



Appendix 1: Expenditure Categories

Treasury’s final rule provides greater flexibility and simplicity for recipients to fight the pandemic and support families and businesses struggling with its impacts, maintain vital services amid revenue shortfalls, and build a strong, resilient, and equitable recovery. As such, recipients began reporting on a broader set of eligible uses and associated Expenditure Categories (“EC”), starting with the April 2022 Project and Expenditure Report than they did in their interim reports, initial Recovery Plans, and January Project and Expenditure Report. The table below includes the new Expenditure Categories, as well as a reference to previous Expenditure Categories aligned with the interim final rule and used for reporting before this date.

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-19 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disproportionately impacted communities (see Project Demographic Distribution section above for details)

| Expenditure Category | EC ²⁸ | Previous EC ²⁹ |
|--|------------------|---------------------------|
| 1: Public Health | | |
| COVID-19 Mitigation & Prevention | | |
| COVID-19 Vaccination [^] | 1.1 | 1.1 |
| COVID-19 Testing [^] | 1.2 | 1.2 |
| COVID-19 Contact Tracing [^] | 1.3 | 1.3 |
| Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.) ^{*^} | 1.4 | 1.4 |
| Personal Protective Equipment [^] | 1.5 | 1.5 |
| Medical Expenses (including Alternative Care Facilities) [^] | 1.6 | 1.6 |
| Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) [^] | 1.7 | 1.8 |
| COVID-19 Assistance to Small Businesses [^] | 1.8 | - |
| COVID 19 Assistance to Non-Profits [^] | 1.9 | - |
| COVID-19 Aid to Impacted Industries [^] | 1.10 | - |
| Community Violence Interventions | | |
| Community Violence Interventions ^{*^} | 1.11 | 3.16 |
| Behavioral Health | | |
| Mental Health Services ^{*^} | 1.12 | 1.10 |
| Substance Use Services ^{*^} | 1.13 | 1.11 |
| Other | | |
| Other Public Health Services [^] | 1.14 | 1.12 |
| Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency | - | 1.7 |
| 2: Negative Economic Impacts | | |
| Assistance to Households | | |
| Household Assistance: Food Programs ^{*^} | 2.1 | 2.1 |

²⁸ Under the final rule to be used starting with April 2022 reports

²⁹ Under the interim final rule to be used in Interim Report and January 2022 Project and Expenditure Report



| Expenditure Category | EC ²⁸ | Previous EC ²⁹ |
|---|------------------|---------------------------|
| Household Assistance: Rent, Mortgage, and Utility Aid*^ | 2.2 | 2.2 |
| Household Assistance: Cash Transfers*^ | 2.3 | 2.3 |
| Household Assistance: Internet Access Programs*^ | 2.4 | 2.4 |
| Household Assistance: Paid Sick and Medical Leave^ | 2.5 | - |
| Household Assistance: Health Insurance*^ | 2.6 | - |
| Household Assistance: Services for Un/Unbanked*^ | 2.7 | - |
| Household Assistance: Survivor's Benefits^ | 2.8 | - |
| Unemployment Benefits or Cash Assistance to Unemployed Workers*^ | 2.9 | 2.6 |
| Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)*^ | 2.10 | 2.7 |
| Healthy Childhood Environments: Child Care*^ | 2.11 | 3.6 |
| Healthy Childhood Environments: Home Visiting*^ | 2.12 | 3.7 |
| Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System*^ | 2.13 | 3.8 |
| Healthy Childhood Environments: Early Learning*^ | 2.14 | 3.1 |
| Long-term Housing Security: Affordable Housing*^ | 2.15 | 3.10 |
| Long-term Housing Security: Services for Unhoused Persons*^ | 2.16 | 3.11 |
| Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities*^ | 2.17 | - |
| Housing Support: Other Housing Assistance*^ | 2.18 | 3.12 |
| Social Determinants of Health: Community Health Workers or Benefits Navigators*^ | 2.19 | 3.14 |
| Social Determinants of Health: Lead Remediation*^ | 2.20 | 3.15 |
| Medical Facilities for Disproportionately Impacted Communities^ | 2.21 | - |
| Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^ | 2.22 | - |
| Strong Healthy Communities: Demolition and Rehabilitation of Properties^ | 2.23 | - |
| Addressing Educational Disparities: Aid to High-Poverty Districts^ | 2.24 | 3.2 |
| Addressing Educational Disparities: Academic, Social, and Emotional Services*^ | 2.25 | 3.3 |
| Addressing Educational Disparities: Mental Health Services*^ | 2.26 | 3.4 |
| Addressing Impacts of Lost Instructional Time^ | 2.27 | - |
| Contributions to UI Trust Funds^ | 2.28 | 2.8 |
| Assistance to Small Businesses | | |
| Loans or Grants to Mitigate Financial Hardship^ | 2.29 | 2.9 |
| Technical Assistance, Counseling, or Business Planning*^ | 2.30 | |
| Rehabilitation of Commercial Properties or Other Improvements^ | 2.31 | - |
| Business Incubators and Start-Up or Expansion Assistance*^ | 2.32 | |
| Enhanced Support to Microbusinesses*^ | 2.33 | |
| Assistance to Non-Profits | | |
| Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)^ | 2.34 | 2.10 |
| Aid to Impacted Industries | | |
| Aid to Tourism, Travel, or Hospitality^ | 2.35 | 2.11 |
| Aid to Other Impacted Industries^ | 2.36 | 2.12 |
| Other | | |
| Economic Impact Assistance: Other*^ | 2.37 | 2.13 |
| Household Assistance: Eviction Prevention*^ | - | 2.5 |
| Education Assistance: Other*^ | - | 3.5 |



