



# American Rescue Plan Act County Department Funding Proposal Guidelines

## **BACKGROUND AND GENERAL INFORMATION**

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARPA) into law. The \$1.9 trillion Fiscal Recovery Funds package is intended to combat the COVID-19 pandemic, including public health and economic impacts. Lake County is projected to receive a total of \$2,485,667 over two years to respond to the COVID-19 public health emergency and its economic impacts.

At its October 19, 2021 meeting, the Lake County Commission approved inviting county departments to submit proposals for eligible uses for ARPA funding consideration. In general, eligible uses include uses that support the public health response to COVID-19; address negative economic impacts; replace public sector revenue loss; provide premium pay for essential workers; and support water, sewer or broadband infrastructure projects.

## **ELIGIBLE DEPARTMENTS**

All County Departments are eligible to submit a proposal for ARPA funding consideration. It is the desire of the Commission to ensure that this one-time relief is used responsibly and equitably for projects that provide a benefit to the county and its residents.

All ARPA funds are also subject to the Department of the Treasury Interim Final Rule and Final Rule.

## **ELIGIBLE COSTS (*incomplete list*)**

- Eligible Public Health Uses
  - COVID-19 Response, Mitigation and Prevention
    - Vaccination programs; medical care; testing; contact tracing; support for isolation or quarantine; supports for vulnerable populations to access medical or public health services; public health surveillance; enforcement of public health orders; public communication efforts; enhancement to health care capacity, including through alternative care facilities; purchases of personal protective equipment; support for prevention, mitigation or other services in congregative living facilities (nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools; ventilation improvements in congregate settings, health care settings, or other key locations; enhancement of public health data systems; and other public health responses
    - Capital investments in public facilities to meet pandemic operational needs or adaptations to public buildings to implement COVID-19 mitigation tactics
    - Uses allowed under CARES Act (CRF Funding), subject to certain exceptions

- Behavioral Health Care
  - Mental health treatment; substance misuse treatment; other behavioral health services, hotlines or warmlines, crisis intervention, overdose prevention, infectious disease prevention, and services or outreach to promote access to physical or behavioral health primary care and preventative medicine
- Expenses to improve the design and execution of health and public health programs
  - Planning and analysis in order to improve programs addressing the COVID-19 pandemic, including through use of targeted consumer outreach, improvements to data or technology infrastructure, impact evaluations, and data analysis
- Eligible Response to Negative Economic Impacts Uses (May not be applicable to county departments)
  - Loss of earnings, decline in revenues, or impacts of cancelled fundraising events during periods of closure or limited operations due to COVID-19 public health emergency
  - Costs associated with implementation of prevention or mitigation measures to contain the spread of the virus, such as physical changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing or contact tracing programs
  - Reimbursement of expenses related to the organization's response to the COVID-19 public health emergency, for example supporting payroll and benefit costs; costs to retain employees; mortgage, rent or utilities costs; and other related operating costs
  - Funding for new programs designed in response to the COVID-19 pandemic or those designed to serve a population disparately impacted by the public health emergency and its economic impacts, such as lower-income households
- Eligible Aid to Impacted Industries – Tourism, Travel, and Hospitality (May not be applicable to county departments)
  - Assistance to implement COVID-19 mitigation and infection prevention measures to enable safe resumption of tourism, travel, and hospitality of services, for example improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans
  - Aid that supports attractions operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic
  - Aid for a planned expansion or upgrade of tourism, travel, or hospitality facilities delayed due to the pandemic
- Eligible Premium Pay Uses
  - Must be related to essential work, or work involving regular in-person interactions or regular physical handling of items that were also handled by others (does not include telework performed from a residence)
  - Defined as an amount up to \$13 per hour in addition to wages or remuneration the worker otherwise receives and in an aggregate amount not to exceed \$25,000 per eligible worker

- Should prioritize compensation of those lower income eligible workers that perform essential work
- Premium pay which would increase a worker’s total pay above 150 percent of their residing state’s average annual wage for all occupations or their residing county’s average annual wage, whichever is higher, requires a written justification of how the premium pay is responsive to workers performing essential worker during the public health emergency
- Must be entirely additive to a worker’s regular rate of wages and other remuneration and may not be used to reduce or substitute for a worker’s normal earnings
- May be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency, where those workers have yet to be compensated adequately for work previously performed
- Eligible Revenue Loss Uses
  - At this time, Lake County does not qualify for revenue loss uses. S.3011 is before Congress at this time, which may lead to additional flexibility by including the presumption that any ARPA funds less than \$10 million dollars may be considered revenue loss. If this does occur, county departments will be advised as it will allow for more flexible funding proposals to be considered.
- Eligible Water, Sewer, and Broadband Infrastructure Project Uses
  - At this time, Lake County is not engaged in any projects of this type.
- Any other eligible cost listed under the Treasury Department's Interim Final Rule or Final Rule.

