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## Joint Statement from Governor Northam and General Assembly Leaders on Shared Priorities for American Rescue Plan Funding

**RICHMOND**—Governor Ralph Northam today released a joint statement with the leaders of the House of Delegates and the Senate of Virginia, outlining shared plans and priorities for distribution of more than \$4.3 billion in federal assistance the Commonwealth expects to receive through the American Rescue Plan.

### Joint Statement of Governor Ralph Northam

**House Speaker Eileen Filler Corn, Majority Leader Charniele Herring,  
Caucus Chair Richard 'Rip' Sullivan,  
Appropriations Chair Luke Torian, Vice Chair Mark Sickles**

**Senate President *pro tem* Louise Lucas,  
Majority Leader Richard Saslaw,  
Caucus Chair Mamie Locke,  
Appropriations & Finance Chair Janet Howell,  
Vice Chair George Barker**

Virginia expects to receive more than \$4.3 billion in federal funds in the coming days through the American Rescue Plan. Like most states, Virginia breathed a sigh of relief when President Biden signed this into law in March.

On Monday, we received further guidance on how these dollars may be used. They are to help states respond to acute pandemic-response needs, fill revenue shortfalls, and support communities that COVID-19 hit hardest. Virginia intends to follow these rules, and we are eager to move forward.

It's important to understand the magnitude of this \$4.3 billion package. This is one of the largest economic recovery efforts ever. It is one-third larger than the \$3.2 billion CARES Act funding Virginia received last spring. And the Commonwealth chose to immediately distribute half of those dollars to help local governments. This new law funds cities and counties separately with about \$2.7 billion in new funds, for a total of nearly \$7 billion coming into Virginia state and local governments.

Virginia is unique: This package comes at a time when state revenues are rising, more people are working, and unemployment is declining. Few states can say this, but it is no accident. This is the result of careful stewardship.

This is a unique opportunity to invest in Virginia's long-term future. We intend to be good stewards of these taxpayer dollars, in full compliance with fiduciary guidelines. We reject calls to refuse these federal dollars, and we support the law's prohibition on cutting state taxes to substitute federal dollars. We embrace this rare opportunity, and we choose to invest.

We stand united on how to position Virginia for the future. We intend to meet in special session this summer for the express purpose of allocating federal dollars to five specific needs:

- **Help public health.** The pandemic highlighted the need to upgrade state and local public health services, which have been long underfunded in Virginia, as well as the need to help people with the cost of housing and utilities.
- **Help small businesses.** Virginia's small businesses need help—especially those that were first to close and last to re-open. We intend to fully fund the Rebuild Virginia small business

recovery plan and augment relief dollars for the hardest-hit industries—restaurants, hotels, museums, gyms, and theaters. We will invest in Virginia Tourism’s work to recruit visitors back to Virginia, and help our Housing and Community Development team invest in Virginia’s main streets, small towns, and industrial revitalization.

- **Help workers.** The Unemployment Trust Fund needs a major infusion of new dollars to keep relief funds available for workers who lose their jobs—and avoid increased costs on Virginia businesses. The Virginia Employment Commission needs to continue upgrading its computer systems and hiring staff for a system that historically has been one of the lowest-funded unemployment systems in the country.
- **Help public schools.** The pandemic highlighted the need to modernize public school buildings across Virginia. This includes rehabilitating and upgrading existing facilities, improving air quality and HVAC systems, and improving safety. We expect that other federal dollars will enable additional future investments.
- **Fully deploy broadband across Virginia.** The pandemic highlighted a fundamental economic reality: People without broadband get left behind. This is a once-in-a generation opportunity. Let’s accelerate a 10-year plan over the next 18 months—and bring broadband to all of Virginia’s cities and rural areas.

Virginia has two options: Invest these dollars in Virginia’s future, or reject them and let Congress use our dollars for some other federal purpose. We choose the future.

### **Background**

President Biden signed the American Rescue Plan Act of 2021 into law in March. It is a \$1.9 trillion economic recovery plan that includes \$350 billion in emergency funding for state, local, territorial, and Tribal governments. All Republican members of Congress voted against the law, including those representing Virginia.

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