

State of Louisiana Recovery Plan

American Rescue Plan Act - State and Local Fiscal Recovery Funds 2023 Report



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State of Louisiana
2023 Recovery Plan

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GENERAL OVERVIEW

Executive Summary

On March 11, 2021, the American Rescue Plan, Pub. L. No. 117-2 (ARPA) was signed into law. Pursuant to section 9901 of ARPA, Sections 602(b) and 603(b) were added to the Social Security Act (the Act), establishing the Coronavirus State Fiscal Recovery Fund and the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, as authorized by the Department of Treasury (Treasury). This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19.

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with resources to address pandemic response needs. Within the categories of uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures**, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- **To continue funding government services** using this funding up to the amount of lost revenue experienced due to the pandemic;
- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

As part of this program, the Treasury has transferred over \$3 billion to the State of Louisiana (the State) to provide support for the State's response to the economic and public health impacts of COVID-19. The treasury has allocated \$315.5 million for distribution to non-entitlement units of local government (NEUs) throughout the state and transferred the first tranche of this allocation to the state in June 2021 and will transfer the remaining funds in 2022.

The State's response to the impacts of the pandemic and allocation of the SLFRF funding was a focus and priority throughout the State Legislature's 2021 Regular Legislative Session. The Louisiana Legislature passed Act 410 to immediately appropriate \$1.6 billion of this funding to new state programs focused on statewide recovery efforts. In 2021, the State allocated funding to replenish Federal payments made to the State's Unemployment (UI) Trust Fund, which was depleted during the height of the pandemic, to invest in critical water and sewer infrastructure, and to assist those small businesses and industries with significant negative impacts as a result of the pandemic.

As part of the State's continuing recovery efforts, the Legislature worked during the 2022 Regular Legislative Session to allocate the remaining SLFRF funding to critical programs throughout the

state. Additional funding was allocated to critical Water and Sewer Infrastructure projects including matching funds for state revolving loan programs. Allocations were also made to other programs assisting in the economic recovery of small businesses and industries with significant negative impacts of the pandemic, to provide additional funding to the UI Trust Fund and to replenish funding that was reduced or halted due to the overall reduction in available state revenues.

As these recovery programs progress, the State will report on data that is tracked and collected to monitor the success of these programs. This data will also be used to modify programs and program requirements in order to best meet the needs of the most vulnerable populations in Louisiana as the State recovers from the COVID-19 Pandemic.

Uses of Funds

The Final Rule defines four general eligible uses and provides broad flexibility within these use categories for the recipients to best meet the needs of their communities. SLFRF Funds may be used for public health and economic impacts, premium pay, revenue loss, and investments in infrastructure. The State has implemented programs to distribute the \$3 billion in SLFRF funding to provide relief in many of the critically impacted industries and populations throughout the state. These programs are listed in the Project Inventory section of this report along with the applicable eligible use category.

Promoting equitable outcomes

Louisiana was affected early on by the COVID-19 pandemic and consistently reported high concentrations of cases throughout the pandemic. By April 2020, Louisiana's unemployment rate had reached 13.5%, rising more than 8 percent in a 3 month period. The unemployment rate returned to pre-pandemic levels by June 2022, however, the economic recovery is still in progress.

The State has allocated funds to specific needs related to recovery including targeted programs focused on those groups most significantly affected by the pandemic. As these focused recovery programs are established, consideration is given to the specific impacts within each group of eligible applicants as well as any sub-groups that may exist in order to promote the most equitable outcomes in each program. For instance, the replenishment of the UI Trust Fund aids the State in providing assistance to those who lost their jobs due to the pandemic. Another example of promoting equitable outcomes is the State's immediate focus on impacted industries, for instance, creating programs such as the Tourism Revival Program, described in detail below, and the MSRP – Save Our Screens and Louisiana Loggers Relief Programs. Louisiana's top community is the forest industry with more than 15M acres of state forest, valued at 3.49B in 2018¹. The impact of COVID-19 on the industry, coupled with \$1.25B in damages from Hurricanes Laura and

¹ Highlights of Louisiana Agriculture, Baton Rouge, LA: LSU Agricultural Center Communications, 2018

Delta, were critical factors in the legislature directing the use of \$10M in ARP funds as economic relief to the industry. Similarly, Louisiana’s movie theatres and theatres nationally experienced an 80% reduction in ticket sales, or the worst sales in 40 years², as a result of the impact.

In programs such as Water and Sewer Infrastructure, we have considered program specific inequities that may naturally occur and have developed requirements to appropriately address these identified inequities and potentially refocus the programs as needed. For instance, the 2022 allocations made to meet matching requirements of revolving loan funds will provide access to certain rural systems that may have otherwise been denied by the programs. We will extend this awareness throughout the life of the programs and adjust requirements as necessary. Where appropriate, we will track data and demographics that will provide the ability to report on the equity of the recovery efforts including closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions.

As the programs are further implemented and the projects are completed throughout the state, programmatic data will be available and will be included in future reports. Data supporting the equitable outcomes of the programs will be compiled and will be reported when adequate details and results are available.

Community Engagement

The Treasury Compliance and Reporting Guidance requires that this section describes:

- How the state’s planned use of funds incorporates written, oral, and other forms of input that capture diverse feedback from constituents, community-based organizations, and the communities themselves; and
- Where relevant, how funds will build the capacity of community organizations to serve people with significant barriers to services, including people of color, people with low incomes, limited English proficiency populations, and other traditionally underserved groups.

The State’s allocation of ARPA – SLFRF funding was appropriated by the State Legislature through the State’s statutorily required legislative process. During this process, all planned appropriations are heard by legislative committees in public meetings prior to passage into law. Members of the public may testify before these committees to express opinions and present alternative plans for use of funding. The Governor and members of the Legislature engage with citizens of the State, including special interest groups, as part of the Legislative appropriation process. As the programs are launched, the administrators of each program will remain engaged with the citizens of the State so that the needs of the most vulnerable citizens are appropriately addressed.

