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## RECOMMENDATIONS FOR USE OF AMERICAN RESCUE PLAN FUNDS

April 22, 2021

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA), a \$1.9 billion stimulus plan designed to accelerate our nation's recovery from the COVID-19 pandemic. It contains a number of measures to provide direct relief to families, e.g. \$1,400 stimulus checks to households, extended unemployment benefits and emergency housing assistance, and \$5 billion for federal food aid. The pandemic recovery is addressed with \$160 billion for vaccine distribution, supplies, emergency response, testing and the public health workforce.

A significant portion of ARPA funds are directed to children and families through provisions that include changes to federal tax credits and increased resources for child care, PreK-12 education, and closing the digital divide.

In response to the pandemic, our economic downturn, and our nation's growing reckoning with racial injustice, our community now has a game-changing opportunity for children to channel new revenue streams, including:

- \$350 billion for state and local governments, including over **\$23.8 billion** in new federal aid to New York State and local governments, including **\$207 million** to the City of Rochester and **\$145 million** to Monroe County;
- **\$9 billion** in new K-12 aid, including an estimated **\$287 million** to the Rochester City School District,
- **\$2.7 billion** in new Medicaid funding;
- **\$39 billion** for child care subsidies and stabilization;
- **\$632 million** in new funding to New York State to deal with the digital divide; and
- Monthly direct payments of up to \$300 per child to families with children under age 17.

It's important to keep in mind that all of this federal money is "one-time-only" funding with no guarantee of ongoing investment by the federal government. Understanding how to spend it wisely is a chief concern of The Children's Agenda. We can leverage these funds for long-term transformation of child-serving systems and re-orient spending priorities for what children need most with what works best. Failure to make transformational investments, while at the same time building plans for sustainability that may include new revenue, would be the missed opportunity of this generation, and a colossal mistake of timidity by state and local leaders.

### GUIDING PRINCIPLES/CRITERIA

The Children's Agenda recommends that state and local budget decisions on and expenditures from ARP funding adhere to eight principles:

- 1) The **#1 spending priority must be to support the most vulnerable children and families** still recovering from this past year: children and families living in poverty, Black-led organizations and BIPOC families, and families with physical and mental illness;
- 2) Invest new revenue to **supplement rather than supplant** existing revenue, balancing one-time only and recurring expenses;
- 3) Invest in **foundations for enduring, racially equitable systems**;
- 4) **Focus on prevention** and target expenditures with **evidence of effectiveness**;
- 5) Involve the **least red tape and intermediary systems** in the way of children and families as possible.
- 6) Build transparency and accountability into all expenditure decisions and implementation plans;
- 7) **Meaningfully engage community members in the planning, distribution and oversight** of expenditures, with specific efforts to include people of color;
- 8) **Use the most restrictive funding as directed**, rather than directing unrestricted funding for what restricted funds can accomplish.

## **SPECIFIC RECOMMENDATIONS**

### **Rochester City School District:**

- RCSD should become a restorative district, investing in social-emotional and mental health supports, training for all students and adults, alternative disciplinary policies, etc.;
- Provide/facilitate easily accessible high quality summer meals and ensure full access to summer learning and enrichment programs for all families that seek it;
- Work with community partners to fund and ensure that families can access high-quality out-of-school time programming during the school year;
- Focus learning loss funding on opportunities for students who have received the least support during the pandemic;
- Complete capital projects that are not able to be finished with existing funding; and
- Develop and implement a plan for the funds that incorporates public input and ongoing transparency and public oversight.

### **City of Rochester:**

- Channel a portion of the City's federal COVID aid for youth violence prevention, mental health first responders, de-escalation and anti-racism training to reduce the disproportionate representation of youth of color in the criminal justice system;
- Ensure full and free access to City R-Center summer youth activities;
- Use new federal and state funds to invest in permanent infrastructure to guarantee broadband access to all city residents;
- Fully fund the City's Housing Rehabilitation Programs
  - Emergency Assistance Program
  - Housing Rehabilitation Program
  - Owner Occupant Roof Program
  - Lead Hazard Control Program
- Prioritize the development of new affordable housing in the City targeted to families with children (larger than 2 bedroom units); and
- Expand Financial Empowerment Center and Neighborhood Service Center services to ensure families can access neighborhood navigators to guide them in taking advantage of the full range of opportunities available to them through the American Rescue Act and other state or federal initiatives (including applying for tax credits, accessing food and housing assistance, taking up broadband assistance, etc.).

### **Monroe County:**

- Ensure that every family enrolled in Early Intervention and Preschool Special Education services has adequate internet-enabled devices and broadband service sufficient for tele-therapy;
- Implement a public awareness/marketing campaign to increase uptake of child care subsidies; and
- Expand access to culturally responsive mental health services for children and families.

## **About The Children's Agenda**

For 17 years, The Children's Agenda (TCA) has analyzed the impact of [proposed annual government budgets](#) on children's lives. Our reports are a public utility, used by policymakers, parents, the faith community, provider organizations, advocacy coalitions and the media to focus policymakers' upcoming decisions on what children "need most" and what "works best." TCA's recommendations and ensuing advocacy partnerships on the State (since 2010), County (since 2004), City (since 2005) and School District budgets (since 2015) have resulted in rechanneling tens of millions of dollars benefiting families and children, particularly the most vulnerable due to poverty, racism, health inequities and trauma. The issues we focus on are chosen by our [many local, state and national partners](#) and by wherever the data we uncover takes us. TCA's analyses and recommendations typically draw a great deal of attention from [media](#) and [policymakers](#) alike, and are the foundation for consequent grassroots and grassroots advocacy efforts, including the more than 6,000 people in The Children's Agenda's online advocacy network (1,377 different individuals took online action on TCA alerts to advocate with policymakers in 2020).