State of Oklahoma
American Rescue Plan Act

Joint Committee on Pandemic Relief Funding

September 8, 2021
Agenda

- Opening Remarks
- Status Update
- Overview of ARPA – SLFRF, eligible use of funds
- ARPA website walkthrough
- Intake form update
- Overview of Working Groups
- Formalize ARPA Goals
- Closing Remarks
- Other business
- Adjournment
Opening Remarks by the Chairs
Meet the Guidehouse Leadership Team

Jeff Bankowski  
Partner

Erin Hutchins  
Director

Kay Hart  
Manager

Ashley Schenck  
Manager

Cale Coyle  
Manager
Overview of ARPA – SLFRF
Our Approach to Maximizing American Rescue Plan Act Funding

- What **Oklahoma communities** and populations have been **hardest-hit** by the COVID-19 crisis?
- What **community programs** and **public health assets** are needed?
- What economic programs are needed to **rebuild a stronger, more innovative and more diverse** Oklahoma economy?
- How can service be enhanced to **improve the wellbeing of all citizens**?
- What are the **risks** and constraints?

- Is this **activity eligible** for funding from Specific Initiatives?
- Are there **other potential sources** or could this be funded by the upcoming **Infrastructure Investments and Jobs Act**?
- Is more **flexibility needed** for this activity?
- Can funds be **obligated** by December 2024 and **incurred** by December 2026?
- Is this activity eligible for **FEMA PA** funding?
Oklahoma Local Fiscal Recovery Funds: $1.32 billion

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<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
<td>Counties</td>
<td>$768,6 million</td>
<td>- Funding is distributed directly to 77 counties.</td>
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<td></td>
<td>- Allocations are based on each county’s population share of the total population of all counties, using the latest available population data from the U.S. Census Bureau.</td>
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<tr>
<td>Cities</td>
<td>$315.8 million</td>
<td>- Funding is distributed directly to 10 metropolitan cities are receiving their own allocations.</td>
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<td>- Metropolitan City status is determined by the Housing and Community Development Act of 1974.</td>
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<td>- Allocation amounts are tied to the CDBG formula.</td>
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<td>Non-Entitlement Units</td>
<td>$238.4 million</td>
<td>- Normally local governments serving a population under 50,000.</td>
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<td>- Funding is distributed by the State of Oklahoma based on guidelines established by the US Treasury.</td>
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<td>- Oklahoma receives a specific allocation for this purpose.</td>
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Local Funds Allocated to Oklahoma

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Counties</td>
<td>$768,595,226</td>
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<tr>
<td>Municipalities</td>
<td>$315,826,918</td>
</tr>
<tr>
<td>NEUs</td>
<td>$238,432,979</td>
</tr>
<tr>
<td>Total</td>
<td>$1,322,855,123</td>
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Eligible Uses

1. **Support the Public Health Response**
   - Meet and address emergent public health needs

2. **Respond to the Negative Economic Impacts**
   - Address economic harm resulting from or exacerbated by the public health emergency

3. **Premium Pay for Essential Workers**
   - Provide premium pay to eligible workers performing essential work during the COVID-19 public health emergency, either in public sector roles or through grants to third-party employers

4. **Revenue Loss**
   - Provide government services to the extent of reduction in revenue experienced due to COVID-19

5. **Investments in Infrastructure**
   - Meet the critical need for investments and improvements to existing infrastructure in water, sewer, and broadband

Oklahoma ARPA Project – September 8, 2021
Oklahoma to receive $1,870,417,576
50% to be paid in 2021
50% to be paid in 2022
Eligible period begins 3/3/21*
Funds must be obligated by 12/31/24 and incurred by 12/31/26

Revenue Loss
Loss calculated against counterfactual revenue on entity-wide basis using standard federal reporting data/categories
Losses to be calculated as of 12/31 of each year starting with 12/31/20

Premium Pay
Premium Pay to Essential Workers
Up to $13/hr
Maximum payout of $25,000 per person

Government Services Broadly Defined
Cybersecurity, health care, education, public safety, etc.

