



## American Rescue Plan Act

### Recommendations for Westchester County Government

August, 2021

Congress expressly declared in the American Rescue Plan Act (“ARPA”) that state, local, Tribal, and territorial governments may use their allocations of the \$350 billion in Coronavirus State and Local Fiscal Recovery Funds to provide “assistance to households, small businesses, *and nonprofits*, or to aid impacted industries” responding to the COVID-19 pandemic.<sup>1</sup>

As Westchester County begins to allocate its share of ARPA funds - \$187.64 million- nonprofits urge the County to prioritize the nonprofit sector, focus on sustainability, and include nonprofit partners.

Nonprofits are important economic drivers and need to be central to efforts to help communities fully return to work, reopen, and recover economically. **New York nonprofits employ 18% of the private workforce, 8% higher than the national average, providing more than 1.4 million jobs and paying \$80 billion in wages.**<sup>2</sup> A majority of our workforce are women and people of color.<sup>3</sup> During the pandemic, tens of millions more Americans than usual turned to 501c3 nonprofit organizations for help – and nonprofits delivered. For communities and local economies to recover, governments need to invest in the work of nonprofits.

NPW offers the following recommendations to Westchester County Government that will help ensure the greatest impact for the public good, with an explicit focus on advancing equity:

**Allocate funding in partnership with the nonprofit sector**, including through special task forces and advisory committees, as urged in the Treasury Department’s Interim Final Rule.<sup>4</sup> Nonprofits

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<sup>1</sup> Strengthening State and Local Economies in Partnership with Nonprofits: Principals, Recommendations, and Models for Investing Coronavirus State and Local Fiscal Recovery Funds.

<sup>2</sup> New York Leads in Nonprofit Jobs and Wages

<sup>3</sup> The Economic Impact of the Nonprofit Sector in New York City

<sup>4</sup> Treasury Interim Rule, Page 9

must play a substantive role in determining how best to maximize the benefits of the ARPA to those who need it the most.

**Center racial equity from the outset** to end the disparities in access to and delivery of services exposed by the pandemic. Governments should prioritize spending of ARPA funds to improve outcomes for communities traditionally left behind. Nonprofits are instrumental in community wellbeing; from addressing food and housing for families to improving education outcomes and reducing criminal justice engagement. President Biden’s [Executive Order 13985](#)<sup>5</sup> on advancing racial equity provides a useful framework. The order defines equity as the “consistent and systematic, fair and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment”.

**Support efforts to ensure that Broadband is a Human Right.**

**Provide a robust grant program specifically for 501c3 direct service nonprofits who have incurred increased operational expenses.**

**Provide premium pay for nonprofit essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors. According to guidelines issued by the U.S. Treasury Department, state and local governments may use this funding to “provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others, social service and human services staff.” Treasury’s Interim Final Rule emphasizes the need for recipients to *prioritize premium pay for lower income*.<sup>6</sup>

**Report and publicly disclose the County’s plan** for allocating ARPA federal relief funding.

We look forward to working with our partners in government to support the investment in individuals and institutions who have experienced an unprecedented burden during the worst public health crisis in over a century.

Please reach out to Jan Fisher with any comments or questions: [jfisher@npwestchester.org](mailto:jfisher@npwestchester.org) or 914-439-0203.

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<sup>5</sup> Treasury Interim Rule, Page 121

<sup>6</sup> Treasury Interim Rule, Page 49