



# ***American Rescue Plan Budget Recommendations***

Integrity

Innovation

Teamwork

Excellence



## American Rescue Plan (ARP)

***ARP* signed into law by President Biden on March 11, 2021**

**Federal Treasury guidance on allowable uses was released on May 10**

**Funds must be obligated by 12/31/24  
and expended by 12/31/26**



# American Rescue Plan

**\$5.7 B in two programs:**

**State Fiscal Relief**

**\$5.44B**

**Critical Capital Projects**

**\$277 M**

**Another \$3.2B provided to NC local governments**



## NC's Recovery in Sight, Needs Remain Great

- Employment rate for low-wage workers down 13% and labor participation rate down 2%
- Entertainment spending down 30%
- Housing assistance requests up 36%
- 59% of North Carolinians lack access to affordable high-speed internet
- Only 50% of eligible children attend NC Pre-k



# A Shared Recovery *for a Stronger* North Carolina



**Assisting Families Hardest Hit**



**Upgrading Infrastructure**



**Preparing the Workforce**



**Promoting Business Development and Innovation**



**Positioning Government to Best Serve North Carolinians**



# Assisting Families and Individuals Hardest Hit

## Expanding Affordable Housing: \$575M

- \$500M to develop and rehab approx. 3,000 rental & 3,500 housing units
- \$75M in down payment assistance for first-time home buyers
  - \$8K standard assistance
  - \$15K enhanced assistance for public school teachers
- Will assist 5,000 to 9,000 homebuyers



# Assisting Families and Individuals Hardest Hit

## Extra Credit Grant 2.0: \$250M

- Grants to eligible families with children based on 2019 AGI
- **\$500** grant to AGI's of \$15K-\$30K
- **\$250** grant to AGI's of \$30K-\$60K
- Reaches an estimated 660,000 families



# Assisting Families and Individuals Hardest Hit

## Health & Wellness Promotion: \$125M

- \$15M each to target major risk factors
  - Diabetes
  - Heart disease and stroke
  - Obesity
  - Cancer
  - Tobacco
  - Youth health
- \$15M for healthy communities
- \$15M injury and violence prevention





# Assisting Families and Individuals Hardest Hit

## Enhancing Food Security: \$64M

- \$28M to bolster small farms and emergency food operations
- \$32M to strengthen local food systems and expand nutrition education
- \$4M to reduce college hunger
- Benefits 90 community organizations; hundreds of farmers markets and roadside stands; and students at universities and community colleges



# Assisting Families and Individuals Hardest Hit

## Help for Vulnerable Individuals & Families: \$65M

- \$28M to support families at risk of homelessness (focus on seniors, disabled persons, and kids transitioning from foster care)
- \$20M for domestic violence and sexual assault victims
- \$10M to support family caregivers
- \$7M for vulnerable youth



# Assisting Families and Individuals Hardest Hit

## Sound Basic Education: \$140M

- \$75M to hire reading literacy coaches in all 300 low-performing elementary schools
- \$65M to develop a skilled educator pipeline

## Early Childhood Development: \$160M

- \$102M to improve access to Pre-K
- \$58M for home-based early literacy



# Upgrading Infrastructure

## Closing the Digital Divide: \$1.2B

*Goal: NC will become a top-5 state in adoption with rates above 80%, achieve 100% adoption for homes with children, and fully close equity gaps by 2025*

- \$600M for infrastructure
- \$420M to ensure affordability
- \$165M for digital literacy and enablement
- \$15M for operational support



# Upgrading Infrastructure

## Water, Sewer, & Stormwater: \$800M

- \$440M for distressed & at-risk units
  - Distressed or regionalization projects 100% state-funded
  - At-risk 75%/25% state-funded
  - Potential to assist 65-130 units
- \$360M for other critical projects
  - 50%/50% state match
  - Funding for approx. 30 projects



## Upgrading Infrastructure

### **Lead and Asbestos Remediation in Schools & Child Care Facilities: \$160M**

- \$35M for lead testing and remediation of drinking water
- \$125M for lead and asbestos abatement

### **Rural Downtown Transformation Grants: \$175M**

- \$60M for neighborhood revitalization
- \$100M for local transformation projects
- \$15M to acquire land and demolish old buildings
- Will support 100+ downtown districts



