

AMERICAN RESCUE PLAN ACT – FISCAL YEAR 2022 APPROPRIATIONS

In March 2021, the **American Rescue Plan Act (ARPA)** became law, becoming the sixth piece of legislation enacted by Congress to provide pandemic-related relief. This \$1.9 trillion economic stimulus bill included direct stimulus payments to individuals, an extension of enhanced unemployment compensation benefits, direct state and local aid, and several other programs and program modifications to facilitate the nation's recovery from the pandemic. Illinois will receive allocations of funds for dozens of specific purposes as well as direct, more discretionary funding. Current estimates show that Illinois and its local governments will receive more than \$25 billion in allocations, some of which will flow through the State Treasury, while other portions will go directly to universities, transit districts, and other local units of government.

CORONAVIRUS STATE FISCAL RECOVERY FUND

The estimated \$8.127 billion Illinois will receive in Coronavirus State Fiscal Recovery Fund (CSFRF) dollars from the American Rescue Plan Act (ARPA) can be used for a variety of purposes related to responding directly to the COVID-19 Pandemic as well as its impact. Funding can be used for supporting public health expenditures, covering the states' costs of responding to the COVID-19 Pandemic, addressing the negative impacts caused by the pandemic, replacing lost revenues of the governmental unit (and allowing such lost revenues be used for providing government services), providing premium pay for essential workers, and investing in water, sewer, and broadband infrastructure. However, the expenditures must follow strict guidelines set out by the U.S. Department of the Treasury. Funds may be used for expenses incurred through December 31, 2024. Additionally, Illinois is expected to receive \$254 million from the Coronavirus Capital Projects Fund.

The Fiscal Year 2022 budget includes **\$2.8 billion** in initial ARPA CSFRF appropriations (\$1.8 billion for Operating Budget Appropriations and \$1 billion for Capital Appropriations) from the State Coronavirus Urgent Remediation (CURE) Fund. The appropriations of these one-time funds are expected to spend out over several years, allowing for thoughtful and impactful short-term investments to improve the state's economy, and the social service, public health, and educational infrastructure in response to the COVID-19 Pandemic.

For more information regarding Illinois' receipt and expenditure of federal pandemic-related relief, please see the most recent monthly Report to the Legislative Budget Oversight Commission by the Governor's Office of Management and Budget at <https://www2.illinois.gov/sites/budget>.

STATE AGENCY FUNDING TO SUPPORT THE COVID-19 RESPONSE -- \$380M

- **Illinois Emergency Management Agency**
 - Operational costs eligible for payment from the federal Coronavirus State Fiscal Recovery Fund
 - Appropriation amount: \$258M
 - Appropriated Fund: State CURE Fund
 - Purpose: For costs including operational expenses, awards and grants of IEMA and other state agencies for the support of programs and services that assist people and entities impacted by the COVID-19 Pandemic. This appropriation will cover items such as state costs for Personal Protective Equipment (PPE), alternate

care sites, increased operational costs of state agencies, and testing and contact tracing programs. Approximate amounts set forth below:

- Illinois Emergency Management Agency: **\$150M**
 - Department of Human Services: **\$40M**
 - Department of Innovation and Technology: **\$60M**
 - Other Agencies: **\$8M**
- **Department of Commerce and Economic Opportunity (DCEO) - \$2M**
 - **Department of Public Health (DPH) - \$3M** for the Illinois Coronavirus Vaccine Incentive Public Health Promotion Program
 - **Department of the Lottery -\$7M** for covering promotion or incentive prizes with the Illinois Coronavirus Vaccine Incentive Public Health Program
 - **Department of Corrections - \$70M**
 - **Department of Human Services - \$40M**

ADDRESSING THE NEGATIVE ECONOMIC IMPACTS CAUSED BY THE PUBLIC HEALTH EMERGENCY

- Appropriation amount: **\$573.7M**
- Appropriated Fund: State CURE Fund
- Purpose: Economic Recovery for Small Businesses, job training, regional economic analyses;
- **Department of Commerce and Economic Opportunity**
 - Back to Business Grant Program - **\$300M**
 - For general business recovery and to offset losses during the pandemic, including a set aside for businesses that applied but did not receive funding under the Business Interruption Grant Program (BIG) and a set aside for business regrowth and renewal.
 - Workforce Recovery - **\$50M**
 - To connect displaced workers, with an emphasis on underrepresented populations, with new opportunities and reinvigorated efforts to reach unemployed and underemployed populations at all skill levels.
 - American Rescue Plan Capital Assets Program - **\$45M**
 - To support improvements and encourage investment in commercial corridors and downtowns that have experienced disinvestment, particularly in communities hardest hit by COVID-19. Through this program, DCEO can fund projects that make these areas more attractive for private investment, generate short-term and long-term employment opportunities, and improve quality of life in the community through high-quality infrastructure and amenities.
 - Research in Illinois to Spur Economic Recovery Program (RISE) - **\$25M**
 - Statewide post-COVID-19 research and planning; Local and regional planning efforts to adopt and adapt key tenants of the strategy through local models; Implementation grants, for projects identified through regional planning groups and demonstrate community recovery impact.

