

State of Florida **Recovery Plan**

State and Local Fiscal Recovery Funds

2021 Report for the period ended
July 31, 2021

**State of Florida
2021 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 Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, as authorized by the Department of the 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 eligible 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.

Florida's implementation of the SLFRF program began with the Governor signing the Florida Leads budget into law on June 2, 2021. The Florida Leads budget represents Florida's focus on recovery and builds on prior initiatives that were primarily focused on response.

Funding authorized in the Florida Leads budget reflects a thoughtful, long-term approach to a sustainable recovery for the state with SLFRF funds leveraged for this purpose. The \$4.4 billion in funds, representing 50% of Florida's SLFRF allocation, is presented in the context of the state budget priorities kicked off with the \$101.5 billion FY 2021-22 Florida Leads budget which targeted the following major policy areas:

- **Education** - The Florida Leads budget provides \$22.8 billion for K-12 education. This funding represents an increase of \$53 in the base per-student allocation, \$120 million for mental health initiatives, and an historic \$550 million to increase the minimum K-12 teacher salary to \$45,500, as well as increase salaries for veteran teachers and other eligible instructional personnel.
- **Environmental Protection** - The Florida Leads budget continues Governor DeSantis' commitment to achieve record investments for Everglades restoration and water resources by dedicating more than \$625 million for these causes. This includes more than \$415 million for Everglades restoration projects and \$302 million for targeted water quality improvements to achieve significant, meaningful and measurable nutrient reductions in key waterbodies across the state. The budget also includes \$152 million to protect prized properties and waters in Florida, including \$102 million for the Florida Forever Program, and \$50 million for Florida's award-winning state parks. In addition, the budget contains federal funding of up to \$500 million for the Resilient Florida program to fight sea level rise, up to \$500 million for the Wastewater Grant Program and up to \$300 million for land acquisition to protect wildlife corridors.
- **Transportation and Economic Development** – The Florida Leads budget recognizes that Florida's economic recovery is well underway, and makes key investments in transportation and infrastructure, as well as using resources to ensure continued job growth, work force training, affordable housing, and rural economic development. Investments in the Florida Department of Transportation total \$10.3 billion, including \$9.44 billion for the State Transportation Work Program, which is an ongoing five-year plan for the implementation and completion of transportation infrastructure projects. The budget also includes \$74 million for the Job Growth Grant Fund, \$75 million for VISIT FLORIDA's marketing programs, \$1.6 billion in Disaster Recovery Funding, and a one-time relief payment of \$1,000 for Florida's First Responders.
- **Health and Human Services** – The Florida Leads budget includes more than \$134 million to provide funding for services to children and families who receive services through Florida's child welfare system. The budget also includes more than \$137.6 million in funding to provide community-based services for adults and children with behavioral health needs, and includes \$3 million to support 211 providers to support access to support services.

- **Military, Veterans, and Family Support** – From the onset of the pandemic, Florida rapidly mobilized health and human services to benefit residents. The Florida Leads budget includes several critical investments to support the public health mission and ongoing response efforts statewide. For instance, \$28 million is provided for Florida’s military presence and families to fund military research and development. This includes \$2 million for the Florida Defense Support Task Force, \$1.75 million for the Defense Infrastructure Program, \$7.2 million for armory maintenance, \$2 million for military base protection, including additional security measures for National Guard armories, \$4.1 million to support Florida National Guardsmen seeking higher education degrees, and \$11 million to support scholarships for children and spouses of deceased or disabled veterans. Additionally, the budget includes up to \$50 million to construct two new National Guard armories in Zephyrhills and Immokalee.
- **Cybersecurity** - The budget invests \$37.5 million in various state agencies to enhance statewide information technology security measures and controls to help protect Florida against the ongoing and evolving nature of cyber threats that can compromise critical state resources and sensitive information.

As of the report period end date (July 31, 2021), Florida’s agencies are finalizing specific program guidance to ensure that funds are utilized for authorized purposes and administered transparently, and that appropriate performance metrics are identified.

This Performance Report describes Florida’s approach and objectives in implementing the SLFRF program, describes funded initiatives under the program, discusses performance objectives for each initiative, and reiterates our commitment to transparency and accountability in administering these funds. Future reports will provide more specificity around funded projects, specific outcome measures, and progress to date.

Uses of Funds

The Compliance and Reporting Guidance requires that this section:

- Describe intended and actual use of funds such as how approach would help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn.
- Describe strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes.
- Explain how the funds would support the communities, populations, or individuals in the state.
- Describe how the state is promoting each of the 6 Expenditure Categories (Appendix A includes a list of Expenditure Categories defined by the Treasury).
- Where appropriate, include use (or planned use) of other programs under the American Rescue Plan to provide broader context on the overall approach for pandemic recovery.

To better understand the context of the Florida response, this section provides some history and context on the overall approach for pandemic recovery. Next, the report describes specific actions to date related to the American Rescue Plan overall and the State Fiscal Recovery Fund specifically, including strategies to maximize programmatic impact and effective, efficient, and measurable outcomes. Each of the six expenditure categories are then discussed including intended use, how that use will support a strong recovery, and how funds will support communities, populations, or individuals in the state.

Background:

The American Rescue Plan Act (ARPA), State Fiscal Recovery Fund (SFRF), is one piece of the whole as it relates to Florida's ongoing recovery from the impacts of the COVID-19 pandemic. To understand the strategy behind funding decisions for SFRF funds, it is important to become acquainted with the major federal initiatives related to the pandemic and how they relate to Florida.

Pandemic-related grant funding prior to the ARPA includes:

- The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (P.L. 116-123) which was signed into law on March 6, 2020, provided \$55 million in support to Florida focusing primarily on crisis response.
- The Families First Coronavirus Response Act (P.L. 116-217), which was signed into law on March 18, 2020, provided Florida with more than \$1 billion in support and in addition to specific pandemic funding, provided fiscal relief through a temporary increase in federal matching funds for Medicaid and other funds matched at the Federal Medical Assistance Percentage (FMAP).
- The CARES Act (P.L. 116-136) which was signed into law on March 27, 2020, provided Florida with \$8.3 billion in direct assistance, referred to as the Coronavirus Relief Fund (CRF), as well as \$2.1 billion in other state and local government grants, and \$8 billion in grants to non-government entities in Florida.
 - Of the \$8.328 billion made available for Florida's CRF, \$2.47 billion was granted directly to 12 counties by the Treasury, \$1.275 billion was directed by the Governor's Office to the remaining 45 counties, leaving \$4.583 billion available for state response efforts.
- The Consolidated Appropriations Act, 2021 (P.L. 116-260) which was signed into law on December 27, 2020, provided \$8.1 billion in grants to state and local governments including \$1.4 billion in emergency rental assistance, and \$1.5 billion in grants to non-government entities in Florida.

