

Governor
Lemanu P. S. Mauga
~
Lieutenant Governor
Talauega E.V. Ale



Executive Director
Keith Gebauer

AMERICAN RESCUE PLAN ACT (ARPA) OVERSIGHT OFFICE

Office of the Governor
A.P. Lutali Executive Office Building
Pago Pago, American Samoa 96799

June 29, 2021

ARPA Oversight Office

Proposed Management, Staff and Operational Budget

The following report is a summary of the proposed GO ARPA Oversight Office, submitted for the Governor's review and consideration.

The American Rescue Plan Act

- On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by President Biden.
- Section 9901 of ARPA amended Title VI of the Social Security Act¹⁷ (the Act) to add **section 602**, which establishes the Coronavirus State Fiscal Recovery Fund, and **section 603**, which establishes the Coronavirus Local Fiscal Recovery Fund (together, the Fiscal Recovery Funds).
- The Fiscal Recovery Funds provide resources to meet and address these emergent public health needs, including through measures to counter the spread of COVID-19, through the provision of care for those impacted by the virus, and through programs or services that address disparities in public health that have been exacerbated by the pandemic.
- ARPA provides a total of \$350 billion in assistance to states, counties, municipalities, territories and tribal governments to cover expenses, make up for lost revenue and ease the overall economic impact from the COVID-19 pandemic.
- **American Samoa was allocated \$479,135,254.00 million dollars under ARPA legislation.**
- The Fiscal Recovery Funds are intended to provide support to State, local, and Tribal governments (together, recipients) in responding to the impact of COVID-19 and in their efforts to contain COVID-19 on their communities, residents, and businesses.



- The Fiscal Recovery Funds build on and expand the support provided to these governments over the last year, including through the Coronavirus Relief Fund (CRF).

Eligible uses of ARPA (State and Local Fiscal Recovery Funds-SLFRF):

- (a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- (b) *To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work;*
- (c) *For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; and*
- (d) *To make necessary investments in water, sewer, or broadband infrastructure*

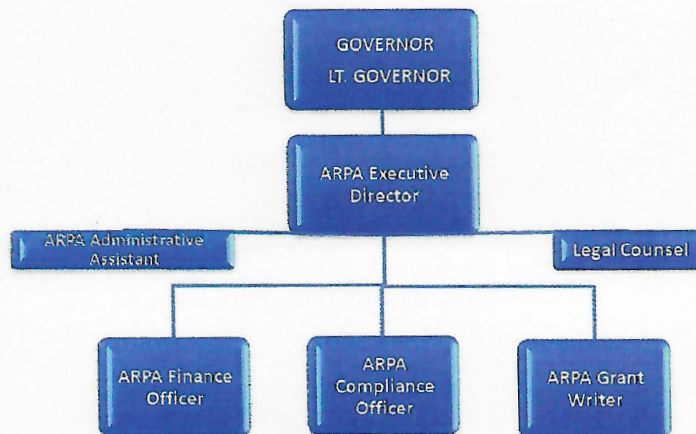
Restrictions on the use of ARPA Sec. 602 State and Local Fiscal Recovery Funds (SLFRF) funds

- Section 602(c)(2)(A) of the Act provides that States and territories may not “use the funds ... to either directly or indirectly offset a reduction in ...:
 1. net tax revenue ... resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax ... or delays the imposition of any tax or tax increase.”
 2. In addition, sections 602(c)(2)(B) and 603(c)(2) ***prohibit any*** recipient, including cities, non-entitlement units of government, and counties, from using Fiscal Recovery Funds for deposit into ***any pension fund.***
 3. **Please note:** Treasury’s Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves.

Proposed GO ARPA Oversight Office timeline (dates tentative and subject to change)

- Establish Governor’s Office (GO) ARPA Officer designation of ARPA Office Director or Administrator as approved by the Governor—**completed June 23, 2021**
- Establish communication and point of contact (POC) with all relevant ASG Departments, Agencies and Authorities—**completed June 22, 2021**
- Establish communication and point of contact (POC) with all relevant federal counterparts—**completed June 28, 2021**
- Hire management and staff by September 1, 2021(see proposed GO ARPA Office mgmt. and staff below) with start date of October 1, 2021.
- Setup GO ARPA Office (tentatively identified space with OFI) by August 15, 2021 (furniture, office equipment, computers, printers, office supplies, phone service and internet, ASG email accounts, and vehicle(s), etc.)

