



AMERICAN RESCUE PLAN ACT



STATE OF OKLAHOMA RECOVERY PLAN

STATE AND LOCAL FISCAL RECOVERY FUNDS

2021 REPORT



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Executive Summary

The American Rescue Plan Act (ARPA) of 2021 provides state, local, territorial and tribal governments with unprecedented funds to respond to and recover from the health and economic impacts of the COVID-19 pandemic. Pursuant to the Act, the State of Oklahoma was awarded an allocation of \$1,870,417,575 from the Coronavirus State and Local Fiscal Recovery Fund. The U.S. Department of Treasury delivered the first 50% of these funds to the State on August 12, 2021. The second 50% will be delivered in 2022.

With the receipt of these funds, Oklahoma has the opportunity to support the communities and industries negatively impacted by the public health emergency, restore and strengthen the state's economy, and make once-in-a-generation investments in water, sewer, and broadband infrastructure.

The State is working to allocate these funds through a collaboration between the Legislature and Executive Branch leaders, who hold a shared vision to make strategic investments that will benefit future generations while improving services for all Oklahomans today.

In June 2021, the Legislature established the 24-member **Joint Committee on Pandemic Relief Funding** to assess the state's immediate and long-term needs for a successful recovery and to evaluate and vet proposals for use of the State Fiscal Recovery Funds. Through an open proposal process, any Oklahoma state agency, nonprofit, local government, business entity, or constituent can propose a project or offer input regarding how these funds would be best invested.

Eligible projects approved by the Joint Committee will then be reviewed by an 11-member Steering Committee of Legislators and Executive Branch leaders before being sent to Governor J. Kevin Stitt for final review and approval.

The Recovery Plan will be updated yearly and posted on www.oklahoma.gov/ARPA.

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Uses of Funds

At this time, the full Joint Committee on Pandemic Relief Funding has held four public meetings to develop the state's processes for allocating and spending funds. The Committee has committed to using State Fiscal Recovery Funds to make strategic short-term and long-term investments guided by the following goals:

1

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

2

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

3

Invest in physical and digital infrastructure to expand opportunities across Oklahoma.

The Joint Committee has divided into four Working Groups to provide greater evaluation of the impacts of the pandemic on the State of Oklahoma. The four working groups are:

- Economic Development & Workforce
- Health & Human Services
- Government Transformation & Collaboration
- Transportation, Infrastructure, & Rural Development

In August and September 2021, the Working Groups heard testimony from stakeholders across the State of Oklahoma, guided by three key questions:

1. What is the impact of the pandemic on the working group's subject area?
2. What are the needs, or how have the needs been exacerbated?

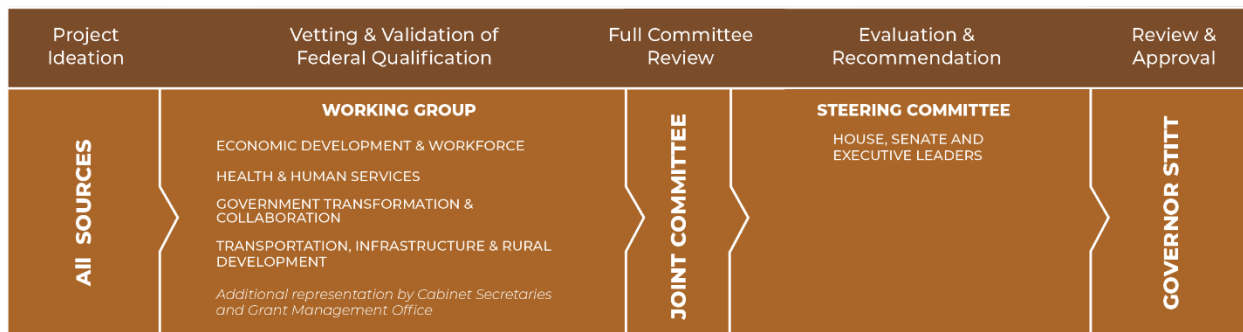
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3. How do we achieve a strong recovery?

Presentations and discussions from these meetings will help the Joint Committee identify priority areas for investment and needs of the state. After analyzing potential priority areas, the Working Groups will submit those areas for consideration by the Joint Committee. The Joint Committee will establish these priority areas and accept proposals that align with these areas.

Beginning in October, proposals will be evaluated in the appropriate Working Group subject area. Proposals that receive approval by a Working Group will be recommended for a vote of the full Joint Committee. Proposals favorably reported by the Joint Committee will be forwarded to the Steering Committee for approval before being sent to Governor Stitt.

