



***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

Preparing the Workforce

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

Preparing the Workforce

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

21st 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 Megsites, 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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