporary funding.**

NEXT STEPS - ANTICIPATED SECOND TRANCHE FUNDING TIMELINE

- June 2022: Public participatory process begins with funding priorities survey, public health survey, business community survey, public meeting and more. Finance Committee begins discussion of second tranche public process at their June 23, 2022 meeting.
- Summer 2022: Launch of funding pre-application process (to ensure projects are eligible in accordance with US Treasury guidelines) and full application process begins
- Summer 2022: Review of complete applications, preparation of recommendations for City Council review
- Late Summer / Early Fall 2022: Final funding awards expected

Follow [PORTLANDMAINE.GOV/ARPA](https://portlandmaine.gov/arpa) for updates

NEXT STEPS - LAUNCH OF PUBLIC PARTICIPATORY PROCESS

- See attached draft funding survey for Committee discussion / potential revisions
- Public Health survey currently being drafted
- Pre-application will be released by July 1st at <http://portlandmaine.gov/ARPA>
- Contact finance@portlandmaine.gov with questions

Follow [PORTLANDMAINE.GOV/ARPA](http://portlandmaine.gov/ARPA) for updates

LINKS TO KEY ARPA AND SLFRF DOCUMENTS AND RESOURCES

Document Title (# of pages)	Description	Link
American Rescue Plan Act of 2021 State and Local Fiscal Recovery Funds website	The general landing page for the ARPA State and Local Fiscal Recovery Funds	https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds
Full Text - American Rescue Plan Act of 2021 (242 pages)	Full text of the American Rescue Plan Act (State and Local Fiscal Recovery Funds section is on pages 220 - 233).	https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf
Treasury Final Rule - State and Local Fiscal Recovery Funds (437 pages)	The US Department of Treasury's final guidance containing most updated details on SLFRF and eligible categories of expenses.	https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf
State and Local Fiscal Recovery Funds - Frequently Asked Questions As of January 2022	Complete list of frequently asked questions and responses from the US Treasury on implementation. Excellent source of more detailed information, updated frequently.	https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf
State and Local Fiscal Recovery Funds Compliance and Reporting Guidance (51 pages)	Contains detailed information on the reporting requirements for entities which receive funding (including subrecipients).	https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf

LINKS TO CITY OF PORTLAND ARPA DOCUMENTS, PRESENTATIONS, REQUESTS

Document Title (# of pages)	Description	Link
City of Portland - ARPA Website	The City's website for all ARPA updates.	https://portland.civilspace.io/en/projects/american-rescue-plan-act (http://portlandmaine.gov/arpa links directly to the website above)
American Rescue Plan First Tranche Funding Recommendations Summary	Complete PDF of ARPA First Tranche funding recommendations and amounts including complete original backup materials.	https://portlandme.civicclerk.com/Web/Player.aspx?id=3025&key=-1&mod=-1&mk=-1&nov=0
American Rescue Plan Act - Comments / Funding Requests Received via Email	All comments and funding requests, including letters of support, received via email by the City of Portland. This includes over 142 pages of public comments, 106 City staff requests, and formal requests received from community organizations	https://drive.google.com/drive/u/0/folders/1Qjgkseulkhey088umkOyJZ6C3Lt8ZuhM



THE AMERICAN RESCUE PLAN ACT

Questions and Answers

Welcome!

Thank you for taking the time to provide us with your feedback regarding the use of ARPA funds in Portland, Maine.

As a reminder, Statutory Eligible Uses include:

- To respond to the COVID-19 public health emergency or its negative economic impacts;
- To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work;
- For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; and
- To make necessary investments in water, sewer, or broadband infrastructure

Funds can generally not be used for:

- Depositing extraordinary funds into a pension account
- Certain non-federal matches
- Debt Service
- Legal Settlements
- Rainy Day Funds
- Infrastructure outside of water/sewer/broadband, or revenue loss to infrastructure projects
- General economic development or workforce development unless related to the pandemic

ARPA Funds Public Comment Survey

Whom do you represent? *

- A group/organization/business of 21-100 individuals
- A group/organization/business of 1-20 individuals
- A group/organization/business of more than 100 individuals
- Myself and my household

Please list the name of your organization *

Which one of these categories is your primary concern for use of ARPA funds? Pick one. *

- Environmental/sustainability programs
- Arts
- Business community
- Social Services
- Public Health
- General non-profit organization support
- Public Safety or Emergency Preparedness
- Water, Sewer or Broadband Infrastructure