² Sarah Whitten, This Chart Shows 2020 had a chance to break box office records, but Covid caused lowest haul in decades, CNBC, December 29, 2020.

Labor Practices

The Treasury Compliance and Reporting Guidance requires description of workforce practices on any infrastructure projects being pursued including:

- How projects are using strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects; and
- How projects are also supporting the economic recovery through strong employment opportunities for workers.

Examples include reporting whether any of the following practices are being utilized: project labor agreements, community benefits agreements, prevailing wage requirements, and local hiring.

Currently, the Louisiana Department of Transportation and Development (DOTD) monitors federally funded construction projects over \$200,000 with prevailing wage requirements (the Davis Bacon Act) to ensure workers in various classifications are paid correctly for work being performed. These construction contracts contain standard specifications that address compliance requirements for prevailing wage requirements. Information pertinent to compliance with Prevailing wages is obtained and determined by local Workforce Development areas through surveys conducted throughout the state.

Recipients of Water Sector Infrastructure grant awards are informed of applicable labor laws and regulations and agree to comply with these state and federal requirements by signing a Cooperative Endeavor Agreement with the State prior to receipt of the award funds.

Use of Evidence

The Treasury Compliance and Reporting Guidance requires that states:

- Identify whether SLFRF funds are being used for evidence-based interventions; and/or
- Identify if projects are being evaluated through rigorous program evaluations that are designed to build evidence; and/or
- Describe their overall approach for using evidence and evaluation, including how a Learning Agenda (either narrowly focused on SLFRF or broadly focused on the recipient's broader policy agenda) could support their overarching evaluation efforts in order to create an evidence-building strategy for their jurisdiction.

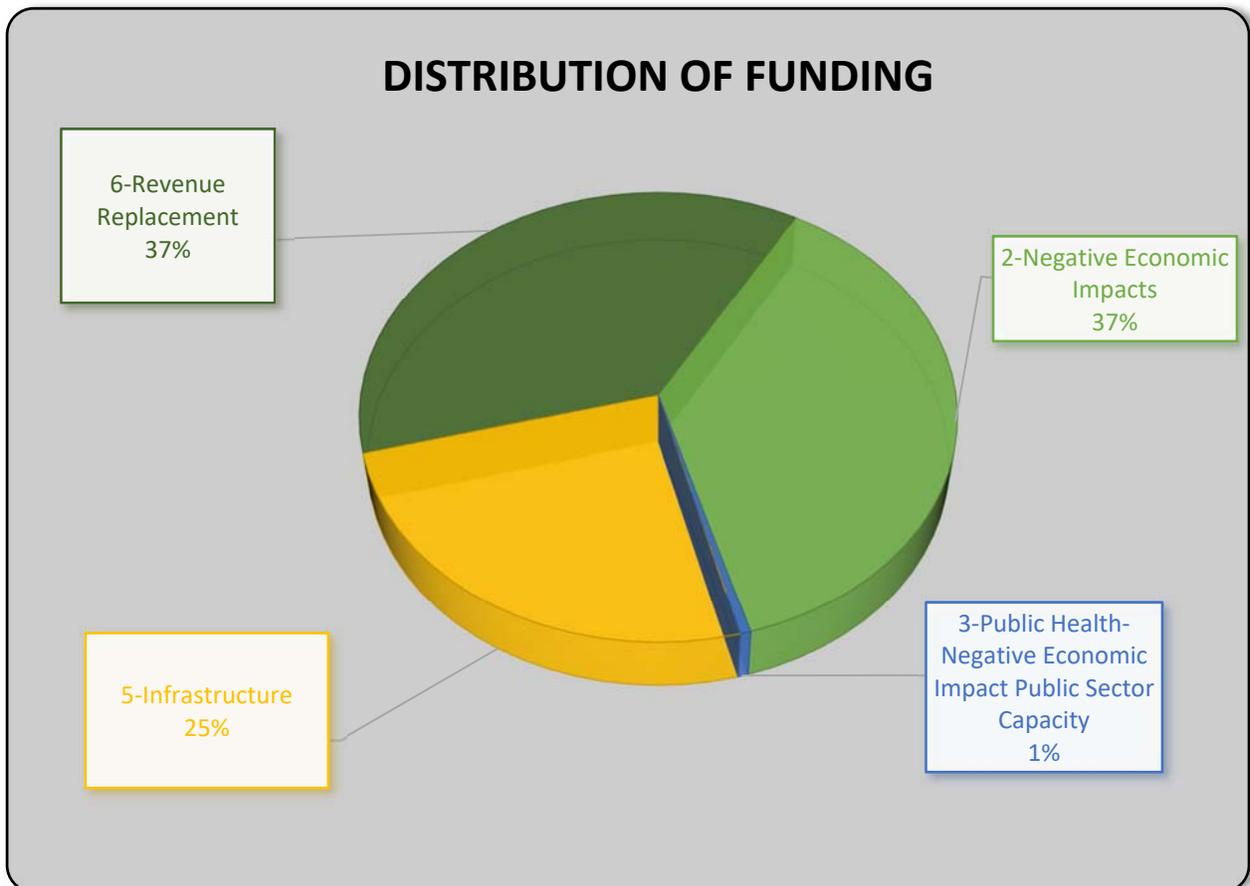
In determining the best use of SLFRF funding, the State considered all impacts of the pandemic in order to develop the best programs for the most critical needs of Louisianans. As part of the Legislative budgetary process, proposals were presented in support of a number of potential uses of SLFRF funding. During presentations in support of programs such as early childhood development and small business assistance, studies and evaluations that have been performed on the proposed uses and related needs as well as the intended outcomes are discussed and made available to the legislative committees and to the public.

When funding is allocated to the programs, additional evaluations and data may be required in order to support the policy decisions and to gauge the effectiveness and efficiencies of the programs as they are implemented. With adequate evidence, new policies may be created to adjust the programs to best fit the needs of the State.

Within the project inventory descriptions, details regarding the evidence used to support each critical needs are identified. As allocations are made to support evidence-based interventions, this data will be reported in future updates to our Recovery Plan.