The Acts also contained several non-grant programs which directly benefited Florida's individuals and businesses including:

- Payroll Protection Program, which can be forgiven and provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits, as well as to pay interest on mortgages, rent, and utilities.
- Economic Impact Payments, which are direct payments to individuals.
- Economic Injury Disaster Loans for the repair and rebuilding of non-farm, private sector disaster losses.
- Pandemic Unemployment Compensation programs provided temporary increase and temporary extensions to benefits.
- Supplemental Nutrition Assistance Program, which includes the temporary 15% increase in benefits.
- Pandemic Electronic Benefit Transfer Benefits for households with students who had temporarily lost access to free and reduced-price meals at school due to COVID-19 school closures and distance learning.

The Coronavirus Relief Fund (CRF) authorized under the Cares Act became available subsequent to Florida's 2020 legislative session which adjourned March 19, 2020. As such, in order to make funds available to address critical needs as quickly as possible, Governor DeSantis issued emergency declarations to enable agencies to respond swiftly to citizens needs and request additional resources to carry out critical emergency missions. He also established the Federal Recovery Unit within the Governor's Office to coordinate and capture CRF response costs. The goals of the project team were to:

- Coordinate response to ensure effective statewide implementation,
- Mitigate fraud and abuse,
- Ensure transparent communication,
- Establish performance metrics, and
- Develop consistent and centralized reporting.

The Federal Recovery Unit immediately established a federated model of agency experts to coordinate, identify, and report the needs in the agencies. Each agency developed an Agency Response Document which identified their actions taken to deliver emergency services to citizens and businesses as well as creating a safe working environment for employees. The Federal Recovery Unit then reviewed pandemic-related agency expenditures to ensure they met CRF eligibility criteria. Once eligible items were validated, expenditures were prioritized and evaluated to ensure that CRF expenditures were coordinated with other federal funds used for other pandemic relief efforts.

Agencies' Inspectors General were engaged early in the process to ensure agency procedures were in place to mitigate fraud, waste and abuse. Each state agency conducted a risk readiness assessment evaluating internal controls and operating procedures. If a weakness was identified, agencies initiated corrective actions. A resource website was also made available for agency staff and Inspectors General (<https://www.floridaoig.com/COVID-19.htm>). The risk readiness assessment will also be leveraged for agencies administering SLFRF funding.

The Governor also issued emergency orders to waive regulations which would impede quick access to benefits or that were impairing an agency's ability to perform their duties through modified service delivery methods necessary to mitigate the spread of COVID-19. More than 50 regulations were waived for requirements in areas including telehealth, pharmacist COVID-19 testing, and regulations which may constrain business continuity and employment.

CRF spending highlights includes:

- \$1.6 billion Activating and Delivering Emergency Government Operations to Protect Public Well-Being - Public Safety Support and Services.
- \$1.4 billion to Reopen and Maintain the Availability of Educational Resources for K-12.
- \$1.2 billion spent by 45 counties addressing local needs.
- \$900 million to Develop and Maintain the Availability of Educational Resources for K-12 and Early Learning.

As is illustrated, the focus of CRF resources by the state was to sustain critical public health and safety operations and services during the emergency response, support the continuity of education services, and to address immediate housing insecurity. County CRF program spending focused on community needs in economic support and small business assistance.

Actions to Date:

The American Rescue Plan Act, 2021, (P.L. 117-2) which was signed into law on March 11, 2021, provided Florida with:

- \$8.8 billion for the State and Local Fiscal Recovery Fund (SFRF).
- \$7.1 billion for the Local Fiscal Recovery Fund (LFRF), of which, \$4.2 billion was allocated directly to counties, \$1.5 billion was allocated directly to metropolitan cities, and \$1.4 billion was allocated to the state for distribution to cities with population less than 50,000.
- \$17.8 billion in other state and local government grants including \$1.1 billion in Emergency Rental Assistance.
- \$3.1 billion in grants for non-government entities in Florida.

Florida received 50 percent of its SFRF allocation, or \$4.4 billion, which is appropriated to programs and initiatives defined in Section 152 of the General Appropriations Act (Ch. 2021-36, L.O.F.). Florida also received 50 percent of the small cities (Non-entitlement Units or NEUS) allocation, or \$708 million to pass through funding to these cities.

When the ARPA was signed into law, the Florida Legislature took quick action to incorporate funding into the appropriations process which mitigated the need for additional legislative action to authorize expenditure of funds in the upcoming fiscal year. Decisions about uses of SFRF dollars were made within the context of the broad array of services funded by state and federal resources. While not all federal pandemic response and recovery awards have been received or spent, it is aiding in laying the groundwork for longer-term economic recovery.

The table below shows the breadth of funding available to Florida outside of SFRF summarized by cognizant federal agency and authorizing legislation. This is the same grant information summarized by the various federal acts earlier in the report. Funding differences are the result of rounding.

Exhibit 1: Summary of Funding Outside of SFRF
(in \$thousands)

Federal Entity	CARES Act	Consolidated Appropriations Act	American Rescue Plan Act	Grand Total
ACF	350,836.30	717,387.67	2,728,276.18	3,796,500.15
ACL	68,880.43	26,185.31	113,848.99	208,914.72
CDC	65,486.95	1,500,336.09	1,127,663.69	2,693,486.73
CMS	2,972.00			2,972.00
DHS	21,860.71		2,012,973.35	2,034,834.06
DOC	46,574.57			46,574.57
DOJ	50,349.79			50,349.79
DOL	51,183.38	650.00	275.00	52,108.38
DOT	1,854,835.97	1,021,502.09	1,591,755.35	4,468,093.41
ED	1,766,740.24	4,730,237.68	9,876,247.57	16,373,225.49
HHS Secretary	4,842,758.29	11,045.34		4,853,803.63
HRSA	65,266.84		398,720.96	463,987.80
HUD	543,504.05		251,668.98	795,173.03
Independent Agencies	31,098.26		9,846.18	40,944.44
SAMHSA	8,399.83	192,625.09	195,389.48	396,414.40
Treasury		1,441,188.97	2,505,082.52	3,946,271.50
USDA	373,783.45	36,247.84	163,244.34	573,275.63
Grand Total	10,144,531.04	9,677,406.09	20,974,992.60	40,796,929.73

Source – Federal Funds Information for States (FFIS) State Allocations

When the ARPA funds became available, the Governor's Office Federal Recovery Unit initiated implementation activities for SFRF. The team leveraged the CRF framework which provided partner agencies an understanding of the "way of work" and served to speed up the time to launch programs. The team is applying the same goals to ARPA implementation:

- Coordinate response to ensure effective statewide implementation,
- Mitigate fraud and abuse,
- Ensure transparent communication,
- Establish performance metrics, and
- Develop consistent and centralized reporting.