- Targeted Technical Assistance - **\$20M**
 - Up to **\$10M** directed toward a statewide expansion effort of the Community Navigator Program, to connect small businesses to emergency support resources including state and federal programs.
 - Additional funds will be directed toward Targeted Business Support Services such as business planning, counseling, navigating capital access to aid in helping small businesses rebuild and recover.
- Tourism Attraction Development Grant Program - **\$10M**
 - For DCEO tourism grants including Main Street Festival Grants
- Other Impacted Industries and Agencies - **\$123.7M**
 - Convention Centers and Visitors Bureaus - **\$69M**
 - Metropolitan Pier and Exposition Authority - **\$30M**
 - Navy Pier - **\$8M**
 - Rosemont Convention Center - **\$15M**
 - Other grants - **\$1.683M**

Healthcare Response and Improving Public Health Outcomes

- Appropriation amount: **\$406M**
- Appropriated Fund: State CURE Fund
- Purpose: For health care providers, long-term care facilities, and mental and behavioral health programs to support the public health response and improve public health outcomes;
- **Department of Healthcare and Family Services - \$280M**
 - Support to providers of long-term care services, excluding Specialized Mental Health Rehabilitation Facilities - **\$75M**
 - Support to Specialized Mental Health Rehabilitation Facilities - **\$5M**
 - Support to hospitals - **\$180M total** (\$30.0M specifically for safety net hospitals)
 - Grant to Ann & Robert H. Lurie Children’s Hospital of Chicago - **\$20M**
- **Department of Human Services - \$70M**
 - Trauma/Mental Health/Behavioral Health - **\$50M**
 - First Responder Mental Health - **\$5M**
 - Suicide Prevention - **\$5M**
 - Housing is Recovery Pilot Program - **\$10M**
- **Department of Public Health - \$52.7M**
 - Safety Net Hospitals that participate in the state’s Medicaid managed care program - **\$37.7M**
 - Prevention and treatment of HIV/AIDS and reduce disparity of HIV infection and AIDS cases among African Americans - **\$15M**
- **Other Agencies - \$3.77M**

Violence Prevention and Improving Public Health Outcomes

- Appropriation amount: **\$128.85M**
- Appropriated Fund: State CURE Fund
- Purpose: To mitigate the increase in violence during the pandemic and improving public health outcomes

- **Illinois Criminal Justice Information Authority**
 - Grants for violence prevention programs - **\$50M**
 - Other Violence Prevention Grants - **\$5.85M**
- **Department of Human Services**
 - Teen Reach - **\$10M**
 - Summer Youth Employment - **\$60M**
- **Department of Children and Family Services**
 - Child Advocacy Centers - **\$3M**
- **Illinois State Board of Education**
 - Grant to the Black and Gold Initiative for mentoring, education programming, and violence prevention for high school students - **\$75K**

Affordable Housing/Homelessness

- Appropriation amount: **\$114.2M**
- Appropriated Fund: State CURE Fund
- Purpose: Increasing the supply of affordable housing and supportive housing and addressing homelessness to build stronger communities.
- **Illinois Housing Development Authority**
 - COVID-19 Affordable Housing Grant Program (HB2621) - **\$75M**
- **Department of Human Services**
 - Supportive Housing Services - **\$25M**
 - Supportive Housing Services - **\$3.05M**
 - Homeless Youth Services - **\$1M**
 - Fifth Street Renaissance - **\$100K**
 - United Power - **\$10M**

Improving Educational Outcomes/Addressing Educational Disparities

- Appropriation amount: **\$55.8M**
- Appropriated Fund: State CURE Fund
- Purpose: Improving Educational Outcomes/Addressing Educational Disparities
- **Illinois State Board of Education**
 - Implement after school programs - **\$10M**
 - Implement parent mentoring programs - **\$10M**
 - Deposit to the Freedom Schools Fund for the Freedom Schools Grant Program - **\$17M**
- **Illinois Board of Higher Education**
 - Grow Your Own Teachers - **\$1M**
- **Illinois Community College Board**
 - College bridge programs - **\$10M**
- **Illinois Student Assistance Commission**
 - Golden Apple Scholars of Illinois - **\$3.5M**
 - Golden Apple Accelerators Program - **\$4.3M**

