

CARES Act of 2020 vs. American Rescue Plan of 2021

CARES Act

VS

AMERICAN RESCUE PLAN

\$150 billion provided to state, local, tribal, and territorial (SLTT) governments through Coronavirus Relief Fund

\$350 billion provided to SLTT governments through Coronavirus State and Local Fiscal Recovery Funds



No requirement to provide jurisdictions <500,000 with funding

All local governments required to receive funding by formula; counties and large municipalities directly, and municipalities <50,000 through their state 30-days from their state's receipt of the funding from the U.S. Department of the Treasury



\$27.6 billion provided to jurisdictions >500,000

\$65.1 billion provided to counties, \$45.6 billion to larger municipalities, and \$19.5 billion to municipalities <50,000



\$111.4 billion provided to states

\$195.3 billion provided to states and DC



\$3 billion provided to U.S. territories, including DC

\$4.5 billion provided to territories, excluding DC



\$8 billion provided to tribal governments

\$20 billion provided to tribal governments



Eligible costs cover "necessary expenditures" incurred due to the COVID-19 public health emergency

Eligible costs cover response "to the public health emergency" or "its negative economic impacts"



Funds may not be used to fill shortfalls in government revenue to cover expenditures for sustaining staffing or government operations that would not otherwise qualify as "necessary expenditures"

Funding may be used to rehire public sector staff, up to pre-pandemic staffing levels, and for the "provision of government services to the extent of the reduction in revenue . . . due to the COVID-19 public health emergency"



Eligible costs cover code department hardware and software investments needed for remote work

Same



Eligible costs need to be incurred March 1, 2020 – December 31, 2021

Eligible costs need to be incurred before December 31, 2024



Lump sum payment made within 30-days to states, tribal governments, and local governments >500,000

Payments to governments will be made in one or two tranches beginning in May. The timeline for payments and number of payments depends on the type of government recipient and unemployment rates. Please see our [Fact Sheet](#) for additional details.



Spending deadline was extended to December 31, 2021

Spending deadline is December 31, 2024



Local budget/finance offices serve as points of contact for funding

Same