In late June 2021, each agency receiving an appropriation under the SFRF was provided two communications. The first, Memo #21-033 (see Appendix B) contained the following:

- A summary of section 152 of the 2021 General Appropriations Act (2021-36 L.O.F) which contained all SFRF appropriations (see Appendix C),
- The provision that any funds not spent during SFY 2020-2021 would be available for SFY 2021-2022, and
- A statement to affirm that the state legislation (section 152) would be implemented to comply with both state proviso language and federal program requirements.

The second memorandum, Memo #21-035 (see Appendix D for an example) contained general framework provisions and required signature by the agency head and a representative of the Governor's Office:

- The methodology for allocating appropriated amounts to the amount actually received by Florida and the final pro-rated amounts (the state received \$4.4 billion but \$5.3 billion had been appropriated).
- A significant number of exhibits related to the funding including the ARPA itself, the Interim Final Rule, and Section 2 CFR 200 (or 45 CFR 75).
- A statement of overarching principles:
 - Federal goal: to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers (IFR, pg. 8). This includes outcomes related to business income, household or personal income, neighborhood improvement, improvements within Qualified Census Tracts, and other qualifying criteria contained in the guidance.

- Programs shall assess whether a program or service responds to the COVID-19 public health emergency. Each “initiative” or “program” must establish a performance metric which identifies the problem, immediate effects of the problem or how the effects may manifest over time, what the funding will be used for, and how the use addresses or responds to the identified need.
- Performance metrics may be established for each project within an initiative.
- A statement of work identifying the responsibilities of both the Executive Office of the Governor and the receiving agency.
 - Executive Office of the Governor – Office of Policy and Budget (OPB):
 - Retains responsibility for monitoring and overseeing the sub-recipient’s use to ensure compliance with the terms and conditions of award and reporting to Treasury.
 - Must determine eligibility of proposed uses prior to transfers.
 - Processes budget amendments and/or legislative actions to establish state budget authorization.
 - Provides support and guidance to agency administrators on federal eligibilities, program implementation, and data elements needed for reporting.
 - Collects data from agencies to prepare quarterly expenditures and annual performance reports to Treasury.
 - Prepares memo for agency signature to make agency the agent acting on behalf of the grant recipient.
 - State Agency:
 - Sub-recipients are charged with carrying out a program or project on behalf of the Recipient (IFR, pg. 106).
 - Sub-recipient (or transferee) must abide by the restrictions on applicable use and other federal laws and program guidance (IFR, pg. 106 and pg. 147).
 - Sub-recipient must provide design, implementation, monitoring, compliance and reporting, to include, but not limited to:
 - Internal pre-award processes and data demonstrating project eligibility.
 - Post-award processes and data demonstrating payments, grants, and awards to businesses and individuals.
 - Report quarterly expenditure data, information on contracts \$50,000 and greater, and other data as may be needed to complete quarterly expenditure reports and annual performance reports.
 - Develops program guidelines with the following minimum elements:
 - The approach which can include mission, goals, and purpose.

- Defined problem statements in the context of pre-pandemic circumstances explaining the current state and explanation of how the funding addresses or responds to the need.
 - Roles and responsibilities in context of the approach.
 - Essential elements of the program which can address key strategies, program objectives, prioritization of projects, management strategies, and other applicable program administration elements.
 - Performance measures for the program to demonstrate overall impact to the state and for projects to demonstrate regional impacts.
 - Monitoring and accountability approach and processes.
 - Outcomes which will be achieved with the funding. Final outcomes will be reported upon program close out.
 - Addendums which can include applicable documents such as a glossary, checklists, reports, and supporting data.
- A high-level project timeline and planned activities:

Date(s)	Activities
May – July 2021	<ul style="list-style-type: none"> • Identify individual projects and sub-activities. • Establish accounting and budget codes. • Define pre-pandemic conditions. • Establish key performance indicators by program. • Define anticipated post-pandemic outcomes. • Establish framework to link cost and performance. • Develop and agree to data tables for reporting. • Establish consistent supporting documentation submission process.
July 2021 until full expenditure of grant and closing.	<ul style="list-style-type: none"> • Quarterly federal expenditure and contract reporting with supporting documentation. • Annual federal performance reporting and supporting documentation. • Ongoing monitoring.

The agencies are in the process of drafting their Program Guidelines as of this report date. Several places throughout the report note that additional information will become available as these reports are approved.

The Recovery Unit meets weekly with partner agencies and one-on-one as needed to establish a project management cadence. The time is used to coordinate agencies toward a common mission and vision, communicate guidance, trouble shoot specific issues, check progress on assignments and deadlines, and keep the lines of communication open.

Intended Use by Expenditure Category:

The strategic investments made in Florida's future were memorialized in the Florida Leads budget, signed by Governor DeSantis on June 2, 2021. The following table shows the allocation of the \$4,408,290,919 in SFRF funds by category.

<u>Exhibit 2: Intended Use by Category</u>					
SFRF Exp Cat	SFRF Detail Code Title	State Agency	State Code	State Initiative Group	Amount
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	Statewide	152-F	Deferred Building Maintenance Program	286,091,284
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	DMA	152-J	DMA - FLNG Armories - Immokalee	20,435,092
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	DMA	152-J	DMA - FLNG Armories - Zephyrhills	20,435,091
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	DMS	152-W	State Emergency Operations Center	81,740,367
2.0	Negative Economic Impacts	DEO	152-G	Reemployment Assistance Modernization	46,101,567

Exhibit 2: Intended Use by Category

SFRF Exp Cat	SFRF Detail Code Title	State Agency	State Code	State Initiative Group	Amount
2.0	Negative Economic Impacts	DEO	152-V	Workforce Information System	81,740,367
2.7	Job Training Assistance	DEO	152-K	Florida Job Growth Grant Fund	40,870,183
2.11	Aid to Tourism, Travel, or Hospitality	DEO	152-O	Florida Tourism Industry Marketing Corporation (VISIT FLORIDA)	20,435,092
2.12	Aid to Other Impacted Industries	DOT	152-C	Grants for Port Operations	250,000,000
3.2	Education Assistance: Aid to High-Poverty Districts	DOE	152-AC	Public Education Capital Outlay - K-12	171,900,718
3.5	Education Assistance: Other	DOE	152-S	New Worlds Reading Initiative	102,175,459
5.0	Infrastructure Clean Water	DEP	152-AA	Total Maximum Daily Loads	16,348,073
5.0	Infrastructure Clean Water	DEP	152-D	Resilient Florida Grant Program	408,701,835
5.0	Infrastructure Clean Water	DEP	152-E	Water Protection & Sustainability Program (Septic to Sewer)	408,701,835
5.0	Infrastructure Clean Water	DEP	152-H	Beach Management Funding Assistance Program (s.161.161 FS)	40,870,183
5.0	Infrastructure Clean Water	DEP	152-I	Inland Protection Trust Fund - Petroleum Tank Cleanup	40,870,183
5.0	Infrastructure Clean Water	DEP	152-L	C-51 Reservoir - Phase II	39,235,376
5.0	Infrastructure Clean Water	DEP	152-M	Alternative Water Supply & Water Resource Development	32,696,147
5.0	Infrastructure Clean Water	DEP	152-P	Springs Restoration	20,435,092
5.0	Infrastructure Clean Water	DEP	152-R	Land Acquisition Transfer	245,221,101
5.0	Infrastructure Clean Water	DEP	152-T	Coastal Mapping Services	81,740,367
5.0	Infrastructure Clean Water	DEP	152-U	Piney Point	81,740,367
5.0	Infrastructure Clean Water	DEP	152-X	Everglades Restoration	48,221,148
5.0	Infrastructure Clean Water	DEP	152-Z	Small Community Wastewater Grant Program	20,435,092
6.1	Provision of Government Services	DEO	152-A	Payment to Pandemic First Responders	208,437,342