Community Support Programs to Address Disparities in Public Health Outcomes and Promote Healthy Childhoods

- Appropriation amount: **\$163.8M**
- Appropriated Fund: State CURE Fund
- Purpose: Grants to community support organizations
- **Department of Human Services - \$147.3M**, including \$87 million to welcoming centers;
- **Department of Children and Family Services - \$1M** for Court Appointed Special Advocates of Cook County
- **Department of Commerce and Economic Opportunity - \$15.5M** for various grant programs

CAPITAL INFRASTRUCTURE

- Appropriation amount: **\$1B**
- Appropriated Fund: State CURE Fund
- ARPA funds will be utilized to cash-fund projects for statewide broadband and water and sewer infrastructure.
 - Approximately \$575 million in existing broadband, water and sewer capital appropriations were shifted over to the State CURE Fund to allow for direct use of ARPA funds.
 - The remainder of the \$1 billion, approximately \$425 million, will be utilized to reimburse state funds for dollars expended on existing capital projects that are ARPA-eligible once federal rules are finalized. This will help expedite the delivery of critical infrastructure projects while minimizing the State's debt burden.

LOCAL FISCAL RECOVERY FUND

ARPA also allocated funds to counties, cities and towns for COVID-19 response costs. Illinois' allocation across local governmental units totals approximately \$5.96 billion. Generally, allowable purposes mirror the State Fiscal Recovery Fund rules.

- Metropolitan Cities - \$2.7B – Direct payments to the larger cities (46 cities) from the U.S. Treasury
 - Chicago - \$1.89 billion
- Counties - \$2.46B – Direct payments to the counties from the U.S. Treasury
 - Cook County allocation \$1.0B
- Non-entitlement Units of Local Government - \$742.2M – this will pass through the State Treasury
 - Appropriated to Department of Revenue from Local CURE Fund
 - Payments will be released in two tranches

OTHER ARPA APPROPRIATIONS

Aside from the \$8.1 billion received from the Coronavirus State Fiscal Recovery Fund within the ARPA, additional funds are expected to be received by the State. The following sections review other amounts included in the fiscal year 2022 budget, by program area. These appropriations may be spent out over multiple years.

EDUCATION

Illinois State Board of Education

- **Elementary and Secondary School Emergency Relief (ESSER III) –**
 - **Award Amount: \$5,054,988,054**
 - Funding Source: SBE Federal Department of Education Fund
 - Outlines in statute specific requirements for use of funds into two main categories; distribution to school districts based on the same proportion received under the Elementary and Secondary Education Act (ESEA) Part A of Title I, and the State Education Agency (SEA) set aside
 - Distribution to school districts under Part A of Title I of ESEA
 - 90% to school districts in the state in proportion to the amount of funds such school district received under part A of Title I - \$4,549,489,249
 - 20% of these funds must be used by school districts to address learning loss through interventions
 - SEA set aside
 - Not more than ½ of 1% for administrative costs - \$25,274,940
 - Not less than 5% to address learning loss - \$252,749,403
 - Not less than 1% to carry out comprehensive after school programs - \$50,549,881
 - Not less than 1% to carry out comprehensive summer enrichment programs - \$50,549,881
 - Remaining balance to address the impact of COVID-19 - \$126,374,700
- **Emergency Assistance to Non-Public Schools –**
 - **Award Amount: \$83,246,346**
 - Funding Source: SBE Federal Department of Education Fund
 - Funds may be used to provide services or assistance to non-public schools that enroll a significant percentage of low income students and are most impacted by the qualifying emergency
- **Individuals with Disabilities Education Act (IDEA) Part B Section 611 –**
 - **Award Amount: \$103,598,684**
 - Funding Source: SBE Federal Department of Education Fund
 - Funds may be used as necessary to continue providing free, appropriate public education in the least restrictive environment for children with disabilities, ages 3-21

- **Individuals with Disabilities Education Act (IDEA) Part B Section 619 –**
 - **Award Amount: \$8,978,469**
 - Funding Source: SBE Federal Department of Education Fund
 - Funds may be used as necessary to continue providing free, appropriate public education in the least restrictive environment for children with disabilities, ages birth through age 2, and their families

