The American Rescue Plan

How will the money flowing from the federal government’s American Rescue Plan be spent?

There are different funding flows for each of the ARP programs (see our Explainers for more information about this), but the bottom line is that lots of that money will flow through the states. This guide will help you identify where your state is situated in the process of spending funds, and how you can take action to get money to the people who need it the most.

Track 1

My governor gets to decide how to spend ARP funds (AL, AK,* CA, CO, CT, DE, FL, GA, HI, ID,* IN,* KS, ME,* MD,* MS, MT,* NH,* NJ,* NY,* NM,* NC,* ND,* OH,* PA,* UT,* VT,* VA,* WA,* WV,* WI,* WY*). If your state has an asterisk there are conditions on this authority that will likely be triggered—see page 42 of this report for details.

For many states, the governor’s authority is capped based on the amount of unanticipated revenue that the state receives, and because the ARP allocations are so big, in most cases, the funds your state gets will exceed the caps—meaning that the legislature will play a role in budgeting how they are used and you need to be in Track 2.

This is especially the case this year—because there is so much money flowing to the states, many legislatures are pushing to have a say in how it is spent.

1. My governor/agency is not planning to accept ARP funds

We can't let them get away with this—how will you lift up families’ needs for relief? How will you target those who refuse to support using these funds to benefit our communities?

2. My governor/agency is accepting ARP funds, but has no plans on how to spend it

Step into the void—identify your demands and share them with the Governor and agency. Demonstrate how they will make a difference to your members, their families and their communities.
3. My governor/agency is developing a plan to spend ARP funds
   a. We are working with the agency.
      Perfect—help shape their plans to be accountable to your demands.
   b. We are not working with the agency right now
      NOW is the time to reach out, hear what they are thinking and share your vision for
      how rescue plan funds should be spent

4. My governor/agency has a plan to use ARP funds, and it includes our priorities
   Super! How can you generate support for the plan and amplify the Governor’s message around
   why it is important? It is critical to get the word out to people in the community, so that everyone
   can access the funding, and so that they will see and feel the impact of these investments. We
   need to make sure that funds get out the door quickly, effectively, and equitably.

5. My governor/agency has a plan to use ARP funds, but it doesn’t include our priorities
   Now is the time to dig in and go hard on a campaign to win the relief that your
   members and their families deserve. Be clear about your demands, take action to
   highlight and build community support for them, and work with the media to lift them
   up and pressure the Governor to respond.

6. My governor/agency is spending ARP money (for example, making grants to
   providers, waiving or reducing parent copayments, expanding subsidy eligibility…)
   a. The money is being spent equitably.
      Wow - great work! How can you tell the story of the impact of these investments on
      families and your community? It is critical as we look to 2022 that voters understand
      where these investments came from, why they are important, and what it will take to
      make them permanent.
   b. The money is not being spent equitably
      Circle back to the Governor/agency to refocus the plan—develop concrete ideas on
      how they need to restructure the program, conduct outreach to communities that are
      being left out, and provide technical and other support to increase access. If the
      Governor is unresponsive, you may need to (re)activate your campaign, and turn to
      other allies (like friendly legislators) to press for change.

7. My legislature is monitoring/overseeing how the funds are spent.
   Make sure that any oversight assesses whether funds are being spent equitably—that
   is, that expenditures are broken down and reported according to the demographics
   that matter to you and your members. We also want to make sure that we lift up what
   is working. Have families share their stories (in the media, at public hearings, in
   lobbying visits) about the value of these investments, and think of other ways to
   creatively and publicly highlight initiatives that have received ARP funds. If necessary,
   call out hypocrisy if leaders were unsupportive of ARP but try to take credit for its
   benefits
Track 2

My Governor has to work with the Legislature to decide how to spend ARP funds (AK, AZ, IL, IA, KY, LA, MA, MI, MN, MO, NE, NV, OK, OR, RI, SC, SD, TN, TX, DC).

In most cases, as with the normal budget process, the Governor/Executive Branch initiates the spending request. The legislature then weighs in to modify and approve the budget. It gets sent back to the Governor, who may have the authority to veto it in parts (a line-item veto). How this process plays out (that is, how much negotiation and modification there is to the Governor’s plan) largely depends on the nature of which party controls which branch(es) of government.

1. My governor/agency is not planning to accept ARP funds

   We can’t let them get away with this—how will you lift up families’ needs for relief? How will you target officials who refuse to support using these funds to benefit our communities?

2. My governor/agency is accepting ARP funds, but has no plans on how to spend it

   Great! Step into the void—identify your demands and share them with the Governor and agency. Demonstrate how they will make a difference to your members, their families, and their communities.

3. My governor/agency is developing a plan to spend ARP funds

   a. We are working with the agency.

      Perfect—help shape their plans to be accountable to your demands.

   b. We are not working with the agency right now

      NOW is the time to reach out, hear what they are thinking and share your vision for how rescue plan funds should be spent.

4. My governor/agency has a plan to use ARP funds, and it includes our priorities

   Super! How can you generate support for the plan and amplify the Governor’s message around why it is important? It is critical to get the word out to people in the community, so that everyone can access the funding, and so that they will see and feel the impact of these investments. We need to make sure that funds get out the door quickly, effectively, and equitably.

5. My governor/agency has a plan to use ARP funds, but it doesn’t include our priorities

   Now is the time to dig in and go hard on a campaign to win the relief that your members and their families deserve. Be clear about your demands, take action to highlight and build community support for them, and work with the media to lift them up and pressure the Governor to respond.
6. My governor has sent the plan to the legislature for approval

This is another chance to weigh in—either in support of the Governor’s plan or to seek changes that reflect your demands. Treat this like any other legislative campaign—lobby legislators, work with champions to support or amend the Governor’s proposal, testify and turn people out.

7. The legislature is holding budget hearings on the spending plan

Make sure your members’ voices are part of the debate, in person and through social media. This is an opportunity to help shape the public’s perception of the American Rescue Plan, and why it matters.

8. The legislature is deliberating over the budget

Put your power mapping skills into action—work with your champions to organize support among legislators for your demands. Come up with creative ways to demonstrate how the funds will benefit their districts.

9. The legislature has voted on and approved a (supplemental) budget/appropriations plan.

If your demands are in the plan, great! Urge the Governor to support it. If not, or if there are parts of the plan that misdirect funds in your view, see if your Governor can exercise a line-item veto (check out Table 8 in the linked report) over those parts.

10. The Governor has signed off on the budget

If you worked with the Governor to make this happen, take a victory lap! Join forces with her/him to announce the plan and publicize its implementation. The name of the game now is outreach—make sure that people in your communities know about supports that are available and how to apply, and use your outreach efforts as a way to build your base.

11. My governor/agency is spending ARP money (for example, making grants to providers, waiving or reducing parent copayments, expanding subsidy eligibility...)

a. The money is being spent equitably

Wow - great work! How can you tell the story of the impact of these investments on families and your community? It is critical as we look to 2022 that voters understand where these investments came from, why they are important, and what it will take to make them permanent.

b. The money is not being spent equitably

Circle back to the Governor/Agency to refocus the plan—develop concrete ideas on how they need to restructure the program, conduct outreach to communities that are being left out, and provide technical and other support to increase access. If the Governor is unresponsive, you may need to (re)activate your campaign, and turn to other allies (like friendly legislators) to press for change.)