PROJECT INVENTORY

As of July 31, 2023, the State has allocated the SLFRF funding to the programs discussed within this plan and will report progress by project as funding activity begins.



As of June 30, 2023, the State has allocated the SLFRF funding and has expended 47% of total SLFRF funding as depicted below.

Eligible Use Category	Appropriated Amount	Cumulative Expenditures
2.14-Healthy Childhood Environments Early Learning	\$ 27,000,000	\$ 237,240
2.25-Addressing Educational Disparities Academic Social and Emotional Services	5,000,000	5,000,000
2.28-Contributions to UI Trust Funds	990,000,000	990,000,000
2.29-Loans or Grants to Mitigate Financial Hardship	1,755,000	-
2.35-Aid to Tourism Travel or Hospitality	70,000,000	60,000,000
2.36-Aid to Other Impacted Industries	14,191,423	7,963,976
2.37-Economic Impact Assistance Other	10,000,000	9,661,414
3.3-Public Sector Workforce Other	16,020,902	657,700
5.10-Drinking water Treatment	483,542,505	4,009,575
5.1-Clean Water Centralized wastewater treatment	266,457,495	406,960
6.1-Provision of Government Services	1,103,470,464	325,755,502
6.2-Non-federal match for other Federal Programs	23,699,098	4,338,635
Grand Total	\$ 3,011,136,887	\$ 1,408,031,001

The projects currently allocated SLFRF funding are described below by expenditure category. Allocations of the SLFRF funding were completed during the 2022 Regular Legislative Session and the related programs are currently in various stages of development and/or completion. As explained within the following section, SLFRF funded programs are expansive and involve a number of state agencies in order to administer, execute, and monitor them effectively and appropriately. Where appropriate, key characteristics of each program that represent examples of certain focus areas such as promoting equitable outcomes, community engagement and labor practices will be addressed at the program level.

2.14 Healthy Childhood Environments: Early Learning

Project SLFRF15LA, Early Childhood Supports and Services Program Fund - \$27 million

The State appropriated \$27 million in Act 167 of the 2022 Regular Session of the Louisiana Legislature to be used by the Louisiana Department of Health (LDH) to fund its Early Childhood Supports and Service (ECSS) Program. The Goal of ECSS is to utilize appropriated funding to rebuild the ECSS Program. ECSS will provide services to children from birth through 5 and their families who are at risk for negative outcomes due to child mental health, behavioral concerns, child/parent attachment issues, environmental impacts of exposure to trauma, family and community violence, parental behavioral health concerns, and social determinants of health such as family housing, employment, food security, etc. Services are primarily focused on the Medicaid recipients in the state. Community Health Workers will conduct community outreach and communication about ECSS. Communication and outreach will be designed to reduce the stigma of accessing ECSS and ensure a low threshold for program entry. All services are accessible to all service groups; however, the service(s) provided will be based on their particular needs. There are no administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria.

Current program partners include Jefferson Parish Human Services District (JPHSA), Tulane Department of Psychiatry, LSU Medical Center, Training Grounds, the Office of Behavioral Health (OBH), the Office of Public Health (OPH) Bureau of Family Health, a Statewide Management Entity is to be identified as are the subcontracted Local Sites. As a component of the Request for Proposals that OBH intends to release, it will require the organization proposing to be the Statewide Management entity to advertise and market ECSS along with the local sites. This will also include the creation of a website to help make residents and providers aware of the services funded by SLFRF.

The children and families served by this program are at the greatest risk of involvement with child welfare and of negative early educational outcomes (such as suspension and expulsion), and without intervention and support these children and families may experience worsening mental and emotional wellness, increasing behavioral problems in home and early education settings, increasing need for more intensive behavioral health services, and increasing risk for involvement with child welfare and juvenile justice systems. Core services in the ECSS program will include family-based assessment and planning, care coordination to reduce adversity for the families of infants and young children, universal and targeted health promotion programming, treatment interventions including Licensed Mental Health Professional (LMHP) services, and psychiatric services with qualified professionals having specialized knowledge and experience in infant and early childhood mental health (IECMH). Once assessments have been conducted and mental health treatment is recommended, evidence-based dyadic treatment for parents and children will be offered. These services include Parent-Child Interaction Therapy (PCIT), Child Parent Psychotherapy (CPP), and other EBP therapies as identified for use in ECSS sites. For treatment provided using evidence based practice models defined in the Louisiana Medicaid Behavioral Health Services Manual, outcomes measurement will be based on the associated protocols.

We are in the beginning phase of our project; therefore, we have not yet provided any direct services. However, services will begin at the Early Adopter Site in July 2023. In the Request for Proposals that OBH intends to release, we will require the Statewide Management Entity to track qualitative and quantitative data to determine the project's success in terms of increasing equity. Community Health Workers will also track constraints or challenges that impact project success as it relates to increasing equity. The objectives of ECSS will be to reduce adversity for the families of infants and young children by coordinating access to supports and services for families through a network of community partners. They will work to connect families to assistance in the areas of safe housing and food security, supports for economic stability and employment, childcare/early education, domestic violence intervention, and treatment for parental mental health and substance use disorder needs. Outcome measurements will include data collection of the referrals made and successful linkages to resources and services to address social needs. In addition, the local sites will collect data on barriers to referrals/linkages and any barriers to families receiving ongoing services and supports to address their needs.

Given that services will begin in July 2023, no data has been collected on performance indicators.

2.25 - Addressing Educational Disparities Academic Social and Emotional Services

Project SLFRF20LA, READ Program to provide books to students - \$5 million

The State appropriated funds to create the READ Program. This program will provide books and reading materials to certain public school students in need throughout the state based on established eligibility thresholds.

The main objectives of the program include:

- Create at-home libraries for struggling readers
 - Launch book delivery program for eligible students (PreK-5th grade students reading below proficiency)
 - Advertise initiative to eligible families
 - Offer easy-to-use enrollment system
- Develop caregivers' confidence and capacity to support children's reading
 - Develop book reading guides
 - Disseminate reading tips and best practices

With this funding, the Louisiana Department of Education has been able to ship over 600 thousand books to students' homes and schools.