**INELIGIBLE COSTS (*incomplete list*)**

- Loss that bears no relation or are grossly disproportionate to the type or extent of harm experienced due to the COVID-19 public health emergency
- Contributions to rainy day funds, financial reserves, or similar funds
- Payment of interest or principal on outstanding debt instruments
- Local matches to other grants
- Inherently religious activities, such as worship, religious instruction, or proselytization and/or those that prompt or inhibit religious interest (*United States Supreme Court / Federal Law*)
- Lobbying, support of candidates for public office, or other political activities
- Funding for programs or organizations that do not serve Lake County residents
- Economic hardship incurred outside of the period beginning on January 27, 2020 and ending June 30, 2023.

**FUNDING PERIOD**

Key Dates

March 3, 2021 – December 31, 2024: Funds may cover costs during this period, with a few exceptions:

- 1) December 31, 2024: Funds must be incurred and obligated
- 2) December 31, 2026: Funds must be expended to cover obligations and all work must be completed

## **HOW TO APPLY**

The ARPA County Department Funding Proposal Application will be available through the County's website at [www.lake.sd.gov/custom/public-notices](http://www.lake.sd.gov/custom/public-notices) from **November 1, 2021 through December 31, 2021**. Applications may be submitted electronically or by hard copy by 11:59 p.m. on December 31, 2021.

Staff is available to answer questions about the application requirements, eligible activities, or the funding process. Please contact Shelli Gust at 605-256-7630 or [shelligust@lake.sd.gov](mailto:shelligust@lake.sd.gov) with questions.

## **APPLICATION REQUIREMENTS**

Applicants will be required to submit the following information:

- 1) Department Overview
  - a. Department name and contact information
  - b. Description of services provided to Lake County residents
  
- 2) Funding Request
  - a. Amount requested
  - b. Description of request / justification of eligibility
  - c. Description of proposed outcomes (e.g., short-term / long-term benefits)
  - d. Target beneficiaries
  - e. Proposed budget, including line-item expenses
  - f. Timeline for fund expenditure
  
- 3) Any other supporting information the organization would like the review panel to consider

## **APPLICATION AND REVIEW PROCESS**

County staff will review funding proposal applications for completeness. Applicants may be asked to revise proposals or provide additional information.

Complete applications will then be evaluated by a review panel for eligibility and criteria. The review panel may seek guidance from First District Association of Local Governments and Eide Bailly to determine eligibility. The review panel will make a recommendation for funding to the County Commission. It is the review panel's goal to make those recommendations to the County Commission by March 1, 2022, but this date will be dependent upon having received all requested guidance back from First District/Eide Bailly.

## **APPLICATION REVIEW CRITERIA**

The County Commission has absolute discretion in approving applications for funding. Award allocations will be based on total number of applicants, completeness of applications, expense eligibility, organizational need, community benefit, and organizational operating budget size. No cash match is required.

The review panel and the County Commission may consider the following factors in their evaluation:

- For eligible public health uses
  - How the use would respond to the COVID-19 public health emergency or the disease itself
  - An identified need or negative impact of the COVID-19 public health emergency and how the program, service, or other intervention addresses the identified need or impact
  - The effect of COVID-19 on public health, including either or both of immediate effects or effects that may manifest over months or years, and how the use would respond to or address the identified need
- For negative economic impact uses
  - Any harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency
  - The connection between the negative economic harm and the COVID-19 public health emergency, the nature and extent of that harm, and how the use of this funding would address such harm
- For aid to impacted industries
  - The extent of the economic impact and whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic
- For premium pay uses
  - How the pay responds to the worker's essential services situation
  - Whether premium pay will keep the employee's wages within allowable limits
- Ability to incur and obligate funds by December 31, 2024; ability to expend funds to cover all obligations by December 31, 2026
- Fiscal and administrative capacity to administer the funding in compliance with requirements
- Funding proposal budget is provided, reasonable, and aligns with eligible expense categories
- Other factors as deemed appropriate by the panel members and/or County Commission

### **APPLICATION TIMELINE**

The County anticipates the following schedule for reviewing submitted applications and determining funding awards.

November 1, 2021 – December 31, 2021	Application Period Open
December 31, 2021 at 11:59 p.m. CT	Deadline for application submissions
January 1, 2022 – March 1, 2022	Application review period
March 1, 2022	County Commission Meeting (Recommendations for award presented)
March 15, 2022	County Commission Meeting (Award Determinations)

### **PUBLIC RECORD**

Unless otherwise exempt under applicable law, applications and application materials are public records. All information received from an applicant, whether in connection with a funding proposal application or in connection with any funded activities performed, are subject to disclosure pursuant to the South Dakota Public Records Laws, unless otherwise exempt.

## FREQUENTLY ASKED QUESTIONS

1. *What is the range of possible awards? What is the maximum amount that can be requested?*  
There is no formal restriction on the amount that may be requested. However, there will be many applicants; and the more reasonable the request, the more likely it could be funded. It is possible that awards may be less than the requested amount due to available funding.