<u>Exhibit 2: Intended Use by Category</u>					
SFRF Exp Cat	SFRF Detail Code Title	State Agency	State Code	State Initiative Group	Amount
6.1	Provision of Government Services	FWCC	152-AB	Fish and Wildlife Conservation Commission Aircraft	6,866,600
6.1	Provision of Government Services	DOE	152-AC	Public Education Capital Outlay - Colleges	79,578,938
6.1	Provision of Government Services	DOE	152-AC	Public Education Capital Outlay - Universities	76,501,481
6.1	Provision of Government Services	DOT	152-C	State Highway System Projects - Fixed Capital Outlay	1,384,807,337
6.1	Provision of Government Services	DOS	152-N	African-American Cultural and Historical Grants	24,522,110
6.1	Provision of Government Services	FWCC	152-Y	Derelict Vessel Removal program	20,435,092
					4,408,290,919

Note that each item is referred to as an initiative. As planning progresses, and Program Guidelines are developed, multiple individual projects will be identified within each initiative. Future reporting will be done at the project level. As projects emerge, they may be associated with different expenditure categories. For instance, some projects within initiatives 152-F and 152-K may move to 6.1 (Provision of Government Services). The State has also requested feedback from the Treasury on the category for 152-G and 152-V. The water projects in EC 5.0 will be further categorized within the more detailed Clean Water categories or Government Services as scope is determined.

The descriptions below include general information on the intended use by expenditure category. Please refer to the Project Inventories in Appendix E for more detailed discussions of individual initiatives.

EC 1 Public Health: Initiatives associated with this expenditure category represent a longer-term investment to increase Florida's capacity for response to public health emergencies.

Initiatives 152-F, 152-J, and 152-W are categorized in EC 1 given their goals include expanding the State's capacity to respond to public health emergencies and improve air quality in state buildings.

- As Florida's population continues to grow and emergency response needs become more frequent, it is essential to continue to increase the number of Florida National Guard (FLNG) service members available for state response. The FLNG took on a significant role during the state's COVID-19 response at testing sites, distribution centers and other emergency related deployments. The Florida Leads budget includes up to \$50 million in ARPA funding for Initiative J to build two new FLNG armories in Immokalee and Zephyrhills. Expanding locations enables the Florida National Guard to recruit and provide training facilities for approximately 450 new service members,
- Initiative 152-W is categorized in EC 1 given it is a capital investment in a new State Emergency Operations Center. The current State Emergency Operations Center (SEOC) is outdated and not adequately support the magnitude of emergency response for the State of Florida. The SEOC cannot accommodate the full cadre of Emergency Support Functions (ESF) staff needed to run logistics, operations, and response missions during an emergency. Additionally, the facility was not designed or constructed to withstand wind speeds in excess of 140 mph. Given the magnitude and frequency of events, and the emerging need for biological responses, a new facility is essential to ensure that Florida is prepared to respond to emergencies, quickly deploy resources to and aid vulnerable communities in recovery efforts, and mitigate emergency impacts for decades to come.
- Initiative 152-F, Deferred Building Maintenance, is an important investment to provide safe and efficient working environments at state-owned buildings. It will include projects to improve air quality to prevent or reduce transmission of contagious viruses like COVID-19. Additionally, it will focus on correcting life safety issues, improve Americans with Disabilities Act (ADA) compliance to better serve disabled employees and visitors, and address other critical building updates.

EC 2 Negative Economic Impacts: Initiatives associated with this expenditure category reflect a focus on strategic investments to achieve long-term benefits. Investments are made specifically in businesses that will expand Florida's economic activities, improve employment opportunities, and create stronger linkages between workforce education and growing employment sectors.

- Initiatives 152-G and 152-V invest in systems which support our workforce. Initiative 152-G will modernize the reemployment system to address significant issues with the current system that slowed response to citizens facing economic instability. The improvements will ensure open access to Florida families, ensure claims are processed quickly and efficiently, and provide them with resources needed when facing economic challenges.
- The Workforce Information System Initiative (152-V) will improve coordination between workforce and education partners to transform Florida's pipeline from education to employment in high-demand fields. The consumer-focused program will integrate processes and systems to a one-stop point of entry to efficiently and effectively deliver workforce and education programs and services.
- The Florida Job Growth Fund (152-K) is an existing program for economic growth and resiliency. Investments include projects which focus on increasing economic growth and resiliency in underserved communities. As projects are defined, they may be recategorized to other expenditure categories.
- Florida's tourism industry was responsible for welcoming 79.8 million visitors in 2020, a decrease from the record 131.4 million visitors in 2019 attributable to the COVID-19 pandemic. Based on the latest 2019 economic impact study, Florida visitors contributed \$96.5 billion to Florida's economy and supported over 1.6 million Florida jobs. The VISIT Florida Initiative (152-O) is a critical investment to rebuild the industry and attract tourists to achieve pre-pandemic levels. The initiative will drive long-term benefits for entertainment, meetings and events, tour operators, hotels and restaurant industries.
- Florida's 14 active deep-water seaports are important economic engines for Florida and the national economy. In Florida alone, seaports have a \$117.6 billion positive economic impact and account for more than 900,000 direct and indirect jobs. Seaports experienced drastic revenue impacts during the pandemic in both cargo and cruise ship activities. The Seaport Operation Grants initiative (152-C) provides a substantial infusion of resources needed to stabilize current operations and lay the foundation for a strong and equitable recovery. Awards will be used for operation costs or expansion projects deferred during 2020.

EC 3 Investments in Services to Disproportionately Impacted Communities:

Initiative associated with the expenditure category may appear limited. However, as specific projects emerge within the initiatives, it may be that more community investments emerge. There are other federal and state resources being invested in communities which are not reported here.