2.28 - Replenishment of UI Trust Fund

Project SLFRF1LA, Replenishment of UI Trust Fund - \$990 million

The State appropriated \$490 million of SLFRF funding, in House Bill 1 of the 2021 Regular Legislative Session, to repay the federal government for the federal unemployment insurance (UI) Title XII advances and to replenish the balance of the fund which was depleted by the unprecedented needs during the pandemic.

During the 2022 Regular Legislative Session, the State appropriated an additional \$500 million of SLFRF funding to the Unemployment Compensation Fund. This will help to ensure that unemployment benefits can continue for those who are suffering from unemployment and will help to avoid increased rates for businesses.

2.29 – Assistance to Small Businesses - Loans or Grants to Mitigate Financial Hardship

Project SLFRF17LA, Small Business Innovation Recruitment Fund - \$500 thousand

The State appropriated five hundred thousand in Act 477 of the 2022 Regular Session of the Louisiana Legislature. Act 477 creates this fund within the Department of Economic Development as an economic development incentive to recruit out-of-state small businesses that received Phase II Small Business Innovation Research (SBIR) or Phase II Small Business Technology Transfer (STTR) federal grants to move to Louisiana.

Companies eligible to apply for matching funds are identified via a SBIR/STTR statewide consortium of universities, economic development professionals and service providers coordinated and overseen by the Louisiana State University's (Agricultural and Mechanical College) Louisiana Business and Technology Center (via a cooperative endeavor agreement) for the State's Technology Transfer Office.

Eligible recipient companies can receive up to \$50,000.00 payable over a three year period. The pool of applicants is not limited, but the number of recipient companies will be limited by the size of match awards provided. If companies are awarded the maximum (\$50,000.00), the number of awards will be approximately 10.

The ultimate goal of the Small Business Recruitment Fund is to incent companies that can help expand the State's focus on innovation based companies to locate and grow here in Louisiana. A desired outcome of the program is to foster the growth and development of new technologies, some of which will contribute to climate and clean energy improvements.

Project SLFRF18LA, Small Business Innovation Fund - \$150 thousand

The State appropriated one hundred and fifty thousand in Act 508 of the 2022 Regular Session of the Louisiana Legislature. Act 508 creates this fund within the Department of Economic Development by awarding grants with the purpose of assisting entities in the completion of Phase I or II of SBIR or STTR applications and to provide funds for the Louisiana Technology Transfer Office (LTTO) for the purpose of funding technical assistance, outreach programs, and program-related promotions.

This funding supports innovative private sector research and development activities by Louisiana businesses intended to generate commercial products, processes, or services by (leveraging) providing matching funds to those Louisiana small businesses that will apply for received federal Small Business Innovative Innovation Research (SBIR) Phase I or Small Business Technology Transfer (STTR) grant funds. LED, in conjunction with the Louisiana State University (Agricultural and Mechanical College) representing the Louisiana Technology Transfer Office (LTTO). The LTTO shall administer awards to selected applicants in the form of grants.

Companies are identified and vetted by a consortium of statewide partners including universities, service providers, etc. The LTTO, with support from the consortium, select eligible Louisiana business applicants to receive monies from the fund. The LTTO works closely with key statewide small business service providers (APEX-procurement, MEPOL-manufacturing, and LSBDC-one on one counseling) to leverage financial and technical assistance support. Additional dollars provided resulted in additional promotion and increased awards from federal agencies.

A goal of the Small Business Innovation Fund is to incent companies that can help expand the State's focus on innovation based companies to locate and grow here in Louisiana. A desired outcome of the program is to foster the growth and development of new technologies, some of which will contribute to climate and clean energy improvements.

Project SLFRF19LA, Small Business Innovation Retention Fund - \$1.105 million

The State appropriated \$1.105 million in Act 476 of the 2022 Regular Legislative Session. Act 476 creates this fund within LED by awarding grants to entities that are in either Phase I or II of SBIR or STTR programs and to provide funds to LED in order to administer the grants. The support of innovative private sector research and development activities by Louisiana businesses intended to generate commercial products, processes, or services by providing matching funds to those Louisiana small businesses that will apply for or have received federal Small Business Innovation Research (SBIR) Phase I or Small Business Technology Transfer (STTR) grant (federal) funds.

The current funding availability of \$1,105,000.00 is for the following purposes:

- Up to \$500,000.00 for Phase I SBIR or STTR federal grant recipients. Each selected applicant shall receive an amount equal to twenty-five percent of the Phase I SBIR or STTR federal grant the applicant has received, not to exceed \$50,000.00 per applicant.
- Up to \$500,000.00 for Phase II SBIR or STTR federal recipients. Each selected applicant shall receive an amount equal to twenty percent of the Phase II SBIR or STTR federal grant the applicant has received, not to exceed \$100,000.00 per applicant.
- Up to \$105,000.00 is allocated for administrative and program support for the time the program is in existence.

Each grant awarded is paid out in two equal amounts over a period of two consecutive years.

Companies eligible to apply for matching funds are identified are supported by statewide consortium of universities, economic development professionals and service providers coordinated and overseen by the Louisiana State University's (Agricultural and Mechanical College) Louisiana Business and Technology Center (via a cooperative endeavor agreement) for the State's Technology Transfer Office.

The ultimate goal of the Small Business Retention Fund is to incent companies that can help expand the State's focus on innovation based companies to locate and grow here in Louisiana. A desired outcome of the program is to foster the growth and development of new technologies, some of which will contribute to climate and clean energy improvements.

Promoting Equitable Outcomes

A common theme among many small business throughout our State (and across the country) is a lack of access to capital especially in the early stages of development. The State of Louisiana represented by its Louisiana Technology Transfer Office has embraced the SBIR/STTR program as an additional tool that helps small companies that lack capacity to pursue federal dollars to leverage state dollars to obtain federal grants.

