



# JACKSON COUNTY ADMINISTRATION

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To: Jackson County Board of Commissioners  
From: Don Adams *ak*  
Date: August 10, 2021  
Subject: American Rescue Plan Act of 2021

On March 11, 2021 the American Rescue Plan Act (ARPA) was signed into law by the President. The Act set aside \$130.2 billion dollars to be split evenly between municipalities and counties. \$65.1 billion dollars to be directly allocated to counties based upon population. Another \$1.5 billion will be distributed evenly to eligible revenue share counties (i.e. public land counties). Jackson County will receive a total of \$8,534,441 from the Federal Government under this Act. Jackson County must have these funds obligated by December 31, 2024. The funds must be expended by December 31, 2026. The U.S. Treasury published a 151 page "Interim Final Rule" regarding the expenditures of these funds. The final rules are slated to be released by August-September 2021.

It is requested that the Board begin discussing potential uses for these funds. The following provides information on eligible uses for these funds along with some initial concepts for discussion and/or consensus.

1. "To respond to the public health emergency or its negative economic impacts..."

This seems to be the broadest category that provides for the most potential uses. It is under this category where funding human service programs are allowable. This is also the category where the County can look to assist other non-profits and businesses who have been negatively impacted.

2. "To respond to workers performing essential work during the COVID-19 public health emergency..."

This is restricted to specifically defined essential workers. This cannot be an across the board initiative such as the previous bonus pay given to all County employees.

3. "For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency...".

This is the most limited use for these funds. The interim guidance issued requires that system wide revenues be evaluated. Jackson County's sales tax increases have basically offset other losses.

4. "To make the necessary investments in water, sewer, or broadband infrastructure".

Jackson County is very limited at this point under these provisions. We are highly restricted on how we can invest in broadband due to State law. We are not able to utilize any funds other than general funds to invest in broadband. This can only be done after an extensive request for proposals process. It is recommended to hold off on these discussions to see if State law will change. There are also some other potential resources that may become available direct to the private providers.

Jackson County does not operate water and sewer.

It is recommended that Jackson County initiate several processes to move forward with the ARPA planning and eventual expenditure. They are as follows:

1. Plan to contribute funds towards human services functions. As stated at previous meetings, the Federal Government has determined that social issues such as mental health, substance abuse and family/individual assistance programs have all been negatively impacted by the pandemic. Therefore human services activities may be eligible for ARPA appropriations. Jackson County attempts to address these types of issues in a variety of ways. The following details some known and future ARPA partnership opportunities related to human services programming.
  - a. It has been requested to dedicate up to \$2.5 million dollars towards matching Dogwood Health Trust grant funds to go towards the construction of a domestic violence shelter and a homeless shelter.
  - b. AWAKE is currently working on putting together a request regarding their facility needs. They are in need of facility repairs and expansion. They will be seeking assistance regarding these needs.
  - c. Develop a non-profit application process to other agencies providing human services programming.

2. Develop a non-profit application process that allows for other requests that fall within allowable uses under ARPA. ARPA also allows for providing assistance to small businesses and non-profits who have been impacted by COVID-19. The Act allows for aid to be provided to impacted industries such as tourism, travel and hospitality. Jackson County has certain legal restrictions when it comes to funding some of these issues. These restrictions limit our ability to assist. It may be more appropriate for other entities to provide some of the services. Examples include TWSA applying to the County for a water/sewer grant or a Chamber of Commerce applying to the County for a grant to assist businesses.
3. Continue workforce / affordable housing discussions. ARPA funds may be eligible to assist in these matters depending upon that proposal.
4. Receive input and direction from Board of Commissioners on any other initiative eligible to be funded with ARPA proceeds.

All ARPA proposals will have to fall within eligible guidelines set by the Federal government. All expenditure made by Jackson County must follow all state, federal and local laws. There are expenses eligible under Federal guidelines that are not allowable to local governments in accordance with NC law. All requested ARPA projects / programs will have to be reviewed on a case-by-case basis regarding Jackson County's legal ability to proceed forward.