- Despite the availability of multiple types of funding sources used to deliver K-12 education services, six rural school districts with high poverty and a small property tax base have critical infrastructure needs. The Public Education Capital Outlay K-12 Initiative (152-AC) investments will be used for capital construction projects in the following counties: Baker, Bradford, Calhoun, Jackson, Levy, and Okeechobee.
- The New Worlds Reading Initiative (152-S) provides at-home literacy supports for elementary school students reading below grade level. Under the initiative, a hardcopy book is delivered monthly to eligible students at no cost. The initiative provides their parents with resources to help improve the student's reading skills and instill a love of reading.

EC 4 Premium Pay: Florida has initiatives to associate with the Premium Pay category (EC 4). However, the Payment to Pandemic First Responders initiative (152-A), provided a one-time disaster relief payment of \$1,000 to first responders in recognition of the disproportionate burden, personal costs, and increased risks placed on them during the COVID-19 pandemic.

EC 5 Infrastructure: Investments in Florida's water resources are key to Florida's long-term economic recovery and natural disaster resiliency. Protection and preservation of Florida's natural resources not only ensures the health of our citizens, but it also serves to continue Florida's long history as a top tourist destination, which significantly supports our economy and provides jobs for Floridians.

The Florida Leads budget included an historic level of funding for Florida's waters. The 13 initiatives associated with EC 5 can be viewed in four broader policy purposes. All of these purposes included significant levels of other state funding along with SFRF funds:

- Further Protection of our Valuable and Vulnerable Coastlines - Governor DeSantis recognizes the challenges presented by sea level rise, intensified storm events and localized flooding. Upon taking office, Governor DeSantis set out to develop resilience goals for the state to help protect Florida's coastal communities and fortify its pathway to continued prosperity. He took significant action in establishing the Office of Resilience and Coastal Protection within the DEP and appointing the state's first Chief Resilience Officer. These actions represented the first tangible step towards strong, coordinated state leadership on resiliency. SFRF-funded projects include:

- Resilient Florida Grant Program (152-D) - The Resilient Florida program includes a selection of grants that are available to counties, municipalities, water management districts, flood control districts and regional resilience entities for community resilience planning, such as vulnerability assessments, plan development, and projects to adapt critical assets.
- Beach Management Funding Assistance Program (152-H) – The Beach Management Funding Assistance Program works in concert with local sponsors to achieve protection, preservation, restoration and nourishment of the sandy beaches fronting the Atlantic Ocean, Gulf of Mexico and Straits of Florida, and for the management of inlets to replicate the natural drift of sand interrupted by improved, modified or altered inlets. This initiative begins with the designation of sandy shoreline as being critically eroded, the development of the Strategic Beach Management Plan and Inlet Management Plan, and the funding assistance to restore and maintain the shoreline in accordance with Florida Statute and the adopted management plans. Grants will be awarded to eligible local governments as well as contracts to update and implement the comprehensive, long-term statewide beach management plan.
- Coastal Mapping (152-T) – The Florida Coastal Mapping Initiative will collect high-resolution seafloor surface elevation data by collecting Light Detection and Ranging (LiDAR) and multibeam sonar bathymetry from the coast (land-margin interface) to the edge of the continental shelf or beyond. The results of LiDAR and multibeam sonar can be displayed as a highly detailed surface model of the seafloor. This will support planning and design level efforts for infrastructure, habitat mapping, restoration projects, resource management, emergency response, and coastal resiliency and hazard studies that address the effects of sea level rise and flooding on wastewater, drinking water, and stormwater infrastructure.
- Continued Improvements for Water Quality and Supply - In Executive Order 19-12, among other major environmental reforms, Governor DeSantis called for \$2.5 billion to be invested over four years for Everglades restoration and the protection of water resources, which is an increase of \$1 billion over the previous four years. After two years in office, Florida is more than halfway to reaching that goal by investing over \$1.25 billion. The Fiscal Year 2021-22 budget continues this investment, dedicating more than \$625 million for Everglades restoration and the protection of water resources. The budget also includes \$302 million for targeted water quality improvements to achieve significant, meaningful and measurable nutrient reductions in key waterbodies across the state and to implement the initial recommendations of the Blue-Green Algae Task Force. SFRF-funded initiatives include:

- Water Protection & Sustainability Program (152-E; Septic to Sewer) – The Wastewater Grant Program provides grants to projects which reduce excess nutrient pollution through : retrofitting Onsite Sewage Treatment and Disposal Systems (OSTDSs) to upgrade them to nutrient-reducing OSTDSs; constructing, upgrading, or expanding facilities to provide advanced waste treatment; or connecting OSTDSs to central sewer facilities.
- C-51 Reservoir - Phase II (152-L) – The C-51 Project is a large, regional project located in western Palm Beach County, Florida. The intent of the project is to improve hydrologic conditions for the natural areas to the east of the site including improving the beneficial flows to the Loxahatchee River, while reducing the impact of harmful stormwater surges to the Lake Worth Lagoon, providing for a more resilient ecosystem in the future. Phase II funds will be used for the construction of a stormwater management system to improve water quality and distribution, which is a critical component of restoration of natural systems in Palm Beach County.
- Alternative Water Supply & Water Resource Development (152-M) – The Alternative Water Supply (AWS) Grant program supports the ongoing effort to restore Florida’s water resources and provide the quantity of water needed now and into the future. The intended use of the AWS Grant program funds is to assist with water resource development and water supply development projects as defined in section 373.019, Florida Statutes. Eligible projects include indirect and direct potable reuse, surface water use, Lower Floridian aquifer use, transmission and distribution expansions, groundwater recharge, underground storage, and others.
- Springs Restoration (152-P) – Florida's springs face various complex threats, including decreasing spring flows and excessive nutrients. Spring flows decrease because of declining water levels in the groundwater aquifer that sustains them, and excessive nutrients, mainly nitrate, can lead to algal growth and habitat degradation. This initiative is for investing in nitrate-reducing capital projects (wastewater, stormwater and nonpoint source pollution control projects) and water-quantity projects to protect and restore springs as well as in conserving and acquiring land in spring recharge zones to prevent nitrate contamination.
- Piney Point (152-U) – In March 2021, this facility experienced a containment failure of the phosphogypsum stack which resulted hundreds of millions of gallons of untreated wastewater being discharged into Tampa Bay. The condition of the stack system and the failure of its owner and operator to provide adequate financial responsibility make it an imminent threat under section 403.4154, Florida Statutes. Additionally, there are several private drinking water wells within a one-mile radius of the Facility. Funds will be used for site stabilization until it can be closed.

