

# How Will the American Rescue Plan Affect North Carolina?

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NC Rural Coalition Fighting COVID-19

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# Where Does the \$1.9 Trillion Go?

68 percent (\$1.273 trillion) is in Finance

- \$1400 per person Economic Impact Payment
- Extended unemployment benefits and tax exemption
- Child Tax Credit/EITC/Dependent Care Credit
- State and Local Fiscal Aid
- Health Care (including Medicaid)

16 percent (\$304 billion) is in Health/Education/Labor

- Public schools/higher education/child care support
- Testing/vaccines/health workforce/community health/mental health

5 percent (\$88.8 billion) is in Banking/Housing/Urban Affairs

- Rental/mortgage/other housing assistance
- Small business credit initiative

# What About the State and Local Aid?

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North Carolina receives \$8.9 billion in state/local aid

- \$5.276 billion to the state
- \$2.034 billion for counties
- \$1.354 billion for cities and towns
- \$277 million for infrastructure

There are some limits

- Respond to public health emergency
- Respond to negative economic impact of pandemic
- Provide premium pay to start workers/others doing “essential work”
- Compensate for revenue loss
- Water/sewer/broadband

Waiting for the shoe to drop – Treasury Guidance forthcoming

# What Will Happen?

Governor has released his general fund budget proposal and will release a supplement to use the ARP funds (waiting for guidance)

Likely to be heavy on infrastructure, including transportation

Efforts to collaborate with state and local governments

Local governments should be patient

## Other Major Funds for NC

Rent and utility assistance - \$556 million

Small Business Credit Initiative - \$300 million

K-12 public schools - \$3.6 billion (learning loss)

Higher education - \$1.14 billion (half for aid for students)

Child care - \$1.8 billion for CCDF, etc

# Health Care

Medicaid expansion incentive

Medicaid for new categories of eligible populations (postpartum women, home health care for those with disabilities)

Nutrition

Community health centers/Natl Health Service Corps/Indian Health Service

## Other Items

\$25 billion for restaurant revitalization (aid)

\$15 billion for targeted economic injury advances

\$7 billion for broadband connection – schools/libraries



# Questions?

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