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## AMERICAN RESCUE PLAN ACT – MONTANA SPECIFICS

### LOCAL GOVERNMENT ALLOCATIONS

- \$86.4 million to Montana’s non-entitlement units (NEUs)
  - NEUs request and receive their direct funds from Montana Department of Administration, Local Government Services Bureau **on or before June 16, 2021**
  - Funds will be distributed before June 30, 2021
- \$49.6 million for Montana’s entitlement communities
  - Entitlement communities (Missoula, Great Falls, and Billings) request and receive allocation directly from Treasury
- Eligible uses of funds:
  - Respond to the public health emergency with respect to the COVID19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.
  - Provide premium pay up to an additional \$13 an hour in wages for workers performing an essential function in the pandemic, or provide grants to eligible local employers for premium pay to essential workers.
  - Backfill reduced or lost revenues (relative to revenues collected in the most recent full fiscal year prior to the emergency) to continue providing government services.
  - Make infrastructure investments in water, sewer, or broadband infrastructure.
- Communities may provide for a broader range of services and programs to low-income and Native American communities disproportionately impacted by the COVID-19 virus on health and economic outcomes. These services and programs are presumed to be in response to the public health emergency and eligible uses of the funds when provided in Qualified Census Tracts (QCTs) or to families living in QCTs.
- May transfer the funds directly to nonprofit organizations or a special-purpose unit of local government.
- Funds must be obligated by December 31, 2024; spent by December 31, 2026.
- Funds cannot be used for pensions or for tax cuts.
- All local governments are responsible directly to federal Treasury for eligible use of funds, including providing “periodic reports” providing a detailed accounting of the use of funds.

### STATE INFRASTRUCTURE ALLOCATIONS

- \$910 million from Treasury to the state for the same four eligible use categories as above.
- Legislature allocated some of these dollars for infrastructure projects in HB 632:
  - \$150 million direct allocation to cities, towns, and counties based on gas tax allocation
  - \$277 million in competitive infrastructure grant funding for state, local, and tribal projects

- DNRC and HB 632 Infrastructure Advisory Commission oversees the administration and implementation of this program
  - Applications will be available and Commerce will do training on June 14, 2021
  - Applications due **on or before July 15, 2021**
  - Staff review and rank, brings recommendations to Commission, then Governor certifies final awards – dates TBD
- Eligible projects are those eligible for Clean Water and Drinking Water State Revolving Fund programs (water and sewer projects).