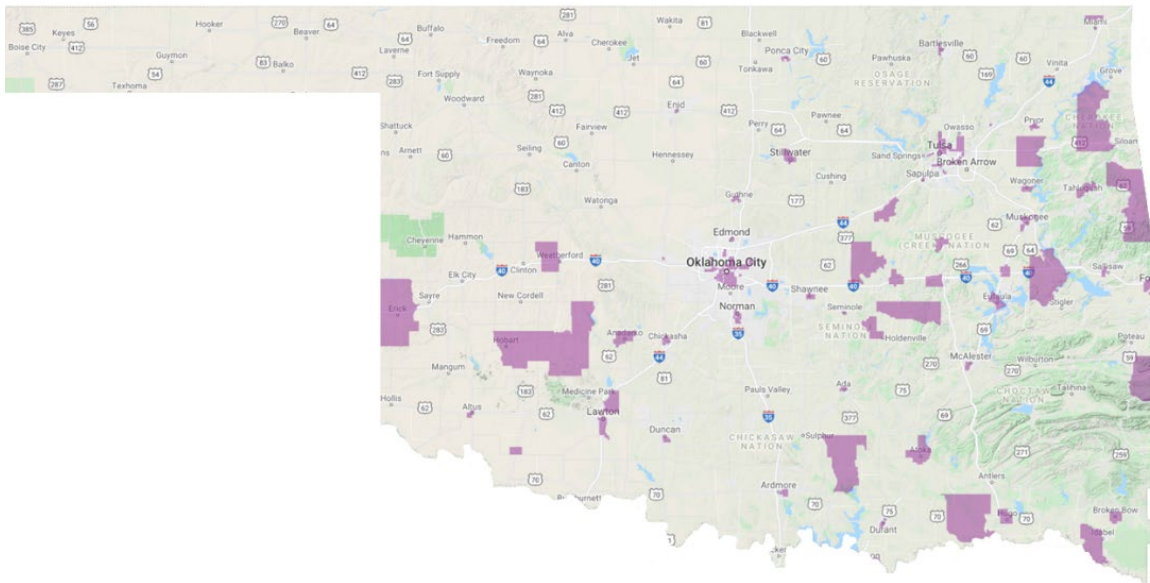


Promoting equitable outcomes

Oklahoma is committed to maximizing State Fiscal Recovery Fund investments by ensuring the benefits of these funds to historically underserved, vulnerable and disproportionately impacted populations, communities and industries are captured in the project proposal evaluation and funding allocation processes.

There are several ways in which the U.S. Treasury Interim Final Rule encourages State and Local Fiscal Recovery Fund recipients to fund strategies that address the disparate impacts of the pandemic on vulnerable populations. For example, Treasury will presume certain types of services and programs are eligible uses when provided to populations living in Qualified Census Tracts (QCT). There are approximately 200 QCTs in Oklahoma, located in both urban and rural areas.

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Vulnerable Oklahomans residing in and outside of QCTs have unique needs that have been in many cases exacerbated by the pandemic. The prevalence of mental health symptoms, substance abuse, and food and housing insecurity all increased during the pandemic. The State is working to identify the immediate and long-term needs of disproportionately impacted populations.

The Joint Committee Working Groups needs assessments involved collecting information regarding the populations, communities, and industries most disproportionately impacted by the pandemic. The findings from the needs assessments will be applied to develop the project proposal evaluation criteria.

Oklahoma's State Fiscal Recovery Funds project proposal and idea intake process is designed to ensure any entity or resident can provide input on how funds are spent. The State has committed to lowering barriers to participation by offering an easily accessible and straightforward idea intake form. By leveraging relationships with partner organizations, nonprofits and other stakeholders, Oklahoma seeks to collect input from a broad and diverse range of groups.

The project proposal submittal process seeks to capture information regarding how a proposed use of funds serves groups disproportionately impacted by the pandemic. Oklahoma State

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agencies, local governments, nonprofits, and business entities submitting project proposals must describe the communities and vulnerable populations that will benefit from the proposed program. Submitters must also detail how the target community was impacted by the pandemic. One of the important goals of this process is to develop outcome measurements that will focus on closing gaps, raising levels of services, and reducing disparities among disproportionately impacted populations.

As Oklahoma moves forward with evaluating spending proposals, the state will continue to leverage partnerships to collect input from populations, communities, and industries most disproportionately impacted by the pandemic and develop evaluation criteria that consider and underscore the needs of these groups.

Community Engagement

The Joint Committee on Pandemic Relief Funding is committed to engaging with stakeholders across the state to listen to the needs of Oklahomans.

The initial priority of the Working Groups is to focus on identifying and evaluating the impacts of the pandemic to the State of Oklahoma in specific subject areas. Working Groups are in the process of conducting comprehensive needs assessment in order to develop strategically sound funding objectives and priorities. Working Groups have begun this process and will continue identifying all the impacts to the state.

