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Accessing State and Local Fiscal Recovery Funds

The Approaching Deadline to Obligate State and Local Fiscal Recovery Funds

Under the American Rescue Plan Act, \$350 billion in in Coronavirus <u>State and Local Fiscal Recovery Funds</u> (SLFRF) were allocated to state, local, Tribal, and territorial governments to use in providing "assistance to households, small businesses, **and nonprofits**, or to aid impacted industries" (emphasis added).

By December 31, 2024, every state, local government, territory, and Tribal government must commit to spending all their SLFRF resources – unobligated funds will be returned to the federal government. The <u>Treasury Department rules</u> and <u>Quick Reference Guide</u> make abundantly clear that governments will satisfy their duty to obligate SLFRF resources by entering into a contract or subaward agreement with charitable nonprofits by December 31, 2024. Once obligated, the funds can be spent anytime before the end of 2026.

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Nonprofit Advocacy Resources

While the law mandates charitable nonprofit eligibility, it does not mean that nonprofits are entitled to a share of the funds – **you must advocate for them**. Many governments still have unobligated SLFRF resources and decisionmakers continue to debate how to allocate remaining funds before December 31, 2024. Use that opportunity to contact local leaders and make sure your nonprofit can access funding.

The following resources can be used to analyze the details of SLFRF, learn from nonprofit-specific questions, review data on funding and projects, and draft a proposal.

Frequently Asked Questions

- Nonprofit FAQs: This page answers frequently asked questions by charitable nonprofits on SLFRF eligibility, allowable uses, and more.
 - Nonprofit FAQ PDF

Guides, Templates, and Examples

- <u>State and Local Fiscal Recovery Funds: The Gwinnett County Experience</u>, features an example of how a local government can approach grantmaking with a purpose.
- State and Local Fiscal Recovery Funds Still Available for the Asking. So Ask!

 : This is a hands-on guide on how to advocate with local and state officials to secure what's remaining of guickly disappearing SLFRF resources.
- <u>Template Nonprofit Letter of Inquiry</u>: Nonprofits can use this template to design their own SLFRF proposal and send it to local leaders to set up a meeting.
 - Sample Letter: <u>Request for ARPA Funding</u>, Habitat for Humanity of Clallam County, Sep. 14, 2021

Reports and Data

 State and Local Fiscal Recovery Funds: Nonprofit Projects through March 31, 2024, show which governments have been active nonprofit partners, provide examples of programs and projects funded by SLFRF, and share tips on how nonprofits can still secure funding.

- Strengthening State and Local Economies in Partnership with Nonprofits:

 Principles, Recommendations, and Models for Investing Coronavirus State and
 Local Fiscal Recovery Funds. The third edition of the National Council of
 Nonprofits' SLFRF report includes ways in which governments can use funds to
 partner with nonprofits, recommendations for designing and managing
 programs, and successful models of nonprofit relief and partnerships.
- State and Local Fiscal Recovery Funds: Nonprofit Projects through December 31, 2023, includes data on how governments have used SLFRF to partner with charitable nonprofits.

Webinar: Accessing Remaining COVID-Relief Funds Before It Is Too Late

On January 30, 2024, the networks of the National Council of Nonprofits hosted a nationwide webinar to make sure charitable nonprofits know they are eligible for State and Local Fiscal Recovery Funds and how to access them before it's too late. We were joined by Treasury Deputy Secretary Wally Adeyemo to kick off the discussion. He and other speakers addressed the availability of these funds, priorities that deserve special attention, and examples of what works.

...nonprofits are crucial partners to state and local governments. As we approach the final stretch of this program, nonprofit partners are critical to "last mile" implementation to ensure that this historic investment of Federal resources will have a transformative impact in communities across the country.

Remarks by Deputy Secretary of the Treasury Wally Adeyemo Before the National Council of Nonprofits, delivered Jan. 30, 2024.

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National Trackers

These organizations regularly update data on spending plans of state and local governments:

- ARPA State Fiscal Recovery Fund Allocations, National Conference of State Legislatures.
- Local Government ARPA Investment Tracker, Brookings Institute.
- <u>State and Local Funds | American Rescue Plan Funds</u>, National Council of Nonprofits.
- <u>State and Local Fiscal Recovery Funds</u>, Pandemic Response Accountability Committee, Council of the Inspectors General on Integrity and Efficiency (CIGIE).

U.S. Department of the Treasury Resources

- **Final Rule**: <u>Coronavirus State & Local Fiscal Recovery Funds: Final Rule</u>, U.S. Department of the Treasury, Jan. 27, 2022.
- Overview: State & Local Fiscal Recovery Funds: Overview of the Final Rule, U.S. Department of the Treasury, Jan. 6, 2022.
- FAQs: Coronavirus State and Local Fiscal Recovery Funds Frequently Asked Questions, U.S. Department of the Treasury, updated Mar. 29, 2024.