



Fund our future

The American Rescue Plan Act in Ohio

Amanda K. Woodrum

During the COVID pandemic, the federal government took unprecedented action to address Americans' suffering from both the health and economic consequences. Congress [passed the American Rescue Plan Act \(ARPA\)](#) and President Biden signed it into law in March of 2021.

Congress and the Biden administration recognized that the public health crisis and associated economic downturn “impacted” or “disproportionately impacted” low-income communities and communities of color, making a long list of services for these communities presumed eligible expenditures. In essence, underlying health conditions associated with chronic poverty and racism made these communities more susceptible to the most severe outcomes of COVID. Low-income workers were also more likely to be laid off from work that could not be done from home.

State and local governments can use ARPA funds to promote an equitable economic recovery and break down barriers to good health for all residents, no matter their race, income or gender. ARPA allocated \$350 billion in largely flexible funding to state and local governments to be spent on any of the following basic health equity purposes:

- **Replace lost public sector revenue** to provide the basic services their residents rely on, such as public transportation, child care, public schools, and food assistance.
- **Respond to the far-reaching public health and economic impacts of the pandemic**, including directing resources into areas of concentrated poverty where resident health suffers from chronic poverty and neighborhood blight, while also ensuring access to community health care workers.
- **Provide premium pay for essential workers** on the frontline of the pandemic.
- **Upgrade and expand water, sewer and broadband infrastructure** to ensure all people live in communities with the basics of a modern society: Communities that are lead safe, have clean water, and can connect to the internet.



Fund our future

The American Rescue Plan Act in Ohio

Tracking your ARPA funds

The majority (63%) of ARPA funds went to state governments across the country. A little more than one-third of ARPA dollars were evenly distributed among cities and counties. Half of these funds went out in May of 2021, and the remainder will be disseminated roughly one year later. All funds must be obligated by the end of December 2024 and spent by December 31, 2026.

Find [the state allocations here](#), [county's allocation here](#) and your [city's allocation here](#).

For small communities with populations generally less than 50,000, the state will distribute funds according to a formula. You can learn more [here](#).

The U.S. Department of Treasury set rules for spending ARPA funds. Final rules are available [here](#) and a summary is [here](#).

Impacted Households are moderate-income households with incomes at or below [300% of the federal poverty line](#), at or below [65% of the Area Median Income](#), and / or are recipients of certain public benefits moderate-income families are typically eligible for, such as child-care subsidies and the Children's Health Insurance Program. In 2022, 300% of the federal poverty line is approximately \$69,000 for a family of three.

Disproportionately Impacted communities and households are:

- High-poverty neighborhoods ([qualified census tracts](#) where 25% of residents live in poverty or half of all households earn 60% of the area median income).
- Low-income households with incomes at or below [185% of the federal poverty line](#) or [40% of the Area Median Income](#).
- Low-income residents eligible for public benefits including but not limited to Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, Head Start, Free and Reduced-Price Lunch, Section 8 Vouchers, and the Low-Income Home Energy Assistance Program. For a family of three in 2022, 185% of the federal poverty line amounts to less than \$43,000.

Presumed eligible services for **both "impacted" and "disproportionately impacted"** beneficiaries include:

- Assistance to unemployed or underemployed workers, including job training, on-the-job training, apprenticeship readiness programs and public jobs programs.
- Work support programs to help low-income workers and households meet basic needs such as food assistance, emergency housing assistance, emergency home repair or weatherization assistance, internet access, cash assistance, child care and early learning services, and paid sick, medical, or family leave.
- Affordable housing development, supports for foster youth aging out of the system, survivor's benefits for people who lost family members due to COVID, and home visits for pregnant women or new mothers.

Additional services presumed eligible for **"disproportionately impacted"** communities and residents in areas of concentrated poverty include tackling neighborhood blight with resources for remediating lead hazards, improving water and sewer infrastructure, providing housing assistance, increasing greenspace and outdoor recreation opportunities, promoting safe streets for pedestrians, access to healthy foods, and rehabilitating vacant and blighted property. Funds directed at disproportionately impacted communities can also be used to tackle barriers to quality education in poor neighborhoods starting with child care and early learning opportunities. Additional health-related items presumed eligible include using ARPA resources for community health workers, medical equipment and facilities, and home visits for infants.

You can find a host of resources and recommendations for how the state could use its ARPA allocations [here](#).

[Here](#) you can find a menu of options for how your local community can spend its ARPA allocation as well as a health equity assessment tool to help guide the community decision-making process.

**The State of Ohio has not yet obligated its complete allocation.