| Expenditure Category | EC ²⁸ | Previous EC ²⁹ |
|---|------------------|---------------------------|
| Healthy Childhood Environments: Other*^ | - | 3.9 |
| Social Determinants of Health: Other*^ | - | 3.13 |
| 3: Public Health-Negative Economic Impact: Public Sector Capacity | | |
| General Provisions | | |
| Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers | 3.1 | 1.9 |
| Public Sector Workforce: Rehiring Public Sector Staff | 3.2 | 2.14 |
| Public Sector Workforce: Other | 3.3 | - |
| Public Sector Capacity: Effective Service Delivery | 3.4 | 7.2 |
| Public Sector Capacity: Administrative Needs | 3.5 | - |
| 4: Premium Pay | | |
| Public Sector Employees | 4.1 | 4.1 |
| Private Sector: Grants to Other Employers | 4.2 | 4.2 |
| 5: Infrastructure | | |
| Water and Sewer | | |
| Clean Water: Centralized Wastewater Treatment | 5.1 | 5.1 |
| Clean Water: Centralized Wastewater Collection and Conveyance | 5.2 | 5.2 |
| Clean Water: Decentralized Wastewater | 5.3 | 5.3 |
| Clean Water: Combined Sewer Overflows | 5.4 | 5.4 |
| Clean Water: Other Sewer Infrastructure | 5.5 | 5.5 |
| Clean Water: Stormwater | 5.6 | 5.6 |
| Clean Water: Energy Conservation | 5.7 | 5.7 |
| Clean Water: Water Conservation | 5.8 | 5.8 |
| Clean Water: Nonpoint Source | 5.9 | 5.9 |
| Drinking water: Treatment | 5.10 | 5.10 |
| Drinking water: Transmission & Distribution | 5.11 | 5.11 |
| Drinking water: Lead Remediation, including in Schools and Daycares | 5.12 | 5.12 |
| Drinking water: Source | 5.13 | 5.13 |
| Drinking water: Storage | 5.14 | 5.14 |
| Drinking water: Other water infrastructure | 5.15 | 5.15 |
| Water and Sewer: Private Wells | 5.16 | - |
| Water and Sewer: IIJA Bureau of Reclamation Match | 5.17 | - |
| Water and Sewer: Other | 5.18 | - |
| Broadband | | |
| Broadband: "Last Mile" projects | 5.19 | 5.16 |
| Broadband: IIJA Match | 5.20 | - |
| Broadband: Other projects | 5.21 | 5.17 |
| 6: Revenue Replacement | | |
| Provision of Government Services | 6.1 | 6.1 |
| Non-federal Match for Other Federal Programs | 6.2 | - |
| 7: Administrative | | |
| Administrative Expenses | 7.1 | 7.1 |
| Transfers to Other Units of Government | 7.2 | 7.3 |
| Transfers to Non-entitlement Units (States and territories only) | - | 7.4 |



