

THE AMERICAN RESCUE PLAN AND LOCAL INFRASTRUCTURE

How federal ARP dollars can address local water, sewer and other infrastructure needs.

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REPORT FINDINGS

A GENERATIONAL OPPORTUNITY

- The American Rescue Plan will bring \$1.3 billion to N.C. cities and towns, and it includes a broad mandate to allow investments in water and sewer infrastructure.
- Local governments repeatedly demonstrate the ability to lead transformational change—case studies in Bethel, Hendersonville, and many other towns show that when properly funded and supported, local government-led infrastructure projects yield lasting results.

A CLEAR NEED

- Significant investment in water and wastewater infrastructure is needed – close to \$30 billion, according to estimates.
- The responsibility falls almost solely to local governments, who get just 8 percent of their water and sewer needs met by outside funding, yet provide service to 89 percent of the state's population.
- Many of those same local governments are dealing with population loss in recent decades, reducing revenue and lessening their capacity to meet those infrastructure needs.

PLANNING FOR THE FUTURE

- The League encourages its members to consider investments into water and wastewater infrastructure.
- Additionally, the League encourages municipalities to seek partnerships and regional collaboration when planning American Rescue Plan spending.
- Not only do funding projects go further when partnered, but also investments in infrastructure represents the most likely paths to a lasting funding legacy.

BY THE NUMBERS

\$26 BILLION

Total needed to adequately upgrade water and sewer systems in North Carolina over 20 years, according to a 2017 state study.

8 PERCENT

Local water and sewer needs met through outside funding (state grants, other programs, etc.)

92 PERCENT

Local water and sewer needs met (or deferred) by utility provider.

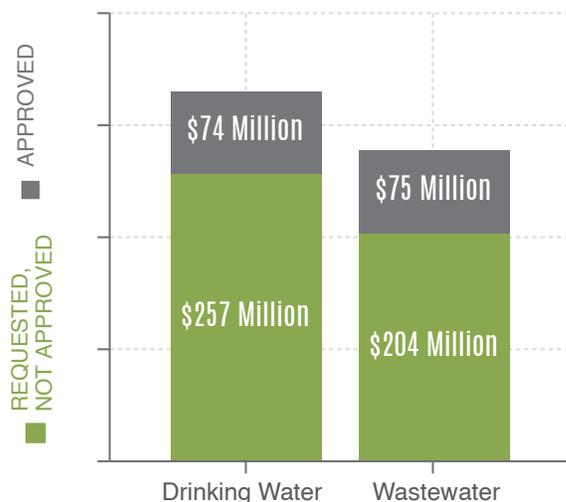
541

Number of local government-run water systems in N.C.

89 PERCENT

Percentage of state population served by those 541 local government systems.

STATE REVOLVING FUND REQUESTS VS. APPROVALS



Source: N.C. Division of Water Infrastructure, July 2021

For the latest U.S. Treasury guidance on ways municipalities may expend ARP funds, visit www.arp.nclm.org