By virtue of the state’s demography, we are able to serve more underserved companies in this manner. We are continuously messaging to our small business constituents and individuals looking to start a small business the availability of funding (networks of service providers, LTTO office, statewide consortium of universities, economic development agencies and service providers, legislative committees, conventional and social media channels).

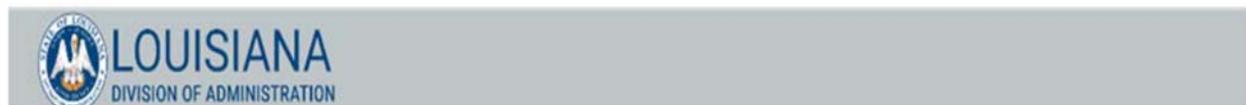
The LTTO supports applicants identified by the network described above; helping them with the application process and content development. Awards through the Innovation Fund, Retention Fund and Recruitment Fund is aimed at helping applicants develop stronger more attractive applications that increase chances of ultimate Federal grant awards.

Performance Reporting

Program start date, in compliance with legislation, commenced on June 20, 2023. There are no performance indicators to report.

2.35 - Aid to Tourism, Travel, or Hospitality

Project SLFRF3LA, Louisiana Tourism Revival Program – \$60 million



The negative impacts of the COVID-19 pandemic on the travel and tourism industry in Louisiana were devastating. In fact, the pandemic cut visitor spending in the State by \$5.3 billion in 2020³. The Tourism Revival Program was created to support the efforts of state, local, and regional tourism entities to revive tourism in Louisiana by investing in programs focused on marketing and promoting Louisiana as a destination for in-state and out-of-state travel activity.

The Division of Administration (“DOA”) has established a portal into which applications for grants from the program shall be submitted. Notification of the establishment of this portal has been provided to the Louisiana Travel Association and all eligible tourism entities throughout the State. Grants will be awarded exclusively to official tourism commissions (“commissions”), convention and visitors bureaus (“bureaus”), and official destination marketing organizations (“organizations”) and will be based upon proof of “negative economic impact” incurred by the commission, bureau or organization.

³ Louisiana Office of Tourism – *Economic Impact of Visitors in Louisiana in 2020*, by Tourism Economics, <https://www.crt.state.la.us/Assets/Tourism/research/documents/2020-2021/2020%20Louisiana%20Tourism%20Economic%20Impact%20Report%20FINAL%20REV.pdf>

Tourism Revival grants will be awarded by DOA based upon the receipt, review and approval of audited financial statements for calendar years 2019 and 2020. The difference in revenue between the two years shall be deemed the “negative economic impact” on each eligible commission, bureau or organization. Grants will be awarded, on a pro rata basis, depending upon the total calculated impact of all applicants.

The commissions, bureaus and organizations may spend grant funds and/or distribute grant funds to local and regional agencies located within their respective jurisdictional boundaries by investing in programs focused on marketing and promoting Louisiana as a destination for in-state and out-of-state travel activity. Grant recipients will be required to report on the use of funds to DOA on a quarterly basis. Recipients must demonstrate that the awarded funds are expended, in accordance with ARPA-SLFRF, for one of the following purposes:

- to reimburse the loss of statutorily enabled revenues;
- to market, sell, promote, communicate and engage in activities that generate professional meetings and other events that create financial gain for and economic recovery on behalf of Louisiana workers and businesses, attractions, venues and other hospitality related enterprises;
- to drive economic gain that generates jobs recovery and re-creation of hospitality employment and to assist in efforts to provide job opportunities for and the connection of hospitality workers to career paths;
- to enable the restoration of festivals, major sporting events and international air travel; and/or
- to stimulate and incentivize the return of professional meetings, conferences, conventions, tradeshow and other gatherings.

In the 2021 Regular Session of the Louisiana Legislature, \$60 million was allocated to this program. Funding was awarded in accordance with Section 9901 of ARPA which amended Title VI of the Social Security Act to add section 602, which establishes the Coronavirus State Fiscal Recovery Fund. Section 602 (c)(1)(a) provides, in part, that funds may be used to provide aid to impacted industries, such as tourism, travel, and hospitality, in response to negative economic impacts resulting from the public health emergency.

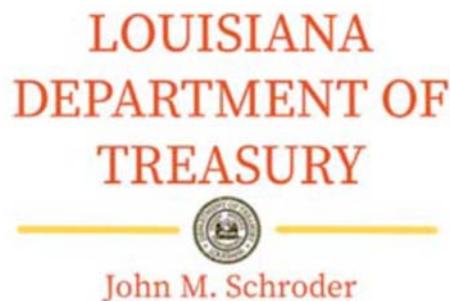
The tourism portal can be found at: <https://wwwcfprd.doa.louisiana.gov/TourismPortal/index.cfm>
In December 2021, payments totaling \$59,996,083.48 were made to thirty-seven applicants to revive tourism in Louisiana.

Project SLFRF6LA, Major Events Incentives Fund – \$10 million

The Major Events Incentive Fund was established to provide funding for entities within the state for the costs associated with attracting, hosting, and staging major events of area-wide, statewide, regional, national, or international prominence. The Louisiana Department of Culture, Recreation and Tourism (CRT) will promulgate rules for and will administer the Major Events Incentive Program. No additional information is available on this program at this time.

2.36 Aid to Other Impacted Industries

Project SLFRF5LA, Louisiana Main Street Recovery Plan (MSRP) - Save Our Screens/Louisiana Loggers Relief Program – \$14.19 million



The Main Street Recovery Program, established by Act 410 of the Regular Session of the Louisiana Legislature, provided \$10M in economic recovery payments to the Louisiana logging community, through the Louisiana Loggers Relief Program, and \$4.5M in economic recovery payments, through the Save Our Screens Program, to the Louisiana theatre community.

Per Act 410 of the 2021 regular session, in order to ensure economic relief payments were reasonable, grant recipients were required to demonstrate gross revenue losses by filed federal and state tax returns. For the Save Our Screens program, the business must have experienced at least a 10% gross loss of revenue. For the Louisiana Loggers Relief Program, applicants must have demonstrated any gross revenue loss as demonstrated on 2019 vs. 2020 filed state and federal tax returns.