- Everglades Restoration (152-X) – In 2000, the Comprehensive Everglades Restoration Plan was enacted at both the State and federal level, which committed significant resources to improve the Central and Southern Florida System for the betterment of the remaining Everglades and Everglades National Park. This supports Florida’s efforts to expedite critical Everglades Restoration projects, of which more than 8 million residents rely upon for water supply and recreation. These funds will be used for the construction of wetland treatment systems designed to improve water quality, which is a critical component of Everglades restoration.
- Small Community Wastewater Grant Program (152-Z) – The Small Community Wastewater Grant Program will fund projects located in rural areas of opportunity as defined in section 288.0656, Florida Statutes and fiscally constrained counties as defined in section 218.67(1), Florida Statutes. Eligible projects include projects to upgrade wastewater systems and septic to sewer connections.
- Total Maximum Daily Loads (TMDL) (152-AA) – The TMDL Grant Program directs funding to those areas in Florida encompassed by Basin Management Action Plans (BMAP) or alternative restoration plans adopted by Secretarial Order. Eligible projects include enhanced nutrient-reducing onsite sewage treatment and disposal systems, stormwater management, wastewater treatment facility upgrades, and enhancements and a variety of water quality best management practices. The State is focused on strategically selecting projects that will further water quality restoration goals on a regional and BMAP level.
- Investing in Clean Lands and Air - The Florida Leads budget includes \$89 million for the cleanup of contaminated sites with a focus on promoting redevelopment of these areas once cleanup has been completed. Working with federal and local partners, cleanup and redevelopment of these sites will ensure Florida’s new businesses and growing communities can safely develop and our economy can continue to grow. SFRF-funded investment includes:

- Inland Protection Trust Fund - Petroleum Tank Cleanup (152-I) – The Petroleum Restoration Program encompasses the technical oversight, management, and administrative activities necessary to prioritize, assess and cleanup sites contaminated by discharges of petroleum and petroleum products from stationary petroleum storage systems. These sites include those determined eligible for state-funded cleanup using qualified contractors selected through competitive procurement or recommended by the property owner or responsible party and state lead contractors under direct contract with the department, as well as non-program or voluntary cleanup sites funded by responsible parties.
- A Commitment to Florida’s Prized Properties and Waters - The Florida Leads budget includes \$152 million to acquire and protect prized properties and waters in Florida. This funding will ensure all Floridians have access to enjoy pristine natural environment, while protecting these unique natural resources and investing in the management of state-owned lands. As land acquisition is vital to both our economic growth and environmental protection, the budget includes \$100 million for the Florida Forever Program. The budget also includes up to \$300 million in land acquisition funding to protect wildlife corridors, part of which is funded with SFRF funds as described below:
 - Land Acquisition Program (152-R) - This funding is to be used for the acquisition of environmentally sensitive lands with priority given to the preservation of Florida Wildlife Corridor lands. The legislation designates the Florida Wildlife Corridor as an existing physical, geographically defined area comprised of over 18 million acres, of which almost 10 million acres are conservation lands, that was developed through a coordinated effort of the Florida Wildlife Corridor Coalition.

EC 6 Provision of Government Services: Initiative associated with this category reflect the priority investment in infrastructure. Florida is currently home to over 21 million people and welcomes millions of visitors each year. Being able to move people and goods from place to place quickly and effectively depends on developing and maintaining a world-class transportation infrastructure. SFRF-funded investments include:

- The Florida Department of Transportation (FDOT) delivers the state’s five-year Transportation Work Program which includes the construction and maintenance of roads, bridges, rails, seaports and other components of the transportation network. Transportation Work Program initiatives (152-C) in \$1.4 billion for State Highway System projects over the next 2 years. This amount complements the \$9.47 billion of existing Transportation Work Program funding. This investment will support the retention and creation of more than 148,200 jobs as every dollar invested in transportation is estimated to result in a \$4 return on investment in user and economic benefits to Florida’s residents and businesses benefits support.

- The Public Education Outlay initiative (152-AC) provides a \$156 million investment in site-specific capital projects at higher education institutions. Fourteen colleges and seven universities will be able to make capital improvements which enable them to better serve their students.
- The FWCC Aviation Initiative (152-AB) will provide new aircraft to increase air patrol hours, reduce down time, increase emergency readiness, safely run search and rescue missions, and provide emergency response services. The primary missions of the Fish and Wildlife Conservation Commission (FWCC) Aviation Unit are to conduct search and rescue operations, assist in disaster relief, and increase the efficiency of water and land patrols by acting as an observer and force multiplier for officers in the field.
- The Derelict Vessel Program (152-Y) will fund the removal of derelict vessels in waterways. These vessels obstruct waterway which creates navigational and safety hazards. The vessels also cause significant and detrimental environmental impacts due to leaking fuels, fluids or other contaminants which can destroy seagrass and degrade water quality.
- African-American Cultural and Historical Grants (152-N) will be awarded to capital projects that highlight the contributions, culture, or history of African Americans. Priority will be given to projects that encourage the design or construction of a new facility or the renovation of an existing facility in an area with great cultural significance in which no facility exists; enhance the beauty or aesthetic value of facilities named for significant African-Americans; or restore facilities on the National Register of Historic Places.

Promoting equitable outcomes

The Treasury Compliance and Reporting Guidance requires three major elements, to include:

- A description of efforts to promote equitable outcomes including goals, awareness, access and distribution, and outcomes
- A discussion of the overall strategy as it relates to specific expenditure categories (EC 2 and EC 3)
- A description of the geographic and demographic distribution of funding and whether it is targeted toward traditionally marginalized communities.

For the first two elements, the Guidance indicates that the initial report must describe efforts to date and intended outcomes to promote equity, with subsequent reports providing updates using qualitative and quantitative data on progress towards equity goals.

Description of efforts *to date* to promote equitable outcomes:

Equitable outcomes for Florida's initiatives are described in three areas:

1. The procurement processes;
2. The demographic characteristics, such as the specific population being served, and
3. The geographic distribution of funding.

All but two initiatives are addressed under one of these areas and several are discussed under multiple outcomes. The two initiatives which do not specifically target historically underserved populations are: Florida Tourism Industry Marketing Corporation (VISIT FLORIDA) and Land Acquisition Program due to the nature of the initiatives (see Project Inventories in Appendix E for more information).

Florida anticipates 19 initiatives will be initiated using Florida's existing state procurement processes. The initiatives are:

Exhibit 3: State Initiatives

State Agency	State Code	State Initiative Group
DOT	152-C	State Highway System Projects - Fixed Capital Outlay
STWD	152-F	Deferred Building Maintenance Program
DEO	152-G	Reemployment Assistance Modernization
DEP	152-H	Beach Management Funding Assistance Program (s.161.161 FS)
DEP	152-I	Inland Protection Trust Fund - Petroleum Tank Cleanup
DMA	152-J	DMA - FLNG Armories - Immokalee
DMA	152-J	DMA - FLNG Armories - Zephyrhills
DEP	152-L	C-51 Reservoir - Phase II
DOS	152-N	African-American Cultural and Historical Grants
DEP	152-T	Coastal Mapping Services
DEO	152-V	Workforce Information System
DMS	152-W	State Emergency Operations Center
DEP	152-X	Everglades Restoration
FWCC	152-Y	Derelict Vessel Removal program
DEP	152-AA	Total Maximum Daily Loads
FWCC	152-AB	Fish and Wildlife Conservation Commission Aircraft
DOE	152-AC	Public Education Capital Outlay - K-12
DOE	152-AC	Public Education Capital Outlay - Colleges
DOE	152-AC	Public Education Capital Outlay - Universities

