



## **RESEARCH MEMORANDUM**

To: Paul Kenney, Radarsign

From: Elizabeth Whitehouse, Chief Public Policy Officer  
Center of Innovation, The Council of State Governments  
ewhitehouse@csg.org

Re: Your request for an analysis of how American Rescue Plan Act funding may be used for radar signs

Date: December 16, 2021

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### **Executive Summary**

This analysis reflects a review of the [American Rescue Plan Act \(ARPA\)](#), the [Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule](#) and other U.S. Department of the Treasury guidance documents. We encourage you to confirm this use case and justifications with Treasury at [SLFRP@treasury.gov](mailto:SLFRP@treasury.gov). You also may contact Katharine Richards, a Senior Advisor with the Office of Recovery Programs at Treasury, at (844) 529-9527.

Based on internal analyst research and Treasury guidance, CSG interprets that purchasing radar signs may be an eligible use of ARPA funding under The Interim Final Rule, which states that supporting public safety is a qualifying use under the Revenue Loss category. Radar signs used to limit speeds in neighborhoods and on major roads may fall within the public safety definition.

### **Findings and Analysis**

The APRA authorizes broad uses of Coronavirus State and Local Fiscal Recovery Funds. Treasury's Interim Final Rule outlines the eligible uses of the funds:

- a) Public Health/Negative Impacts - Responding to the public health emergency or its negative economic impacts. This includes assistance to households, small businesses and nonprofit organizations, or aiding impacted industries.
- b) Premium Pay - Providing pay to workers performing essential functions during the COVID-19 public health emergency.
- c) Revenue Loss - For the provision of government services to the extent of the reduction in revenue due to the public health emergency (relative to revenues collected in the most recent full fiscal year).
- d) Water, Sewer, and Broadband Investments - Making investments in water, sewer and broadband.



Under the Revenue Loss option, Treasury allows funds to be used for provision of police and fire and other public safety services if there has been a reduction in revenue *attributed to the pandemic*. The Interim Final Rule states that if there is a calculated revenue loss, the state can utilize Coronavirus State and Local Fiscal Recovery Funds for government services equivalent to the lost revenue. [Treasury's State and Local Fiscal Recovery Funds FAQ document](#) expands in Question 4.8 on the use of recovery funds for public safety when there is revenue loss. The formula states must use to calculate revenue loss can be found on page 26,800 of the Interim Final Rule.

Through a search of Treasury's FAQ and the Interim Final Rule using the terms "radar" and "radar signs" no specific example or text was located. A scan of the CSG [State ARPA Utilization Database](#) using the keywords of "revenue", "revenue replacement", "public safety" and "police" identified the following examples of how states are utilizing ARPA funds for public safety under the Revenue Loss option.

#### Examples of states using ARPA funding for public safety under the revenue loss option

| State   | Bill  | Amount Budgeted | Summary   |
|---------|---|-----------------|---|
| Alaska  | <a href="#">House Bill 69</a>                                   | \$50,000,000    | Grants to local governments with significant revenue loss due to COVID-19.  |
| Florida | <a href="#">Senate Bill 2500</a>                                | \$2,000,000,000 | Offsetting revenue losses associated with COVID-19 for the Florida Department of Transportation.  |
| Maine   | <a href="#">Legislative Document 1733 (Senate Proposal 577)</a> | \$20,000,000    | Funding for the Maine Department of Transportation for municipal, regional and state infrastructure adaption improvements that support public safety. |
| Oregon  | <a href="#">House Bill 5006</a>                                 | \$2,739,772     | Funds projects of the Department of State Police for deferred maintenance, capital project costs and safety improvements.                             |