Proposed GO ARPA Office Proposed Management and Staff



- GO ARPA Office Executive Director
- GO ARPA Office Financial Officer
- GO ARPA Office Compliance Officer
- GO ARPA Office Grant writer
- GO ARPA Office Administrative clerk
- GO ARPA Office legal counsel (GO/AG designated counsel or contract with outside counsel)

- Ensure a Budget Analyst is assigned
- Ensure a Treasury Analyst is assigned
- Ensure a Procurement Analyst is assigned
- Budget submission for personnel costs, lease payments, travel, contractual services, etc. pending Governor approval of proposed ARPA Office plan **(completed June 28, 2021 BUD 202 ARPA Oversight Office Administration)**.

Proposed GO ARPA Office Goals, Objectives and Priorities

- Provide Leadership clear guidance for eligible and restricted use of ARPA funds
- Provide accurate and timely information and feedback on all ARPA related inquiries to ASG leadership and relevant ASG Departments and Agencies
- Provide Leadership recommended list of ARPA eligible categories and projects based on guidance and instruction from the Governor
- for the Coordinate the planning, implementation, execution and reconciliation of all Governor approved ARPA funded projects with relevant ASG Departments and federal counterparts as needed
- Establish the workflow and procedures to ensure ARPA fund usage adheres to all guidelines including federally approved ASG's Procurement, Treasury and Budget processes
- Establish workflow for all local project assessment, selection and implementation to meet all federally approved ASG procedures
- Ensure public feedback and input are part of planning and project selection process
- Recommend sub-committees to ensure all relevant concerns are addressed throughout the process and all stakeholders, including the private sector and general public are part of the planning and implementation process
- Establish timelines for each Governor approved ARPA funded project for all stakeholders
- Establish communication protocols with our federal counterparts and local stakeholders

- Provide timely programmatic and financial reporting as required by the ARPA guidelines

Eligible uses of ARPA (State and Local Fiscal Recovery Funds-SLFRF):

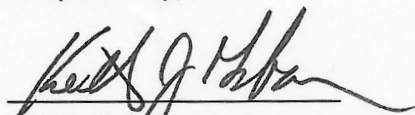
- 1. To respond to the COVID-19 public health emergency or its negative economic impacts;**
- 2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work;**
- 3. For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; and**
- 4. To make necessary investments in water, sewer, or broadband infrastructure**

Conclusion

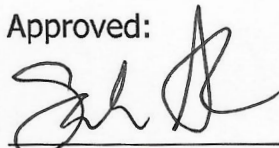
The ARPA funding (and other COVID-19 related funding) provides the territory an incredibly unique opportunity to address years of deficiencies in our healthcare system and services available on island and provide some of the infrastructure investments that can provide the foundation for economy of the present and the future.

Thank you for the opportunity to present our proposal, we look forward to your feedback and next steps in administering the ARPA funds. We are available at your convenience should you have any questions or concerns. Thank you.

Respectfully,

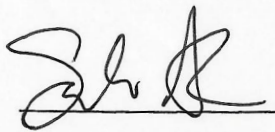

Keith Gebauer

Approved:

 7/30/21
Governor Lemanu P.S. Mauga

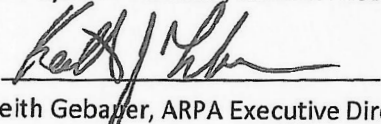
CC: Honorable Talauega E. V. Ale, Lieutenant Governor
Tuimavave T. Laupola, Chief Of Staff

American Rescue Plan Act (ARPA) Oversight Office


Honorable Governor Lemanu P.S. Mauza
1/30/21

Director Catherine D. Saelua, Budget

Director Lynn P. Alaimalo, Human Resources


Keith Gebauer, ARPA Executive Director