Florida has in place a long-standing, robust supplier diversity program defined in state statute which requires for all state agencies to comply. The Florida Department of Management Services (DMS), Office of Supplier Diversity (OSD), is responsible for certifying Florida-based woman-, minority-, and veteran-owned businesses. Section 287.09451, Florida Statutes, outlines the minimum requirements state agencies must apply during procurement. Specifically:

- Each agency shall, at the time the specifications or designs are developed or contract sizing is determined for any proposed procurement costing in excess of CATEGORY FOUR (\$195,000 and greater), forward a notice to the Office of Supplier Diversity of the proposed procurement and any determination on the designs of specifications of the proposed procurement that impose requirements on prospective vendors, no later than 30 days prior to the issuance of a solicitation, except that this provision shall not apply to emergency acquisitions. The 30-day notice period shall not toll the time for any other procedural requirements.
- Each state agency shall coordinate its minority business enterprise procurement activities with the OSD. At a minimum, each agency shall:
 - Adopt a minority business enterprise utilization plan for review and approval by the OSD which should require meaningful and useful methods to attain the legislative intent in assisting minority business enterprises.
 - Designate a senior-level employee in the agency as a minority enterprise assistance officer, responsible for overseeing the agency's minority business utilization activities, and who is not also charged with purchasing responsibility. A senior-level agency employee and agency purchasing officials shall be accountable to the agency head for the agency's minority business utilization performance. The OSD shall advise each agency on compliance performance.

Statewide goals, awareness, access and distribution, and outcomes are defined:

- As stated in legislative intent language: - "The Legislature finds that there is evidence of a systematic pattern of past and continuing racial discrimination against minority business enterprises and a disparity in the availability and use of minority business enterprises in the state procurement system. It is determined to be a compelling state interest to rectify such discrimination and disparity. Based upon statistical data profiling this discrimination, the Legislature has enacted race-conscious and gender-conscious remedial programs to ensure minority participation in the economic life of the state, in state contracts for the purchase of commodities and services, and in construction contracts. The purpose and intent of this section is to increase participation by minority business enterprises accomplished by encouraging the use of minority business enterprises and the entry of new and diversified minority business enterprises into the marketplace."

- The OSD has many functions as it relates to awareness as well as access and distribution. For example, OSD has the authority:
 - To adopt rules to determine what constitutes a “good faith effort” for purposes of state agency compliance with the minority business enterprise procurement goals set forth in s. 287.042. Factors which shall be considered by the Minority Business Enterprise Assistance Office in determining good faith effort shall include, but not be limited to:
 - Whether the agency scheduled pre-solicitation or pre-bid meetings for the purpose of informing minority business enterprises of contracting and subcontracting opportunities.
 - Whether the contractor advertised in general circulation, trade association, or minority-focus media concerning the subcontracting opportunities.
 - Whether the agency effectively used services and resources of available minority community organizations; minority contractors’ groups; local, state, and federal minority business assistance offices; and other organizations that provide assistance in the recruitment and placement of minority business enterprises or minority persons.
 - Whether the agency provided written notice to a reasonable number of minority business enterprises that their interest in contracting with the agency was being solicited in sufficient time to allow the minority business enterprises to participate effectively.”
- The desired outcome is also very specifically defined in Florida Statute:
 - Section 287.09451(4)(n)1, Florida Statutes states, “Each agency is encouraged to spend 21 percent of the moneys actually expended for construction contracts, 25 percent of the moneys actually expended for architectural and engineering contracts, 24 percent of the moneys actually expended for commodities, and 50.5 percent of the moneys actually expended for contractual services during the previous fiscal year, except for the state university construction program which shall be based upon public education capital outlay projections for the subsequent fiscal year, and reported to the Legislature pursuant to s. 216.023, for the purpose of entering into contracts with certified minority business enterprises as defined in s. 288.703, or approved joint ventures. However, in the event of budget reductions pursuant to s. 216.221, the base amounts may be adjusted to reflect such reductions. The overall spending goal for each industry category shall be subdivided as follows:

- For construction contracts: 4 percent for black Americans, 6 percent for Hispanic-Americans, and 11 percent for American women.
- For architectural and engineering contracts: 9 percent for Hispanic-Americans, 1 percent for Asian-Americans, and 15 percent for American women.
- For commodities: 2 percent for black Americans, 4 percent for Hispanic-Americans, 0.5 percent for Asian-Americans, 0.5 percent for Native Americans, and 17 percent for American women.
- For contractual services: 6 percent for black Americans, 7 percent for Hispanic-Americans, 1 percent for Asian-Americans, 0.5 percent for Native Americans, and 36 percent for American women.”

Individual agency desired outcomes may be further defined in their statutorily-required utilization plans. Some agencies also have specific programs that go beyond the mandated statutory program, such as the Florida Department of Transportation’s Disadvantaged Business Enterprise (DBE) program. Any additional relevant information beyond statutory requirements related to supplier diversity in procurement may be described on the Project Inventories, or may be included in final Program Guidelines.

Overall strategy to date and intended outcomes as it relates to specific expenditure categories (EC 2 and EC 3):

There are 7 initiatives included in either EC 2 or EC 3. They are:

- EC 2.0 - Reemployment Assistance Modernization
- EC 2.0 - Workforce Information System
- EC 2.11 - Florida Tourism Industry Marketing Corporation (VISIT FLORIDA)
- EC 2.12 - Grants for Port Operations
- EC 2.13 - Florida Job Growth Grant Fund
- EC 3.2 - Public Education Capital Outlay - K-12
- EC 3.5 - New Worlds Reading Initiative

The above initiatives are extremely diverse in their intent so there is no single or underlying goal as it relates to equity. Each initiative has its own high-level intended outcomes identified on the Project Inventories. Some have already been discussed as it relates to procurement above, and some are further discussed as it relates to geographic or demographic distribution below. More detailed information related to goals, awareness, access and distribution, and outcomes will be included in the final Program Guidelines and discussed in the next Performance Report.

Description of the geographic and demographic distribution of funding and whether it is targeted toward traditionally marginalized communities:

Twenty-two of the 31 initiatives have the potential to include projects implemented geographically in rural areas or areas with higher-than-average poverty levels related to Florida as a whole. Of those, several already had the geographic locations identified in proviso language.

An additional five of the 31 initiatives will target demographics including disadvantaged populations.

A brief description as it relates to geographic area or population being served for each of these 27 initiatives is included in the table below. Additional information can be found on the Project Inventories. For those initiatives that do not already have specifically defined geography or demographics, this information will be included in future reports as Program Guidelines are finalized and/or as individual projects are identified and implemented.