Infrastructure
Broadly defined (pay go)

Assistance to Small Businesses, Nonprofits, Households
Includes expenses to improve efficacy of relief programs

COVID Prevention & Mitigation
Vaccination, testing, contact tracing, PPE, communications, public health data systems, etc.

Hiring Government Staff
Up to number of employees on 1/27/20

Disproportionately Impacted Populations and Communities
Health/social services, housing/homelessness, education, childhood health/welfare services must be in Qualified Census Tracts

Behavioral Health Care

Public Health & Safety Staff

Medical Expenses

Aid to Impacted Industries

Improved the Design & Execution of Public Health Programs
Outreach, surveys, technology, data analysis, etc.

Respond to the Public Health Emergency or its Negative Economic Impacts

Premium Pay to Essential Workers
Up to $13/hr
Maximum payout of $25,000 per person

Investments in Infrastructure
Water & Sewer
Water/sewer facilities/transmission, lead service line replacement, etc.

Broadband
Broadband improvements meeting specified criteria

Deposit into Pension and Rainy-Day Funds

Offset a Reduction in Net Tax Revenue

Match for Federal Programs**

* Retroactive premium pay is allowable to the beginning of the public health emergency
** Unless the program allows other Federal funds as a matching source in the statute or regulations

* Oklahoma ARPA Project – September 8, 2021
Treasury will presume that certain types of services are eligible uses when provided in a Qualified Census Tract.
Priority 1: Setting the stage for a successful recovery

- **Unified approach** to recovery binding the public, private, and not-for-profit sectors together
- **Maximize funding** currently available and position projects for future funding from Federal/State sources

### Early activities occurring during first six weeks

- **Conduct kick-off with key stakeholders**
- **Receive and analyze data and summarize impacts of pandemic on the State of Oklahoma**
- **Assess stakeholder engagement models and other continuous improvement on statewide strategy**
- **Commence framework for Recovery Plan Performance Report to be submitted to U.S. Treasury**
- **Assess unmet needs and projects (internal and external)**
- **Finalize scoring rubric and transparency model with key stakeholders**
- **Post intake form to website for data capture**
- **Analyze initial projects for eligibility and conduct risk assessments**
- **Support the State with intake form creation for project ideation**
- **Support the State and Oklahoma Municipal League with NEU distributions**
- **Conduct iterative workshops with Working Groups on needs assessments and projects**

Oklahoma ARPA Project – September 8, 2021
Funding distributions to small towns and cities

- The State of Oklahoma, with the Oklahoma Municipal League, will distribute up to $238M to nearly 580 communities across the state.

- Registration for NEU funds will begin at OML conference currently underway.

- NEUs will be required to use funds for the same uses as other units of government – public health and economic response, premium pay, revenue replacement and infrastructure.

- NEUs will be responsible for annual compliance and reporting, but the State will communicate guidance and best practices.
Website Walkthrough
Intake Form Status

Decisions Made

• Requests will follow 2 paths—Ideas and Projects, addressing the needs of a variety of constituents and interests
• Requests will have automated workflow that will support status reporting as projects progress through the governance process

Activities in Process

• Salesforce development and license quote in process
• Intake form questions design, including audience, style, and order
• Workflow processes and reporting gates are in design

Next Steps

• Intake form configuration and workflow process development in Salesforce
• Intake form launch planned for October 1, 2021
Idea workflow within governance structure

Idea Intake

- Constituents will submit ideas through the online portal intake form
- Constituents will receive an email thanking them for the idea and for participating the process

Eligibility Review

- Eligibility review will be conducted to ensure proper information is incorporated and will provide suggested idea categorization
- Chairs will review categorization of ideas and disseminate to Working Groups

Working Group

- Working Group will evaluate idea alongside projects and determine if idea should be considered as project
Project workflow within governance structure

