

[Bond Case Briefs](#)

Municipal Finance Law Since 1971

[Governors Begin Proposing Uses of American Rescue Plan Act Funds.](#)

The American Rescue Plan Act (ARPA) of 2021 was signed into law by President Biden on March 11. The bill includes \$350 billion in emergency funding for state, local, territorial, and Tribal governments. These State and Local Fiscal Recovery Funds are to remain available until December 31, 2024. The legislation details certain eligible use of the funds including responding to the public health emergency or its negative economic impacts, providing premium pay for essential front-line workers, replacing revenue losses due to the COVID-19 public health emergency, and necessary investments in water, sewer, or broadband infrastructure. Meanwhile, restrictions include using the funds to either directly or indirectly offset a reduction in net tax revenue or depositing the funds into any pension fund. Governors' initial plans for spending ARPA funds have included: **continued efforts to address COVID-19; economic recovery and relief; public health and other health initiatives; education; workforce training; promoting economic development and tourism; bonuses for first responders; shoring up the Unemployment Insurance Trust Fund; housing assistance; and infrastructure including broadband, water, and sewer.**

[Continue reading.](#)

National Association of State Budget Officers

By Brian Sigritz

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com