

American Rescue Plan Local Fiscal Recovery Funds

The American Rescue Plan funds for all non-entitlement units of local government (NEUs) (i.e. Mississippi cities and towns) have been transferred from the US Treasury to the Mississippi Department of Finance and Administration (DFA). **NEUs are typically all municipalities under 50,000 in population.**

The U.S. Treasury guidelines require that NEUs request these funds from their state governments. The Mississippi Department of Finance and Administration (DFA) is in the process of building an online portal. All municipalities will be asked to upload information to the portal before a transfer of funds can be made. DFA anticipates the portal will be operational by July 1, 2021. In the meantime, there are some things you can do to expedite the process. Please begin gathering the following information now so that it is ready to upload when the portal opens.

1. Local government name, taxpayer identification number, mailing address, and a DUNS number ([click here to apply for a DUNS number](#) or call 1-866-705-5711)
2. Authorized representative name, title, and email (mayor or city manager)
3. Contact person name, title, phone, and email (city clerk, CAO, CFA)
4. Obtain or confirm your local government's MAGIC vendor number for electronic payments received from the State of Mississippi
5. A certified copy of your annual total operating budget, including general fund and other funds, in effect as of January 27, 2020. This information will be needed to enter budget totals into the portal. NOTE: The authorized representative (see item number 2 above) must certify the budget. If the NEU does not have a formally adopted budget, then the NEU can certify its most recent annual total expenditure as of January 27, 2020, in lieu of the NEU's budget total. The certified budget must be submitted to the U.S. Treasury with your first report on or before October 31, 2021.
6. The Award Terms and Conditions for Non-entitlement Units of Local Government (as provided by Treasury) signed by the authorized representative
7. The Assurances of Compliance with Title VI of Civil Rights Act of 1964 (as provided by Treasury) signed by the authorized representative

Funds will be paid in two tranches. The 2nd tranche will be paid no earlier than 12 months after the first payment is received.

Section 603 (b)(2)(C) (iii) of the American Rescue Plan Act and the Interim Final Rule (IFR) provides that each NEU total award (total distribution under the first and second tranches) is capped at 75% of its annual total operating budget, including the general funds and other funds, in effect as of January 27, 2020. The Mississippi Department of Finance and Administration, using a formula based on population provided by the US Treasury, will determine the total amount allocated to each NEU. DFA will then compare the total allocation to the NEU's total operating budget that must be provided by the NEUs (see item number 5 above).

Any NEU that wishes not to receive the American Rescue Plan Act funds **must** decline its funding allocation by providing a signed notice to the State, which the State must transmit to Treasury as part of its interim report due by August 31, 2021. The form will be available in the portal for signature to decline the funding allocation and transfer funds to the State. Under Section 603(c) (4) of the Social Security Act, Treasury will consider this action as a cancellation of the award on the part of the eligible NEU and a modification of the award to the State. If the NEU does not provide such notice, the NEU will remain legally obligated under the award to account for the uses of the funds and report on such uses.

The terms and conditions agreement and the compliance with Title VI document are also included for your review. NEUs should sign and upload both forms into the portal to request their funds.

You will receive additional correspondence later this month when the application process opens for requests. Please retain the documents and information submitted to DFA for your first report to U.S. Department of Treasury, which is due by October 31, 2021. *Additional reporting instructions will be forthcoming from Treasury.*

If you have questions regarding this information, please email ARPLocal@dfa.ms.gov.