



## Hannah News Committee Coverage Tuesday, January 11, 2022

Senate American Rescue Plan Act Subcommittee  
Tuesday, January 11, 2022  
2:00pm, Gressette Room 308

### **ARPA Funds Recommendation Amendment**

Mike Shealy, Budget Director, Senate Finance Committee

- The governor released his executive budget plan yesterday, which included plans for the ARPA funds
- There are three large allocation lines in the budget recommendation
  - Department of Transportation
    - \$453 million allocated
    - Transportation Infrastructure Acceleration Account
    - Would help expedite the projects already in the system
  - Water and Wastewater
    - \$900 million allocated
  - Broadband
    - \$400 million allocated
- Funds would be allocated in phases
- There are three types of grant programs
  - Water, wastewater, and stormwater
  - Local and state governments can apply for grants, which should cover almost all providers in the state
- Separate \$100 million for projects deemed as significant to economic development
- Completion of the projects is expected by 2026
- \$20 million for ARPA water and sewer projects. No one applicant would get more than \$1 million.
- These funds will help with leveraging smaller systems into becoming larger, and more able to handle recurring maintenance.
- If there are any issues where we are in violation, we would be able to modify or waive selected parameters, and we would need to have a committee meeting to discuss the issues.
- Interest on the accounts stays with the funds.

Q: (Sen. Alexander) Would there be backend help for those local projects that may not know how to handle federal funds?

A: (Shealy) Yes.

Q: (Sen. Seltzer) Once we add the staff, what happens when the funds are gone? Do we allocate funds to DHEC?

A: (Shealy) Local financial report is required for each project, with a written form provided.

Q: (Sen. Selzer) Are there any issues of duplications where cities versus rural areas are receiving funding from multiple places?

A (Shealy) The broadband office would handle this, to make sure that the funds they receive may be matched, but not lost.

Q: (Sen. Turner) So this money will be in the pots until its spoken for, and then we need to have it allocated by 2024?

A: (Sen. Alexander) These are the programs that will serve our citizens and state extremely well, so time is of the essence for sure.

Q: (Sen. Gambrell) Do tier definitions have to fall on county lines?

A: (Bonnie Adams) If any portion of a project is located in a three or four county, it will receive funds and assistance.

RECOMMENDATION IS GIVEN A FAVORABLE REPORT AS AMENDED

Meeting Adjourned.