COVID-19 has disproportionately impacted low-income families and communities of color. Given this, which areas do you think are most critical to allocate funding to? Pick two. *

- **Addressing health disparities and the social determinants of health**
- **Promoting healthy childhood environments**
- **Addressing educational disparities**
- **Investments in housing and neighborhoods**

Within the category of Public Health, which use of funding is most important to you? Pick one. *

- **Measures to combat spread of COVID-19**
- **Support for medical or behavioral health services**

Within the category of Public Safety or Emergency Preparedness, which use of funding is most important to you? Pick one. *

- **Fund programming for emergency personnel training**
- **Purchase equipment for firefighting or emergency rescue**
- **Fund additional emergency/public safety personnel**

Within the category of Social Services, which uses of funding are most important to you? Pick three. *

- Increase programs to address food insecurity
- Increase programs to address needs of those living in poverty
- Increase programs to serve the needs of underserved babies and youth
- Increase services to address needs of unsheltered individuals
- Increase programming to serve the needs of the aging
- Increase housing options for unsheltered individuals

Within the category of infrastructure and built environment, which uses of funding are most important to you? Pick two. *

- Play/sports fields improvements
- Parks and public facilities
- Broadband access
- Water, wastewater and stormwater infrastructure
- Transportation infrastructure (roads, bike paths)

Within the category of non-profit organizations, which use of funding is most important to you? Pick one. *

- Financial assistance to support general operations of organizations
- Funding for the programming provided by the organizations

Within the category of arts, which use of funding is most important to you? Pick one. *

- Funding for the arts programming provided by the organizations or individuals
- Provide grants to artists
- Financial assistance to support general operations of organizations
- Create or improve infrastructure that supports the arts such as facilities and equipment

Within the category of local businesses, which use of funding is most important to you? Pick one. *

- Create or improve facilities or infrastructure that support the business environment
- Loans to support local businesses
- Financial assistance to support the operations of an individual business
- Funding for organizations or programs that support all local businesses or a group of local businesses

Within the category of the environment or sustainability, which use of funding is most important to you? Pick one. *

- Fund transportation-related improvements that improve sustainability
- Provide incentives to increase utilization of energy-savings measures such as installation of solar panels
- Other (please specify)

Please share any other thoughts you have about how Portland should allocate its ARP funds.

May we contact you if we have questions regarding your submission? *

- Yes
- No

Thank you for your feedback. Please share your name and email address *

Appendix 1: Expenditure Categories

Treasury's final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients began reporting on a broader set of eligible uses and associated Expenditure Categories ("EC"), starting with the April 2022 Project and Expenditure Report than they did in their interim reports, initial Recovery Plans, and January Project and Expenditure Report. The table below includes the new Expenditure Categories, as well as a reference to previous Expenditure Categories aligned with the interim final rule and used for reporting before this date.

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term "Expenditure Category" refers to the detailed level (e.g., 1.1 COVID-19 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disproportionately impacted communities (see Project Demographic Distribution section above for details)

Expenditure Category	EC ²⁸	Previous EC ²⁹
1: Public Health		
COVID-19 Mitigation & Prevention		
COVID-19 Vaccination [^]	1.1	1.1
COVID-19 Testing [^]	1.2	1.2
COVID-19 Contact Tracing [^]	1.3	1.3
Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.) ^{*^}	1.4	1.4
Personal Protective Equipment [^]	1.5	1.5
Medical Expenses (including Alternative Care Facilities) [^]	1.6	1.6
Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) [^]	1.7	1.8
COVID-19 Assistance to Small Businesses [^]	1.8	-
COVID 19 Assistance to Non-Profits [^]	1.9	-
COVID-19 Aid to Impacted Industries [^]	1.10	-
Community Violence Interventions		
Community Violence Interventions ^{*^}	1.11	3.16
Behavioral Health		
Mental Health Services ^{*^}	1.12	1.10
Substance Use Services ^{*^}	1.13	1.11
Other		
Other Public Health Services [^]	1.14	1.12
Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	-	1.7
2: Negative Economic Impacts		
Assistance to Households		
Household Assistance: Food Programs ^{*^}	2.1	2.1

²⁸ Under the final rule to be used starting with April 2022 reports

²⁹ Under the interim final rule to be used in Interim Report and January 2022 Project and Expenditure Report