**Project Intake**
- Applicants will submit projects through the online portal intake form

**Preliminary Eligibility Review***
- Eligibility review will be conducted to ensure proper information is incorporated and will provide suggested project categorization
- Chairs will review categorization and disseminate to Working Groups

**Working Groups**
- Working group will review proposals through lens of needs assessment and strategic alignment
- Recommendations for project to pursue will be passed to the Joint Committee

**Final Eligibility Review***
- Review of project for ultimate eligibility determination

**Joint Committee**
- Joint Committee will evaluate proposals passed from Working Group and make portfolio decision on what is passed to steering committee

**Steering Committee**
- Steering Committee conducts final review of project and send to Governor for approval

**Governor Stitt**
- Governor approves or denies project

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Oklahoma ARPA Project – September 8, 2021
Additional Information for the Workgroups
Working Groups

Overview of upcoming activities that support ARPA governance

1. Purpose of meetings is to first determine impacts and conduct needs assessment. This can be 1-2 meetings as the Recovery Plan is being drafted but can also occur anytime in the process. Focus areas can be flexible as new needs are revealed. Timeline: Bulk of needs assessment conducted by end of September for Recovery Plan reporting October 11.

2. After determining needs and impacts, Working Group will develop objectives/focus areas.

3. After objectives and focus areas are defined, the Working Groups will evaluate proposals through the lens of focus areas and prioritization rubric.

4. Recommendations passed to full Joint Committee for review.

- **September**
  - Working Groups meet to conduct needs assessment
  - Joint Committee meets to review progress

- **October***
  - Working Groups establish focus areas and objectives
  - Chairs begin to categorize proposals

- **October – December**
  - Working Groups begin vetting proposals
  - Joint Committee receives recommendations from Working Groups

*Recovery Performance Plan due October 11
# Joint Committee – Working Groups

## Economic Development & Workforce
- **Responsibilities:** Business and Commerce; Education
- **Senate Members:** Pugh (Co-Chair), Stanley, PPT Treat
- **House Members:** Baker (Co-Chair), Blanece, McDugle
- **Relevant Cabinet Agencies:** Commerce & Workforce Development (Mueller); Economic Administration (Grigsby); Education (Walters); Science & Innovation (Polland); Veterans Affairs & Military (Robinson)

## Health & Human Services
- **Responsibilities:** Children, Youth & Family; Health & Human Services; Housing
- **Senate Members:** Haste (Co-Chair), Kirt, Montgomery
- **House Members:** Hilbert (Co-Chair), Echols, Munson
- **Relevant Cabinet Agencies:** Health & Mental Health (Corbett); Human Services (Brown)

## Government Transformation & Collaboration
- **Responsibilities:** General Government & Modernization; Tourism; Collaboration w/ other entities: County, Municipal, Tribal, COGS
- **Senate Members:** Hall (Co-Chair), Floyd, Howard
- **House Members:** Boatman (Co-Chair), Boles, Osburn
- **Relevant Cabinet Agencies:** Digital Transformation & Administration (Harpe); Licensing & Regulation (Winchester); Native American Affairs (Bingman); Tourism, Wildlife & Heritage (Pinnell)

## Transportation, Infrastructure & Rural Development
- **Responsibilities:** Broadband; Agriculture & Natural Resources; Utilities; Wildlife; Public Safety; Transportation
- **Senate Members:** Leewright (Co-Chair), David, Floyd, Murdock
- **House Members:** Phillips (Co-Chair), Feggett, Munson, Steagall
- **Relevant Cabinet Agencies:** Agriculture (Arthur); Energy & Environment (Wagner); Public Safety (Everest); Transportation (Gatz)
Formalize ARPA Goals
Formalize ARPA Goals

Goal 1
Build a stronger, more innovative and more diverse economy for Oklahoma.

Goal 2
Enhance capabilities of services for the well-being of all citizens, especially the most vulnerable.

Goal 3
Invest in physical and digital infrastructure to expand opportunities across Oklahoma.
Closing Remarks by the Chairs