



SOUTH CAROLINA ASSOCIATION OF COUNTIES

Johnnie Wright Sr., President
Orangeburg County

Timothy C. Winslow
Executive Director

March 11, 2021

To: SCAC Board of Directors
Council Chairs
County Chief Administrative Officers
County Finance Officers
County Treasurers
County Attorneys

From: SCAC Staff

Re: American Rescue Plan Act of 2021

It is expected that President Biden will sign the American Rescue Plan Act of 2021 on Friday, March 12, 2021. This Act is the federal comprehensive response to both the public health and economic crises facing our country because of the COVID-19 pandemic. As part of this Act, the Coronavirus State and Local Fiscal Recovery Fund is created to provide new federal fiscal assistance for our nation's states, territories, tribes, counties, and municipalities. Included in that fund is \$65.1 billion in direct funding to county governments.

Of utmost interest to counties in South Carolina is approximately \$1 billion in direct funding just for the counties in our state. The U.S. Department of Treasury will oversee and administer these payments to counties, and every county will be eligible to receive a direct allocation from Treasury. Counties will receive funds in two allocations – with 50 percent within the next 60 days and the remaining 50 percent no earlier than 12 months from the first payment. The funds must be spent by December 31, 2024.

The U.S. Department of Treasury is charged with issuing guidance for the use of these funds by counties. However, the Act provides the general purposes for which these funds may be used. Those purposes include: to respond to the public health emergency with respect to COVID-19 or its negative economic impacts; to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work; for the provision of government services to the extent of the reduction in revenue due to the public health emergency relative to revenues collected in the most

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recent full fiscal year of the county prior to the emergency (i.e., January 20, 2020); or to make necessary investments in water, sewer, or broadband infrastructure.

The National Association of Counties (NACo) has a [clearinghouse](#) of resources for county governments including an [analysis of the Act](#) and the [original text of the Act](#). There is also a [county-by-county breakdown](#) of an estimate of how much funding will be available to each county.

SCAC recommends your county consult these resources regarding the funding that your county will receive. SCAC will also be providing direction on how to request your allocation from the U.S. Treasury and more specific information on how those funds may be expended as that guidance is published by the U.S. Treasury. Please contact SCAC staff if you have any questions about this initial information.