- **ESSER Homeless Children and Youth –**
 - **Award Amount: \$33,112,868**
 - Funding Source: SBE Federal Department of Education Fund
 - Funds may be used to identify homeless children and youth, provide wraparound services in light of the impact of the COVID-19 Pandemic, and provide assistance to enable homeless children and youth to attend school and participate fully in school activities, including in-person instruction this spring and upcoming summer learning and enrichment programs

Institutes of Higher Education

- **Higher Education Emergency Relief Fund (HEERF) –**
 - **Award Amount: \$1,266,037,816**
 - Provides direct grants to institutions of higher education (IHEs): public and private nonprofit IHEs and postsecondary vocational institutions;
 - direct grants to IHEs: proprietary IHEs;
 - programs for minority serving institutions (MSIs); and
 - the Fund for the Improvement of Postsecondary Education (FIPSE).
 - Nonprofit institutions must use it primarily for emergency financial aid grants to students and COVID costs
 - The institutions of higher education apply directly for the federal funding. These funds do not flow through the state and go directly to the institutions.

HUMAN SERVICES

Department of Human Services

- **Mental Health Block Grant –**
 - **Award Amount: \$50,217,012**
 - Funding Source: Community Mental Health Services Block Grant Fund
 - Creates new mental health programs:
 - Mental Health and Substance Use Disorder Training for Health Care Professionals, Paraprofessionals, and Public Safety Officers
 - Grants for Health Care Providers to Promote Mental health Among Health Professional Workforce
 - Community-Based Funding for Local Substance Use Disorder
 - Community-Based Funding for Local Behavioral Health Needs

- **SNAP (State Administration) –**
 - **Award Amount: \$61,809,915**
 - Funding Source: DHS Special Purposes Trust Fund
 - Additionally, ARPA extends 15% benefit increase enacted in CRRSA through September 30, 2021

- **Substance Abuse Block Grant –**
 - **Award Amount: \$54,758,808**
 - Funding Source: DHS Special Purposes Trust Fund

- **Child Care and Development Block Grant –**
 - **Award Amount: \$496,853,094**
 - Funding Source: Employment and Training Fund
 - To provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to COVID-19 by public officials, including administrative costs.
 - This is to supplement, not supplant

- **Child Care Stabilization Grants –**
 - **Award Amount: \$796,272,357**
 - Funding Source: Employment and Training Fund
 - For grants in accordance with the Child Care and Development Block Grant, operational grants for expenses to help open or temporarily closed facilities.
 - Should be similar to Illinois Child Care BIG Program.

- **Child Care Entitlement to States –**
 - **Award Amount: \$19,580,743**
 - Funding Source: Employment and Training Fund
 - Permanently increases funding for program

- **Individuals with Disabilities Education Act (IDEA) Part C –**
 - **Award Amount: \$7,659,127**
 - Funding Source: Early Intervention Services Revolving Fund
 - Early Intervention - funds may be used as necessary to continue providing support early intervention services for infants and toddlers, ages birth through two, and their families.

Department of Public Health

- **COVID-19 Vaccine Preparedness –**
 - **Award Amount: \$133,326,258**
 - Funding to DPH - \$96,921,270 estimated
 - Funding to Chicago - \$36,404,988 estimated
 - Funding Source: Public Health Services Fund
 - Provides additional funding to distribute, administer, monitor, and track coronavirus vaccination to ensure broad-based distribution, access, and vaccine coverage. The vaccine

award includes a portion direct to Illinois DPH and a portion direct to Chicago. Additionally, Chicago received additional vaccine preparedness funding for immunization grants as seen in the Vaccine Preparedness Adjustment Award.

- **Epidemiology and Lab Capacity –**
 - **Award Amount: \$381,669,035**
 - Funding to DPH - \$300,527,799
 - Funding to Chicago - \$81,141,236
 - Funding Source: Public Health Services Fund
 - To be used for testing, contact tracing, and other activities to effectively monitor and suppress COVID-19.

Illinois Housing Development Authority

- **Homeowners Assistance Program –**
 - **Award Amount: \$386,903,117**
 - Funding Source: Illinois Affordable Housing Trust Fund
 - Provides funding to help prevent mortgage delinquency, defaults, foreclosures, loss of utilities or home energy services, or the displacement of homeowners experiencing financial hardships.
 - Funds can be applied to mortgage payment assistance, or to pay other housing related costs from a period of forbearance, delinquency or default
 - Funds may also be used for payment assistance for utilities, internet, property, flood or mortgage insurance and homeowner fees or common charges.
- **Emergency Rental Assistance Program (ERA2) –**
 - **Award Amount: \$660,466,832**
 - Funding Source: Illinois Affordable Housing Trust Fund
 - Provides funding to assist eligible tenants who are experiencing housing instability and rental property owners who are experiencing economic distress due to unpaid rents:
 - At least 90 percent of awarded funds can be used to cover rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, and other expenses related to housing.
 - Remaining funds are available for housing stability services including case management and other services intended to keep households stably housed.

