

BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

April 5, 2021

Officers

President

Willie Greene Galax Mayor

President-Elect

Jon Stehle

Fairfax Council Member

Vice President

Jill Carson

Pennington Gap

Vice Mayor

Past President

Thomas R. Smigiel, Jr. Norfolk Council Member

Executive Director

Michelle Gowdy

Publications

Virginia Town & City **eNews**

VML Voice

P.O. Box 12164 Richmond, VA 23241 **Executive Director**

> 804/649-8471 www.vml.org

The Honorable Eileen Filler-Corn Speaker of the House of Delegates

The Honorable Charniele L. Herring House Majority Leader

The Honorable C. Todd Gilbert House Minority Leader

The Honorable Luke E. Torian Chair, House Appropriations Committee The Honorable Richard L. Saslaw Senate Majority Leader

The Honorable Thomas K. Norment, Jr. Senate Minority Leader

The Honorable Janet D. Howell Chair, Senate Finance & Appropriations Committee

RE: American Rescue Plan Act; coordination between State and Local Governments

Dear General Assembly Leaders:

I write to strongly encourage that the Virginia General Assembly, the Governor's Office, and Virginia's local governments work closely together to coordinate the receipt, planning, and use and expenditures of American Rescue Plan Act (ARPA) funds.

The ARPA was signed into law on March 11, 2021. The Commonwealth of Virginia and its localities will receive an extraordinary amount of federal funds, including \$3.766 billion for the Commonwealth, and for aid to local to governments some \$1.65 billion for counties, \$628 million for metropolitan cities, and \$604 million for smaller cities and towns. These amounts do not include other APRA funding for K-12 schools, transportation and transit, broadband, and more.

According to ARPA, we can expect 50% of federal funds to states and localities to be received within 60 days of the ARPA's March 11 signing. We all are waiting on federal guidelines to inform us on ARPA funds use, reporting, compliance, and other matters.

The Virginia Municipal League believes that it is in everyone's interest – the General Assembly, the Governor's Office, and local government representatives – to establish an ARPA work group in order to recognize and address mutual priorities.

The work group would, among other things, ensure state and local collaboration, develop a generally common understanding of the federal guidance, seek to coordinate state and local spending approaches (avoid investment redundancy), and discuss how state and local ARPA funds might be smartly combined or leveraged, where possible and practical, to accomplish more than if immediately spent on one-time acts. This is an extraordinary opportunity to meet long-term obligations and challenges.

VML wants very much to be a constructive partner with the Commonwealth. The ARPA funds are considerable, and we want to work with the General Assembly and the Administration to make the greatest use possible of these federal relief funds.

I hope you will contact me to discuss how state and local government representatives might collaborate on this extraordinary opportunity. I can be reached most easily at (804) 523-8525 and at mgowdy@vml.org.

Michelle Gowdy

Sincerely,

cc: The Honorable Willie Green, Mayor, City of Galax; President, VML VML Executive Board