Expenditure Category	EC ²⁸	Previous EC ²⁹
Household Assistance: Rent, Mortgage, and Utility Aid* [^]	2.2	2.2
Household Assistance: Cash Transfers* [^]	2.3	2.3
Household Assistance: Internet Access Programs* [^]	2.4	2.4
Household Assistance: Paid Sick and Medical Leave [^]	2.5	-
Household Assistance: Health Insurance* [^]	2.6	-
Household Assistance: Services for Un/Unbanked* [^]	2.7	-
Household Assistance: Survivor's Benefits [^]	2.8	-
Unemployment Benefits or Cash Assistance to Unemployed Workers* [^]	2.9	2.6
Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)* [^]	2.10	2.7
Healthy Childhood Environments: Child Care* [^]	2.11	3.6
Healthy Childhood Environments: Home Visiting* [^]	2.12	3.7
Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* [^]	2.13	3.8
Healthy Childhood Environments: Early Learning* [^]	2.14	3.1
Long-term Housing Security: Affordable Housing* [^]	2.15	3.10
Long-term Housing Security: Services for Unhoused Persons* [^]	2.16	3.11
Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities* [^]	2.17	-
Housing Support: Other Housing Assistance* [^]	2.18	3.12
Social Determinants of Health: Community Health Workers or Benefits Navigators* [^]	2.19	3.14
Social Determinants of Health: Lead Remediation* [^]	2.20	3.15
Medical Facilities for Disproportionately Impacted Communities [^]	2.21	-
Strong Healthy Communities: Neighborhood Features that Promote Health and Safety [^]	2.22	-
Strong Healthy Communities: Demolition and Rehabilitation of Properties [^]	2.23	-
Addressing Educational Disparities: Aid to High-Poverty Districts [^]	2.24	3.2
Addressing Educational Disparities: Academic, Social, and Emotional Services* [^]	2.25	3.3
Addressing Educational Disparities: Mental Health Services* [^]	2.26	3.4
Addressing Impacts of Lost Instructional Time [^]	2.27	-
Contributions to UI Trust Funds [^]	2.28	2.8
Assistance to Small Businesses		
Loans or Grants to Mitigate Financial Hardship [^]	2.29	2.9
Technical Assistance, Counseling, or Business Planning* [^]	2.30	
Rehabilitation of Commercial Properties or Other Improvements [^]	2.31	-
Business Incubators and Start-Up or Expansion Assistance* [^]	2.32	
Enhanced Support to Microbusinesses* [^]	2.33	
Assistance to Non-Profits		
Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted) [^]	2.34	2.10
Aid to Impacted Industries		
Aid to Tourism, Travel, or Hospitality [^]	2.35	2.11
Aid to Other Impacted Industries [^]	2.36	2.12
Other		
Economic Impact Assistance: Other* [^]	2.37	2.13
Household Assistance: Eviction Prevention* [^]	-	2.5
Education Assistance: Other* [^]	-	3.5



Expenditure Category	EC ²⁸	Previous EC ²⁹
Healthy Childhood Environments: Other**^	-	3.9
Social Determinants of Health: Other**^	-	3.13
3: Public Health-Negative Economic Impact: Public Sector Capacity		
General Provisions		
Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	3.1	1.9
Public Sector Workforce: Rehiring Public Sector Staff	3.2	2.14
Public Sector Workforce: Other	3.3	-
Public Sector Capacity: Effective Service Delivery	3.4	7.2
Public Sector Capacity: Administrative Needs	3.5	-
4: Premium Pay		
Public Sector Employees	4.1	4.1
Private Sector: Grants to Other Employers	4.2	4.2
5: Infrastructure		
Water and Sewer		
Clean Water: Centralized Wastewater Treatment	5.1	5.1
Clean Water: Centralized Wastewater Collection and Conveyance	5.2	5.2
Clean Water: Decentralized Wastewater	5.3	5.3
Clean Water: Combined Sewer Overflows	5.4	5.4
Clean Water: Other Sewer Infrastructure	5.5	5.5
Clean Water: Stormwater	5.6	5.6
Clean Water: Energy Conservation	5.7	5.7
Clean Water: Water Conservation	5.8	5.8
Clean Water: Nonpoint Source	5.9	5.9
Drinking water: Treatment	5.10	5.10
Drinking water: Transmission & Distribution	5.11	5.11
Drinking water: Lead Remediation, including in Schools and Daycares	5.12	5.12
Drinking water: Source	5.13	5.13
Drinking water: Storage	5.14	5.14
Drinking water: Other water infrastructure	5.15	5.15
Water and Sewer: Private Wells	5.16	-
Water and Sewer: IIJA Bureau of Reclamation Match	5.17	-
Water and Sewer: Other	5.18	-
Broadband		
Broadband: "Last Mile" projects	5.19	5.16
Broadband: IIJA Match	5.20	-
Broadband: Other projects	5.21	5.17
6: Revenue Replacement		
Provision of Government Services	6.1	6.1
Non-federal Match for Other Federal Programs	6.2	-
7: Administrative		
Administrative Expenses	7.1	7.1
Transfers to Other Units of Government	7.2	7.3
Transfers to Non-entitlement Units (States and territories only)	-	7.4



