The American Rescue Plan:
Funding for Code Departments
May 19, 2021
The American Rescue Plan

Enacted on March 10, 2021, the American Rescue Plan Act of 2021 provided $1.9 Trillion in federal recovery investments, including the direct payment of $350 billion to state, tribal, territory, and local governments (STTL) through the Coronavirus State and Local Fiscal Recovery Funds (FRF). Click [here](#) for allocation specifics.

- States and DC: $195.3 billion
- Counties: $65.1 billion
- Larger Municipalities: $45.6 billion
- Tribal Governments: $20 billion
- Territories: $4.5 billion
- Municipalities <50,000: $19.5 billion
The American Rescue Plan
Fiscal Recovery Funds – **Timing**

Local governments >50k and counties will receive funds in two tranches.

1\textsuperscript{st}: 50% by May 2021

2\textsuperscript{nd}: 50% approximately 12 months after the first tranche

States and territories – one or two tranches.

1\textsuperscript{st}: At least 50%, 60 days from certification

2\textsuperscript{nd}: Approximately 12 months from certification

Local governments <50k will receive funds in two tranches.

1\textsuperscript{st}: At least 50% by June 2021 (30 days after state receipt, unless state receives 30-day extension)

2\textsuperscript{nd}: 50% approximately 12 months after the first tranche
The American Rescue Plan
Fiscal Recovery Funds – Eligible Costs

• Costs necessary “to respond to the public health emergency”
  • Employee time dedicated to response and activities eligible under the CARES Act, as including code department hardware and software investments for remote work
• Responding to the pandemic’s “its negative economic impacts”
  • Costs associated with rehiring public sector staff, up to pre-pandemic levels
• Premium pay to “eligible workers” performing “essential work”
• “ Provision of government services to the extent of the reduction in revenue . . . due to the COVID–19 public health emergency ”
  • Code department staffing and operations expenses are eligible
  • Funds cannot used to replace revenues lost because of tax cuts tied to the receipt of State or Local Fiscal Recovery Funds
• Investments in water, sewer, and broadband infrastructure
CARES Act (2020)

• $150B for states and localities >500,000
• No req. to provide funds to AHJs <500,000

• $111.4B provided to states and $27.6B to AHJs >500,000
• Covers “necessary expenditures” from the public health emergency, including code department hardware/software needs
• Funds may not be used to revenue shortfalls to cover staffing or operations that would not otherwise qualify

• Eligible costs incurred and funding spent: Mar. 1, 2020 – Dec. 31, 2021

American Rescue Plan (2021)

• $350B provided to governments of all sizes
• All AHJs must receive funding by formula

• $195.3B for states, $65.1B for counties, $45.6B for larger munis, $19.5B for munis < 50,000
• Covers response “to the public health emergency,” code department hardware/software needs are eligible
• Funding may be used to rehiring public sector staff and for the “provision of government services to the extent of the reduction in revenue . . . due to the COVID–19 public health emergency,” including for staffing and operations

• Eligible costs incurred and funding spent: Mar. 3, 2021 – Dec. 31, 2024
Code Department Surveys Reveal Needs

Spring 2020 Survey
Revealed Virtual Needs

Survey of 1150 jurisdictions showed
• 2/10 lacked needed hard copy code books
• 3/10 lacked e-permitting capability and 4/10 e-plan review capability
• 6/10 lacked the capability to conduct virtual inspections

Fall 2020 Survey
Use of Federal COVID-relief Funding

Has your department faced budget cuts?
- Yes, but we do not expect additional budget cuts (15%)
- Yes, and we expect additional budget cuts (28%)
- No, but we expect budget cuts (18%)
- No, and we do not expect budget cuts (26%)
- Not sure (13%)

Has your department used or does it expect to use the Coronavirus Relief Fund for virtual needs?
- Yes (55%)
- No (34%)
- Not sure (11%)
Code Departments are Critical

- Per DHS and every state, code officials are essential workers
- Protect health and life safety
- Disaster mitigation and response
- Facilitate construction, vital to our economic recovery
- Full talking points available here
Next Steps!

How to Access Fiscal Recovery Funds

1. Determine your staffing, operations, and/or hardware/software needs and assess costs.

2. Determine whether funding is available for your department.
   • Consult with the budget/finance department, county clerk, municipal league.
   • Check out ICC’s Coronavirus Response Center – Advocacy Resources or email Advocacy@iccsafe.org for help.

3. Determine the purchasing/procurement process.

4. Track expenses and, where applicable, apply for reimbursement.
Fiscal Recovery Funds and ICC Solutions

Supporting department operations and enabling remote work

- Digital Codes Premium
- Model Program for Online Services
- NTA’s Third Party Plan Review
- E-permitting with Municity
- E-process and Records Management with Laserfiche
- Remote Virtual Inspections through Inspected
- General Code’s Custom Local Building Codes and MapLink
Resources and Contact Info

Virtual Capabilities

• Code Council Survey Results
• Going virtual

American Rescue Plan

• Allocation specifics
• Fact Sheet: ARP Funding for Code Departments
• Talking points on why code department needs should be supported
• Coronavirus Advocacy Resources

Gabe Maser
Vice President, Government Relations
gmaser@iccsafe.org
202-730-3953