During the 2022 Regular Louisiana Legislative Session, the Legislature passed Act 497 eliminating some requirements of the Louisiana Loggers Relief Program including the 10% gross revenue loss. The same act did not change the requirements for the Save Our Screens program, but did allocate an additional \$497,266.00 to the Screens program. The Legislature also transferred \$805,843.00 from the Loggers Relief Program to the Louisiana Rescue Fund. A separate Act, or Act 598 during the same legislative session, transferred \$3M from the Loggers Relief Program to create the Louisiana Timber and Agriculture Transportation Group Self-Insurance Fund.

To implement the programs directed by the Louisiana Legislature, the Louisiana Department of Treasury partnered with the Louisiana Forestry Association, the Louisiana Logging Association, and Theatre Owners of Mid-America to identify eligible applicants, hold webinars, and coordinate outreach activities. The application portal can be found on the Louisiana Department of Treasury website: <https://www.treasury.la.gov/> under the heading “Screens/Loggers.”

As of June 2023, approximately \$7.9 million was paid out to movie theater businesses and timber harvesting and hauling businesses.

2.37 – Assistance to Small Businesses – Other Economic Impact Assistance

*Project SLFRF2LA, Louisiana Small Business and Nonprofit Assistance Program
- \$10 million*



The Louisiana Nonprofit & Small Business Assistance Program (*Louisiana Revised Statute (LRS) 39:100.44.2*) will be administered by the Louisiana Department of Revenue (“LDR”) and will provide grants, of not greater than \$25 thousand, to eligible nonprofits and small businesses to assist in the administration of COVID-19 response and relief efforts.

The acceptable uses of grant funds will depend on whether the applicant is a nonprofit or a small business. As part of the application process, applicants will be required to explain how the services and activities will assist in the COVID-19 response and relief efforts. Applicants should understand that these grant funds are taxpayer dollars received from the federal government, and strict compliance with federal law and guidelines is required.

For nonprofits, grant funding must be used to provide aid to individuals impacted by COVID-19. Priority consideration shall be given to nonprofit organizations that provide programs related to food, employment assistance, and education assistance. These activities and services must be made available to the broader community and not restricted to the nonprofits’ membership, congregation, or other limited groups. For churches and other houses of worship, there is no prohibition on religious liberties such as providing a Bible or other religious materials at the same time as offering these activities and services. However, the activities and services must be freely given and not in return for commitments to join or donate to a particular organization. Examples of eligible uses of grants funds include, but are not limited to, the following:

- Creating tutoring or afterschool programs to address educational disparities exacerbated by COVID-19.
- Creating job training programs to accelerate rehiring for unemployed workers.
- Creating an unemployed workers assistance fund to assist with transportation to and from a jobsite or interview, childcare assistance, or other rehiring efforts

For small businesses, grant funding is available to provide workforce development activities, to current or prospective employees or the general public, that directly address a negative economic impact of the COVID-19 public health emergency. The funds must be used to develop Louisiana’s

workforce by increasing the ability to secure and maintain gainful employment in light of the negative economic impacts of the pandemic. Priority will be given to those small businesses that can demonstrate the most impactful use of grant funds in the workforce development activity. These include any program, service, or activity that involves workforce preparation, vocational skills training, or that improves an individual's employment opportunities, such as basic education, academic education, vocational, technical, or occupational education, job readiness training, or job search training.

3.3 Public Sector Workforce – Other

Project SLFRF7LA, Healthcare Employment Reinvestment Opportunity (HERO) Fund – \$5 million

The HERO Fund was created to meet the current and growing needs of the nursing and allied health fields as well as to provide support and incentives to these healthcare field.

Act 109 was passed in the 2021 Regular Session with an effective date of August 1, 2021 relating to the HERO fund. This bill includes incentives like tuition forgiveness upon employment in a Louisiana health care facility and bonuses for working in medically underserved areas of the state. In 2022, approximately \$458 thousand was paid out of this program.

Project SLFRF21LA, Rural Primary Care Physicians Development Fund - \$8 million

The Louisiana Department of Health (“LDH”) has developed and shall administer a plan for recruitment and retention of primary health care practitioners to practice in health professional shortage areas or facilities. The plan will provide for identification of shortage areas, prioritize long-term and short-term goals and strategies, provide a special minority component, and provide for public input.

LDH has also developed two programs to support the recruitment and retention of healthcare professionals providing primary care services in health professional shortage areas. These programs are meant to recruit and/or retain primary care healthcare professionals who are serving in a HPSA. Increasing the number of primary care healthcare professionals improves access to care – especially for underserved populations.

Louisiana Physician Loan Repayment Program

Physicians serving in federally designated Health Professional Shortage Areas (HPSA) may be eligible for the Louisiana Physician Loan Repayment Program. This program repays governmental or commercial educational loans (up to \$30,000 annually) in exchange for a five-year commitment in an underserved facility. Participants who complete their original commitment and still have educational loans to repay may be able to extend their commitment with a two-year renewal (up to \$15,000 annually).

Applications are accepted until all funding is allocated through contracts with qualifying physicians. As applications are received, the Program Manager verifies that all criteria are met. The Program Manager then developed a contract between the Louisiana Department of Health and the physician. The Program Manager serves as the contract monitor for the duration of the contract. The physician is required to submit annual reports to the Program Manager.

Louisiana Rural Health Scholars Program

The Rural Health Scholars Program provides healthcare professional students who are one to two years away from graduating will participate in a short-term rotation to gain experience in a rural healthcare setting. Participants receive assistance with job placement if applicable. Each student receives a total of \$2,000.00 for participation.

Through partnerships with multiple colleges/universities with medical programs, students apply to participate in the Louisiana Rural Health Scholars Program. This office has also developed partnerships with over sixty (60) rural healthcare facilities willing to accept a student for a rotations. This office enters into subcontractor agreements with these partners and then with the selected students.