Treasury has prepared the additional guidance below to support recipients in implementing the new expenditure categories. This table includes only those previous expenditure categories that are changing under the new structure, aligned with the final rule.

January 2022 Expenditure Categories		April 2022 Guidance
1: Public Health		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	EC removed, capital expenditures can be designated in any relevant PH-NEI EC (e.g., new hospital wing would be tracked under EC 1.4)
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	EC is 1.7
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	EC is 3.1
1.10	Mental Health Services*	EC is 1.12
1.11	Substance Use Services*	EC is 1.13
1.12	Other Public Health Services	EC is 1.14
2: Negative Economic Impacts		
2.5	Household Assistance: Eviction Prevention	EC is now included as part of 2.2
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*	EC is 2.9
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)*^	EC is 2.10
2.8	Contributions to UI Trust Funds	EC is 2.28
2.9	Small Business Economic Assistance (General)*^	If public-health related (e.g., providing rapid tests for small businesses), EC is 1.8; if related to negative economic impact eligible use (e.g., grants, technical assistance, rehabilitation, incubators, or microbusinesses), EC is 2.29-2.33
2.10	Aid to Nonprofit Organizations*	If public-health related (e.g., providing rapid tests for non-profits), EC is 1.9; if related to negative economic impact (e.g., grants to stabilize non-profit budget), EC is 2.34
2.11	Aid to Tourism, Travel, or Hospitality	EC is 2.35
2.12	Aid to Other Impacted Industries	EC is 2.36
2.13	Other Economic Support*^	EC is 2.37, re-named Other Economic Impact
2.14	Rehiring Public Sector Staff	EC is 3.2
3: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning*^	EC is 2.14
3.2	Education Assistance: Aid to High-Poverty Districts ^	EC is 2.24
3.3	Education Assistance: Academic Services*^	EC is 2.25, social and emotional services will now be tracked under this EC
3.4	Education Assistance: Social, Emotional, and Mental Health Services*^	EC is 2.26, if social and emotional services, EC is 2.25;



January 2022 Expenditure Categories		April 2022 Guidance
3.5	Education Assistance: Other*^	EC is 2.37, collected under Other Economic Impact
3.6	Healthy Childhood Environments: Child Care*^	EC is 2.11
3.7	Healthy Childhood Environments: Home Visiting*^	EC is 2.12
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^	EC is 2.13
3.9	Healthy Childhood Environments: Other*^	EC is 2.37, collected under Other Economic Impact
3.10	Housing Support: Affordable Housing*^	EC is 2.15
3.11	Housing Support: Services for Unhoused Persons*^	EC is 2.16
3.12	Housing Support: Other Housing Assistance*^	EC is 2.18
3.13	Social Determinants of Health: Other*^	EC is 2.37, collected under Other Economic Impact
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators*^	EC is 2.19
3.15	Social Determinants of Health: Lead Remediation^	EC is 2.20
3.16	Social Determinants of Health: Community Violence Interventions*^	EC is 1.11
5: Infrastructure		
5.16	Broadband: “Last Mile” projects	EC is 5.19
5.17	Broadband: Other projects	EC is 5.20
7: Administrative		
7.2	Evaluation and Data Analysis	EC is 3.4 and has been renamed Effective Service Delivery
7.3	Transfers to Other Units of Government	EC is 7.2
7.4	Transfers to Non-entitlement Units (States and territories only)	To be separately reported as part of NEU/Non-UGLG module. Refer to Part 2 Section D.