

How Will Dollars From the Federal American Rescue Plan Reach Local Businesses in Massachusetts?

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Congress has passed another coronavirus relief package, the American Rescue Plan (ARP), which allocates significant funding to states to address shortfalls experienced during the COVID-19 pandemic. Some of these dollars are specifically allocated – in other words, they are already earmarked for funding particular, specific public sectors like transportation or for private uses like the hard hit restaurant and hospitality industry. However, a large portion of federal dollars that will be funneled to states, including Massachusetts, are unallocated and therefore “up for grabs.” The big question, then, is who decides how the approximately \$4.5 billion for Massachusetts is spent, and who is eligible to seek these dollars to help boost their business?

It appears likely that both the Baker Administration and the state legislature will have a role in determining how the money can be spent. In anticipation of receiving federal funds of this nature, in 2020 the Massachusetts legislature passed a law establishing a trust fund to house the funds, signaling that they will have discretion on the spending. The Baker Administration will also play a role in making such determinations, and the process for seeking assistance is currently underway.

Businesses across multiple sectors, including non-profits, should take note. Likely a combination of advocacy with the Baker Administration and the Massachusetts legislature could reap large benefits. Those seeking funding, particularly in areas hard hit or in high demand like the child care industry and mental and behavioral health providers seeing an increase in demand, are well positioned to advocate for receiving assistance. However, the assistance provided through these funds are not limited to any industry, so it will be a race to the finish to see who gets funded first.

ML Strategies is following this issue closely, and is uniquely positioned to help organizations interface with the Administration and the legislature. Our team is comprised of former elected officials and high level staff from the Administration, House and Senate with excellent relationships with key decision makers. If you are interested in learning more about how these funds could help your industry, we are ready to help.

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