College/University Partners

- Loyola University (NP)
- Southern University - BR (NP)
- LSU Health Sciences Center (NP)
- LSU Shreveport - PA Program (NP)
- Franciscan Missionaries of Our Lady University (PA) (NP)
- Grambling State University (NP)
- Northwestern State University (NP)

Promoting Equitable Outcomes

The Louisiana Department of Health administers this program through the Office of Public Health/Bureau of Chronic Disease Prevention and Healthcare Access. In Louisiana, 73% of the state is considered a Health Professional Shortage Area (HPSA). A HPSA is a geographic area, population or facility with too few primary care physicians, dentists and mental health providers. LDH utilizes these designations to focus resources on meeting the healthcare needs of underserved populations – those on Medicaid, Medicare, and below 100% of the Federal Poverty Level. The mission of the program is to alleviate and ultimately overcome the substantial lack of primary care health professionals in Louisiana’s underserved rural areas.

Performance Indicators

Key performance indicators have been developed for both programs and will be reported on as data becomes available. For the Louisiana Physician Loan Repayment Program, both pre and post support surveys will be administered to determine if support encouraged the physician to remain in the underserved area. The indicators for the Rural Health Scholars Program will include:

- The number of Scholars participating (Goal 10 per year)
- The number of Healthcare facilities hosting students (Goal 10 per year)
- The number of College/University participating (Goal 6 per year)
- The number of Scholars placed in facilities located in an underserved area post-graduation (3 per year)

Project SLFRF22LA, Continuum of Care Fund - \$3 million

The State appropriated \$1 million in Act 167 of the 2022 Regular Session of the Louisiana Legislature. The fund shall be used by Department of Children and Family Services (DCFS) to fund continuum of care initiatives which are designed to provide direct services, supports, social services case management and referrals to biological parents of unborn children and biological

or adoptive parents of children under the age of two. This is a new fund that is assumed to become a TANF initiative in FY 2026.

5.1 Clean Water: Centralized Wastewater Treatment/5.10 Drinking Water Treatment

Project SLFRF8LA2, Water Sector Fund-Clean Water - \$266 million

Project SLFRF8LA1, Water Sector Fund-Drinking Water - \$483.5 million

The Water Sector Fund (WSF) was created to fund repairs, improvements, and consolidations of water and sewer systems.

DOA has established a portal into which applications for grants from the Program shall be submitted. The applications will be reviewed by the Louisiana Department of Health (LDH) and the Department of Environmental Quality (DEQ) based on documentation submitted and data available to the reviewing agency. Louisiana Office of Community Development – Local Government Assistance and Louisiana Office of Facility Planning and Control will review scores submitted by LDH and DEQ and develop funding recommendations for submittal to the Water Sector Commission. A maximum of \$5 million will be allowed per application except for projects involving a consolidation of systems which can aggregate based on a \$5 million cap for each system involved in the project. An exception to the cap may be granted if approved by the Water Sector Commission and Joint Legislative Committee on the Budget.

The following are types of projects that are eligible under this program:

- Improvements to enable systems to comply with drinking water regulations.
- Infrastructure capital improvements, including the installation and replacement of failing treatment and distribution systems.
- Consolidation of existing drinking water systems.
- Construct, improve, and repair wastewater treatment plants.
- Control non-point sources of pollution.
- Improve resilience of infrastructure to severe weather events.
- Create green infrastructure.
- Protect waterbodies from pollution.
- Storm water repairs and improvements.

Ineligible activities include development of new systems for new housing construction or developments, improvements to eligible water/sewer systems owned by federal agencies, improvements to eligible water/sewer systems to foster growth, and refinancing debt of eligible water/sewer systems.

Scoring criteria for project review was based on project severity and needs, consolidation, resiliency, sustainability, if the project is ready to proceed, and the amount of local cost share. The Water Sector Commission also approved funding for certain water sector projects that were already being considered as part of the state's capital outlay appropriations process. Over 200 awards were approved and projects are underway throughout the state.

6.1 Provision of Government Services

Project SLFRF4LA, Louisiana Port Relief Fund – \$47.2 million

The Port Relief Fund was created to provide funding to Louisiana port authorities for revenue loss and reimbursement of expenses related to COVID-19 and port security measures. The Division of Administration (“DOA”) has established a portal into which applications for grants from the Program shall be submitted. A pro rata share of the funds will be allocated and distributed to each port authority that qualifies for an award. In order to qualify for an award, port authorities must have had a physical and active operation in Louisiana as of March 1, 2020 and must have experienced a loss of gross revenue for the period of March 1, 2020 through June 30, 2021. Revenue loss is indicative of a negative impact of the pandemic on the industry. Applicants will provide proof of actual revenue for fiscal years 2019 and 2020, as well as 2021, if available. Upon the receipt, review, and approval of proof of revenue (financial statements or equivalent), awards will be calculated using the applicant’s pro rata share of the program funding based on the entity’s revenue loss. Reimbursement of port security expenses will be verified and awarded following the receipt, review, and approval of invoices and proof of payment.

Project SLFRF13LA, Louisiana Stadium and Exposition District - \$26.8 Million

The Louisiana Stadium and Exposition District maintains major event venues which play a vital role in attracting out-of-state travel and tourism to New Orleans, Louisiana. As part of \$450 million in upgrades to the Caesar’s Superdome, the State allocated \$27 million. The upgrades include expanded club and suite levels, new concession stands, viewing decks, and various other improvements. In addition, the New Orleans Saints professional football team agreed to stay in New Orleans through 2035. The renovations are expected to be completed in February 2025. In 2022, the State has made payments totaling \$26,800,000.

Project SLFRF3LA2, Tourism Revival Fund – Office of Tourism - \$17.5 million

To further fund tourism recovery on the state, an additional allocation of \$17.5 million in ARPA-SLFRF funds was allocated by the Legislature directly to the Louisiana Department of Culture, Recreation, and Tourism to support the Department’s recovery efforts that are geared towards the tourism and hospitality industry. Through fiscal year 2022, the Department has expended \$12.6 million through the Office of Tourism.