Illinois Department on Aging

- **Congregate Meals –**
 - **Award Amount: \$10,919,954**
 - Funding Source: Services for Older Americans Fund
 - Allows additional funding for congregate meals to older adults.

- **Home Delivered Meals –**
 - **Award Amount: \$16,379,930**
 - Funding Source: Services for Older Americans Fund
 - Allows additional funding for home delivered meals to older adults.

- **Preventive Services –**
 - **Award Amount: \$1,601,593**
 - Funding Source: Services for Older Americans Fund
 - Funds are used for preventative services including health promotion, elder abuse prevention, focusing on social determinants of health— including food security, transportation, and caregiver supports. Preventative services are geared towards maintaining older adults in their own homes in order to maintain their independence and to avoid premature nursing facility placement.

- **Family Caregiver –**
 - **Award Amount: \$5,209,528**
 - Funding Source: Services for Older Americans Fund
 - Provides additional assistance, for caregivers through AAAs, online resources and national caregiver organizations.

- **Title VII Long-Term Care Ombudsman –**
 - **Award Amount: \$363,998**
 - Funding Source: Services for Older Americans Fund
 - Used for working with residents to protect rights of individuals by advocating for quality of care, providing information to residents about long term care options, and investigating complaints and concerns.

- **Supportive Services –**
 - **Award Amount: \$16,743,929**
 - Funding Source: Services for Older Americans Fund
 - Allows for health access to transportation and case management, in-home services such as personal care and chores, and community services such as legal services, mental health services and adult day care.

ECONOMIC DEVELOPMENT

Department of Commerce and Economic Opportunity

- **State Small Business Credit Initiative Program –**
 - **Award Amount: \$281,892,497**
 - Funding Source: State Small Business Credit Initiative Fund
 - The State Small Business Credit Initiative Program will fund capital access programs, provide collateral support, facilitate loan participation and enable credit guarantee programs for small businesses.

- **Low Income Home Energy Assistance Program –**
 - **Award Amount: \$252,788,881**
 - Funding Source: Low Income Home Energy Assistance Block Grant Fund
 - The Low-Income Home Energy Assistance Program (LIHEAP) provides assistance in managing costs associated with home energy bills, energy crises, weatherization and energy-related minor home repairs.

- **Low-Income Household Water Assistance Program –**
 - **Award Amount: \$18,537,212**
 - Funding Source: Community Services Block Grant Fund
 - The Low-Income Household Water Assistance Program will assist low-income households, particularly those with the lowest incomes and that pay a high proportion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water systems or treatment works to reduce arrearages of and rates charged to low-income households for water and wastewater services.

- **Community Navigator Program – competitive program that DCEO will apply for, no award at this time**
 - Funding Source: Commerce and Community Affairs Assistance Fund
 - The Community Navigator Program can provide funding to develop programs that provide targeted outreach for small businesses in underserved communities.

Transportation

Illinois Department of Transportation

- **Federal Aviation Administration – Grants-In-Aid for Airports –**
 - **Award Amount: \$14,000,000 (IDOT estimate, official award not yet announced)**
 - Funding Source: Federal/State/Local Airport Fund
 - The Grants-In-Aid for Airports account funds the Airport Improvement Program (AIP), which supports the development of a nationwide system of public-use airports to meet the current needs and the projected growth of civil aviation. This additional funding can be used as part of the existing AIP to prevent, prepare for, and respond to coronavirus.

- **Federal Transit Administration – Transit Infrastructure Grants –**
 - **Award Amount: \$TBD**
 - Funding Source: Federal Mass Transit Trust Fund
 - Funding can be used for general public transportation service in rural areas, coordination of specialized and general public transportation services in rural areas, and intercity bus services.

GOVERNMENT SERVICES

Department of Employment Security

- **Unemployment Insurance Extension Implementation Grants –**
 - **Award Amount: \$275,000**
 - Funding Source: Federal Title III Social Security and Employment Fund
- **UI Fraud Prevention, Equitable Access, and Timely Payment Fund - \$2 billion national total**
 - **Award Amount:** Illinois allocation estimates not yet available - but if Illinois receives 4% of the total, estimated award would be approximately \$80M

Secretary of State

- **Institute for Museum and Library Services –**
 - **Award Amount: \$4,742,647**
 - Funding Source: Library Services Fund
 - To carry out museum and library services