The Health and Human Services Working Group met September 7 and 8, 2021, hearing from seventeen presenters including state agencies, nonprofits, hospital systems and providers. Presenters identified workforce shortages as a major challenge in the health and human services sector. Workforce needs in nursing at all levels, behavioral health and in the human service sector were discussed throughout the 2-day meeting. State agency and nonprofit presenters discussed capacity building in the behavioral health and childcare sector.

Several presenters noted communications and technological infrastructure across the health care sector were areas of needed investment, as pointed out by the lack of real-time data throughout the pandemic. Supply chain reliability coupled with the lack of supply inventory also were challenges in the health and human services sector. While telemedicine and telehealth have

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grown significantly during the pandemic, additional infrastructure and connectivity is needed to fulfill its potential across Oklahoma, particularly in rural areas.

Many presenters detailed the impact of the pandemic on substance abuse showing substantial increases across the state. Other themes heard include the need for hospitals to collaborate to share resources and data to create connections and a collaborative mechanism for nonprofits to provide critical wraparound services.

The Government Transformation and Collaboration Working Group spent September 17, 2021 hearing from representatives from the state, cities, towns, the court system, the tourism industry and Oklahomans with disabilities. Initial impacts identified centered around technology infrastructure needs, declines in revenue across tourism agencies and supply chain issues. The Working Group will focus its efforts on partnering with cities and towns on projects across focus areas including broadband, water, and tourism. The Working Group is interested in leveraging and stacking funds to promote collaboration across the state. State government modernization will also be a continued topic of discussion among cybersecurity and customer-facing services. While evaluating projects, ensuring the needs of Oklahomans with disabilities are met was identified as a priority. The group also heard about the need to modernize the court system and address the current backlog created by the pandemic. Moving forward, the Working Group also wants to focus on collaborating with Oklahoma's tribal partners.

Across Working Groups, workforce shortages have been a significant theme. This was evident again in the Economic Development and Workforce Working Group meetings held on September 20 and 23, 2021. Presenters universally discussed the priority to craft a collaborative plan to address Oklahoma's workforce needs. As with other meetings, childcare and mental health issues were often mentioned. Businesses also had a difficult time getting the resources needed as the supply chain affected industries across the state. Another significant theme was connectivity and access to broadband for businesses and the educational system. The group heard needs from the education sector involving current and updated data, and also heard feedback from the Veteran community.

The Transportation, Infrastructure, and Rural Development Working Group conducted a meeting on September 24, 2021 and heard from twelve presenters. The group heard an update from the state's Rural Broadband Council and details on resources needed to create a comprehensive,

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strategic plan to address broadband across Oklahoma. The group heard about public safety radio connectivity needs that were exacerbated by the pandemic. Impacts were felt heavily in the agriculture sector with supply chain issues affecting the state's food supply, prompting the group to focus some time discussing local food security. Again, workforce needs were emphasized strongly in many sectors including transportation, water quality and corrections.

Themes and impacts will continue to be identified throughout this process. Working groups, and the Joint Committee as a whole, are committed to taking a strategic, holistic approach to creating funding priorities.

In addition to engaging stakeholders via the Working Group needs assessment process, Oklahoma is collecting input online. The state has developed a public-facing American Rescue Plan Act website to provide information to the public, local governments, and other stakeholders and entities. Beginning in October, any Oklahoma state agency, nonprofit, local government, business entity, or constituent can use the website to propose a project or offer input regarding how State Fiscal Recovery funds would be best invested.

Labor Practices

During this reporting period, Oklahoma does not have any active infrastructure projects. Oklahoma intends to explore and utilize strong labor standards that are most appropriate for the state. Any infrastructure projects will comply with the employment and workplace laws for the state of Oklahoma.

Use of Evidence

During this reporting period, Oklahoma does not have any active projects. Oklahoma intends to explore and utilize evidence-based interventions that are most appropriate for Oklahoma, including the use of relevant evidence from Clearinghouses as described in Paragraph 6 of the Reporting Guidance to identify evidence-based models. Entities submitting project proposals are required to describe the process for measuring project performance, including any plans for

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collecting programmatic data required by the U.S. Treasury. Respondents must also describe any evidence or sources that validate the interventions proposed in the project. The Joint Committee will consider these responses in the project evaluation criteria.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		

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Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		

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Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		

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Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services		
7	Administrative and Other		
7.1	Administrative Expenses	\$10,000	
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

Project Inventory

At this time, the State of Oklahoma has not approved any projects. Future reports will include project-specific details and performance metrics.

Performance Report

At this time, the State of Oklahoma has not approved any projects. Future reports will include project-specific details and performance metrics.

Ineligible Activities: Tax Offset Provision (States and territories only)

NOTE: The State of Oklahoma did experience tax-reducing activity, and the State will work through details of calculations as more data is available and the final U.S. Treasury rule is released and/or pending litigation on this issue is resolved.

Item	Amount
a. Revenue-reducing Covered Changes	\$0