## Preparing the Workforce

### NC Guarantee Scholarship: \$350M

- Eligible to all full and part-time students at UNC & CC's
- Provides **at least \$6,000** for family incomes < \$60,000, with phase out to \$75,000
- Expected to assist at least 72,000 students



### Recovery Scholarships for UNC and CC's: \$270M

- Financial stability for poorest students
- Eligible to all full and part-time students
- Provides up to additional **\$1,000 per year** for students with family incomes less than \$35,000





### Recovery Scholarships for Independent Colleges: \$95M

- Financial stability for poorest students
- Eligible to all full and part-time students
- Provides up to additional **\$1,750 per year** for students receiving existing Need-Based Scholarship



## Preparing the Workforce

### Summer Accelerator Grants: \$60M

- Assists students in need of remedial support, stay on track to graduate

### Finish Line Grants: \$60M

- **Up to \$1,000/semester** for students with financial emergencies
- Assist with housing, medical, transportation, and other needs
- Helps at least 20,000 students/year



## Preparing the Workforce

### **21<sup>st</sup> Century Technology & Equipment for Higher Education: \$150M**

- Focus on high demand fields including STEM, health, and construction
- \$75M to Community Colleges
- \$45M to UNC system
- \$30M to Independent Colleges

### **Reconnect the Workforce: \$25M**

- Targeted support to underrepresented populations, women, youth



# Promoting Business Development & Innovation

## Hospitality Industry Assistance: \$350M

- \$300M to replace approximately 10% of lost sales revenue to 12,000 bars, restaurants, and hotels statewide
- \$50M to encourage small businesses to reopen in existing location
- Expected to support 1,000-2,000 businesses



# Promoting Business Development & Innovation

## **Economic Sites Development: \$50M**

- Funds critical infrastructure to attract new businesses to NC
- Focused on Megasites, distressed communities, & Green energy sector

## **Strategic Industry Development: \$50M**

- Direct grants to local governments for infrastructure and workforce programs



## Promoting Business Development & Innovation

### **Small & Historically Underutilized Business Resiliency: \$50M**

- \$40M for grants up to \$50,000 to support working capital
- Will assist approx. 750 businesses
- \$6M for business recovery counseling
- \$4M for second-stage growth assistance



## Promoting Business Development & Innovation

### Expand Motorsports and Outdoor Event Opportunities: \$45M

- \$30M (\$10M each) for repairs and infrastructure improvements at The Rock, North Wilkesboro Speedway, and Charlotte Motor Speedway
- \$10M for smaller racing venues
- \$5M to develop, connect, and market a new Motorsports and Moonshine Heritage Trail



## Promoting Business Development & Innovation

### UNC System Health Research Innovation: \$75M

- UNCCH is highest ranked COVID-19 research university in the nation
- \$50M for READDI (Rapidly Emerging Antiviral Drug Development Initiative) to accelerate future drug development
- \$25M to expand health research capabilities at our 6 HMSI's





## Promoting Business Development & Innovation

### Restart the Arts, History, Science, Libraries, and Film: \$60M

- Expected to take 2.5 years to recover
- \$45M in recovery grants
- \$2.5M each to the Symphony and Museum of Art
- \$10M for film industry to build sound stages and sets
- > 1,000 organizations eligible for help



# Promoting Business Development & Innovation

## Local Government Assistance: \$65M

- \$41M to provide direct assistance to smaller units through the League of Municipalities, County Commissioners Association, & Council of Governments
- \$24M to hold the towns of Huntersville and Apex harmless (so they receive funding amounts that align with their original Congressional estimates)



## Positioning Government to Best Serve NC

### **State-recognized American Indian Tribes Assistance: \$18M**

- \$16M in direct aid to the 7 tribes recognized by NC but not the federal government
- \$2M for small business grants and other assistance
- Will assist approx. 67,000 American Indians and over 1,000 businesses



## Positioning Government to Best Serve NC

**State Health Plan COVID-19 costs: \$100M**

**Continuity of State Government Operations: \$79M**

**Ventilation and Other Renovations at DPS and DDHS  
Facilities: \$50M**

# *Stay in touch!*

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