Treasury has prepared the additional guidance below to support recipients in implementing the new expenditure categories. This table includes only those previous expenditure categories that are changing under the new structure, aligned with the final rule.

| January 2022 Expenditure Categories | | April 2022 Guidance |
|---|---|---|
| 1: Public Health | | |
| 1.7 | Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency | EC removed, capital expenditures can be designated in any relevant PH-NEI EC (e.g., new hospital wing would be tracked under EC 1.4) |
| 1.8 | Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine) | EC is 1.7 |
| 1.9 | Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19 | EC is 3.1 |
| 1.10 | Mental Health Services* | EC is 1.12 |
| 1.11 | Substance Use Services* | EC is 1.13 |
| 1.12 | Other Public Health Services | EC is 1.14 |
| 2: Negative Economic Impacts | | |
| 2.5 | Household Assistance: Eviction Prevention | EC is now included as part of 2.2 |
| 2.6 | Unemployment Benefits or Cash Assistance to Unemployed Workers* | EC is 2.9 |
| 2.7 | Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)*^ | EC is 2.10 |
| 2.8 | Contributions to UI Trust Funds | EC is 2.28 |
| 2.9 | Small Business Economic Assistance (General)*^ | If public-health related (e.g., providing rapid tests for small businesses), EC is 1.8; if related to negative economic impact eligible use (e.g., grants, technical assistance, rehabilitation, incubators, or microbusinesses), EC is 2.29-2.33 |
| 2.10 | Aid to Nonprofit Organizations* | If public-health related (e.g., providing rapid tests for non-profits), EC is 1.9; if related to negative economic impact (e.g., grants to stabilize non-profit budget), EC is 2.34 |
| 2.11 | Aid to Tourism, Travel, or Hospitality | EC is 2.35 |
| 2.12 | Aid to Other Impacted Industries | EC is 2.36 |
| 2.13 | Other Economic Support*^ | EC is 2.37, re-named Other Economic Impact |
| 2.14 | Rehiring Public Sector Staff | EC is 3.2 |
| 3: Services to Disproportionately Impacted Communities | | |
| 3.1 | Education Assistance: Early Learning*^ | EC is 2.14 |
| 3.2 | Education Assistance: Aid to High-Poverty Districts ^ | EC is 2.24 |
| 3.3 | Education Assistance: Academic Services*^ | EC is 2.25, social and emotional services will now be tracked under this EC |
| 3.4 | Education Assistance: Social, Emotional, and Mental Health Services*^ | EC is 2.26, if social and emotional services, EC is 2.25; |



| January 2022 Expenditure Categories | April 2022 Guidance |
|---|--|
| 3.5 Education Assistance: Other ^{*^} | EC is 2.37, collected under Other Economic Impact |
| 3.6 Healthy Childhood Environments: Child Care ^{*^} | EC is 2.11 |
| 3.7 Healthy Childhood Environments: Home Visiting ^{*^} | EC is 2.12 |
| 3.8 Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System ^{*^} | EC is 2.13 |
| 3.9 Healthy Childhood Environments: Other ^{*^} | EC is 2.37, collected under Other Economic Impact |
| 3.10 Housing Support: Affordable Housing ^{*^} | EC is 2.15 |
| 3.11 Housing Support: Services for Unhoused Persons ^{*^} | EC is 2.16 |
| 3.12 Housing Support: Other Housing Assistance ^{*^} | EC is 2.18 |
| 3.13 Social Determinants of Health: Other ^{*^} | EC is 2.37, collected under Other Economic Impact |
| 3.14 Social Determinants of Health: Community Health Workers or Benefits Navigators ^{*^} | EC is 2.19 |
| 3.15 Social Determinants of Health: Lead Remediation [^] | EC is 2.20 |
| 3.16 Social Determinants of Health: Community Violence Interventions ^{*^} | EC is 1.11 |
| 5: Infrastructure | |
| 5.16 Broadband: “Last Mile” projects | EC is 5.19 |
| 5.17 Broadband: Other projects | EC is 5.20 |
| 7: Administrative | |
| 7.2 Evaluation and Data Analysis | EC is 3.4 and has been renamed Effective Service Delivery |
| 7.3 Transfers to Other Units of Government | EC is 7.2 |
| 7.4 Transfers to Non-entitlement Units (States and territories only) | To be separately reported as part of NEU/Non-UGLG module. Refer to Part 2 Section D. |