Project SLFRF9LA, Southwest Louisiana Hurricane Recovery Fund - \$30 Million

The Southwest Louisiana Hurricane Recovery fund was established to assist in repairing structural damages caused by the 2020 hurricane season in Southwest Louisiana and was allocated \$30 million of ARPA-SLFRF funding. Act 119 of the 2021 Regular Legislative Session directed disbursement of the \$30 million in ARPA funds to 12 recipients in the affected area. The State Treasury is administering this program and has obtained a signed Cooperative Endeavor Agreement (CEA) from each in order to document the understanding of both parties as well as compliance and reporting requirements related to the funding.

Recipients will provide written quarterly Progress Reports outlining the resources, initiatives, activities, services and performance consistent with the provisions, goals and objectives of the

CEA and quarterly Cost Reports outlining the use of the appropriated funds. Adequate supporting documentation (including copies of invoices, checks and other appropriate records reflecting expenses incurred) will be required to be attached to the reports when submitted. All original documentation supporting the reports shall be maintained by the entities and shall be subject to audit.

Project SLFRF10LA, Construction Sub of TTF – \$563 million

A critical need in the state is roads and bridges infrastructure. With the decreases in revenue that were caused by the pandemic, less state funding was available for allocation to these infrastructure projects. In accordance with Treasury guidance, the State allocated SLFRF funding to the Construction Subfund of the Transportation Trust Fund. DOTD administers the fund and operates with the mission to plan, design, build and sustain a safe and reliable multimodal transportation and infrastructure system that enhances mobility and economic opportunity.

There are 2 methods to identify projects to be added to the Highway Priority Program. The first method is to gather and analyze data. This analysis involves the consideration of the condition of the road, how the road operates, safety, and the congestion on the road. The second method is to seek customer input from the public, state and local elected officials, the Metropolitan Planning Organizations (MPOs), regional and local planning officials as well as other state and federal agencies during the legislative public hearings and year round through letters, emails, and meetings.

DOTD Districts and the MPOs rank the projects based on technical analysis and customer input. The District then submits the suggested projects to the Project Selection Teams. The Project Selection Team makes the final selections based on District recommendations, technical analysis, customer input, available funding and the State Long Range Plan.

Per LRS 48 Section 229.1, DOTD must consider the following 8 objectives when prioritizing and selecting projects:

1. Brings the state highway system into a good state of repair and optimizes the usage and efficiency of existing transportation facilities.
2. Improves safety for motorized and non-motorized highway users and communities.
3. Supports resiliency in the transportation system, including safe evacuation of populations when necessitated by catastrophic events such as hurricanes and floods.
4. Increases accessibility for people, goods, and services.
5. Fosters diverse economic development and job growth, international and domestic commerce, and tourism.
6. Fosters multi-modalism, promotes a variety of transportation and travel options, and encourages intermodal connectivity.
7. Encourages innovation and the use of technology.
8. Protects the environment, reduces emissions, and improves public health and quality of life.

The selected projects are assembled into the proposed Highway Priority Program. The proposed Highway Priority Program is then submitted to the House and Senate Transportation Committees. The Joint Transportation Committee holds public hearings throughout the state for the Highway Priority Program and the State Transportation Improvement Program (STIP). The Final decision

on the Highway Priority Program rests with the House and Senate Transportation Committees and ultimately the full Legislature.

DOTD intends to provide budget relief to capital outlay projects throughout the State of Louisiana.

Project SLFRF11LA, Appropriations to the Capital Outlay Relief Fund – \$35 Million

Capital Outlay Projects are state construction projects that are reviewed and evaluated in accordance with constitutional and statutory provisions and eliminated from funding if they are deemed not feasible. These projects receive appropriations of state and federal funding. As SLFRF funding is allocated to these projects, additional details will be included in future Treasury reporting.

Project SLFRF12LA, Legislative Capitol Technology Enhancement - \$15 Million

All expenditures from the fund shall be used by the Budgetary Control Council to fund construction, improvements, maintenance, renovations, repairs, and necessary additions to legislative chambers/meeting rooms, and other areas of the capitol complex for audio-visual and technology enhancements.

Project SLFRF26LA, Lake Charles Bridge I-49 and Other Projects - Capital Outlay - \$210 million

In Act 117 of the 2022 Regular Legislative Session, the State appropriated \$100 million to replace the I-10 Bridge in Lake Charles and an additional \$100 million for the I-49 South connection from Lafayette to New Orleans.

Project SLFRF28LA, DOTD Highway Program - \$122.8 million

The State appropriated \$100 million in Act 117 of the 2022 Regular Session of the Louisiana Legislature. The appropriations to the DOTD Highway Program for the Secretary's Emergency Fund, to meet federal match obligations, and to meet financial cost overruns on active projects.

Project SLFRF16LA, Workforce Training Rapid Response Fund (LCTCS) - \$25 million

The State appropriated \$25 million in HB 1 of the 2022 Regular Session of the Louisiana Legislature. The appropriation is for expanding healthcare workforce training programs.

Project SLFRF27LA, Wildlife and Fisheries, Hurricane Ida Cleanup - \$5 million

The State appropriated \$5 million in HB 1 of the 2022 Regular Session of the Louisiana Legislature for boat and debris cleanup from Hurricane Ida damage.

Project SLFRF14LA, GOHSEP Radio Tower - \$1.5 million

The State appropriated \$1.5 million in Act 170 of the 2022 Regular Session of the Louisiana Legislature for a radio tower in Thibodaux for the LWIN system.

6.2 – Non-Federal Match for Other Federal Programs

Project SLFRF25LA, Matching Funds Fund, Revolving Loan Funds - \$23.7 million

The Legislature established a fund to assist those water and sewer systems that have limited access to the funding necessary to meet match requirements of revolving loan programs in an effort to equalize the field of applicants in the Water and Sewer Program. Of the total 2022 appropriation, \$10,020,300 is to be used by Department of Environmental Quality (DEQ) for matching funds for the Clean Water State Revolving Fund established pursuant to R.S. 30:2302 and \$13,687,798 shall be used by LDH for matching funds for the Drinking Water State Revolving Fund established pursuant to R.S. 40:2823.