Exhibit 4: All State Initiative Groups

State Code	State Initiative Group	Geographic Location	Demographic Distribution
152-A	Payment to Pandemic First Responders		Adversely impacted by pandemic
152-C	Grants for Port Operations	Almost all of the 14 ports are in counties or cities with higher than average poverty levels	
152-C	State Highway System Projects - Fixed Capital Outlay	TBD	
152-D	Resilient Florida Grant Program	TBD	
152-E	Water Protection & Sustainability Program (Septic to Sewer)	TBD	
152-F	Deferred Building Maintenance Program	TBD	
152-G	Reemployment Assistance Modernization		Economically disadvantaged
152-H	Beach Management Funding Assistance Program (s.161.161 FS)	TBD	
152-I	Inland Protection Trust Fund - Petroleum Tank Cleanup	TBD	
152-J	DMA - FLNG Armories - Immokalee	Immokalee - higher than average poverty level	
152-J	DMA - FLNG Armories - Zephyrhills	Zephyrhills – higher than average poverty level	
152-K	Florida Job Growth Grant Fund		Economically disadvantaged
152-M	Alternative Water Supply & Water Resource Development	TBD	
152-N	African-American Cultural and Historical Grants	TBD	
152-O	Florida Tourism Industry Marketing Corporation (VISIT FLORIDA)		
152-P	Springs Restoration	TBD	
152-R	Land Acquisition Transfer	TBD	

Exhibit 4: All State Initiative Groups

State Code	State Initiative Group	Geographic Location	Demographic Distribution
152-S	New Worlds Reading Initiative		Children adversely impacted by pandemic
152-U	Piney Point	Tampa Bay area - higher than average poverty level	
152-V	Workforce Information System		Economically disadvantaged
152-W	State Emergency Operations Center	Leon County - higher than average poverty level	
152-X	Everglades Restoration	TBD	
152-Y	Derelect Vessel Removal program	TBD	
152-Z	Small Community Wastewater Grant Program	TBD but for rural communities	
152-AA	Total Maximum Daily Loads	TBD	
152-AC	Public Education Capital Outlay - K-12	6 economically disadvantaged counties identified	
152-AC	Public Education Capital Outlay - Colleges	TBD	
152-AC	Public Education Capital Outlay - Universities	TBD	

Community Engagement

The Treasury Compliance and Reporting Guidance requires that this section to describe:

- 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.

Feedback related to SFRF spending begins with communication to elected members of the Florida Legislature that comes in written and oral forms, both from individual constituents and representatives of public and private community organizations. Legislative Members are acutely aware of the economic and other issues facing their constituents as a result of the pandemic. They assimilate this information in the appropriations process to develop and legislate the best use of funds from this source as well as other funding sources available for government services and operations.

Once appropriated, each initiative has its own path to incorporating feedback in the development and implementation of individual projects. For some initiatives, there were existing processes for community engagement because funds were allocated to existing programs. For others, new and creative ways will need to be identified as the Program Guidelines are developed.

The Project Inventories each contain a section on Community Engagement, which contains information on known efforts to date and planned future processes. However, for some initiatives further detail on Community Engagement will need be identified in Program Guidelines.

Building the capacity of community organizations to serve people with significant barriers to services is dependent upon the individual initiative. Community organizations are broadly defined as non-governmental entities with a mission to make desired improvements to a community's social health, well-being, and overall functioning.

Only three initiatives have the potential to provide SFRF funds to community organizations. These are Water Protection & Sustainability Program (Septic to Sewer), African-American Cultural and Historical Grants, and Total Maximum Daily Loads. Note that potential recipients of funds are noted on the Project Inventories in the section titled "Primary Delivery Mechanisms and Partners".

Eligible applicants for The African-American Cultural and Historical Grants initiative include public entities governed by a county, municipality, school district, community college, college, university, or an agency of state government; or a Non-profit Organization. Regardless of the recipient, the capacity of the projects to serve persons with disabilities, older adults, culturally and economically underserved populations, and minorities is a stated requirement in the grant application. Mechanisms for this will be identified as awards are granted.

Eligible recipients for grants under both the Total Maximum Daily Loads initiative and the Water Protection & Sustainability Program (Septic to Sewer) initiative can include both government and non-profit organizations. The online Water Quality Grant portal receives project proposals for several water quality related grant programs including the Wastewater Grant Program. This portal was announced to the public via press releases, social media and direct communications with local governmental entities and interested participants. This portal will be used annually to solicit project proposals.

Labor Practices

The Treasury Compliance and Reporting Guidance requires description of workforce practices on any infrastructure projects being pursued (EC 5) 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 EC 5 initiatives are all within Florida's Department of Environmental Protection (DEP). As such, this section addresses DEP's established labor practices. Once Program Guidelines are completed, additional information specific to the projects will be identified if it differs from existing agency practice.

DEP follows all Florida statutes and rules pertaining to local purchasing preferences, such as giving preference to locally grown, manufactured, or produced commodities (see §287.082, F.S.) or giving a preference to Florida businesses (see §287.84 F.S.). DEP also follows the requirement that the construction contractors hired employ state residents (see §255.099, F.S.).

Additionally, the DEP follows the Davis Bacon Act for all agreements including more than \$2,000 in federal funds. DEP passes those requirements down to its subcontractors and subgrantees.

DEP will continue to follow state laws for preferences and the Davis Bacon Act, as well as any guidelines required by the award terms and conditions, federal authorizing statute, SLFRF implementing regulatory and statutory requirements, including the Uniform Guidance (2CFR Part 200).

Use of Evidence

The Treasury Compliance and Reporting Guidance requires that states:

- Identify whether SFRF 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 SFRF 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.

The evidence-based requirement applies to initiatives that are program or intervention-based. Therefore, these criteria are not applicable to most of Florida's initiatives. The only initiatives that may lend themselves to evaluation are the New Worlds Reading Initiative and some individual projects within the Florida Job Growth Fund. As the agencies develop their Program Guidance for those initiatives, they will consider if related research, data, and findings support the initiatives/projects and will report results in future Performance Reports.

Exhibit 5 Table of July 1 to 31, 2021 Expenditures by Treasury EC:

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	\$0	\$0
1.2	COVID-19 Testing	\$0	\$0
1.3	COVID-19 Contact Tracing	\$0	\$0
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	\$0	\$0
1.5	Personal Protective Equipment	\$0	\$0
1.6	Medical Expenses (including Alternative Care Facilities)	\$0	\$0
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	\$0	\$0
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	\$0	\$0
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	\$0	\$0
1.10	Mental Health Services	\$0	\$0
1.11	Substance Use Services	\$0	\$0
1.12	Other Public Health Services	\$0	\$0
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs	\$0	\$0
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	\$0	\$0
2.3	Household Assistance: Cash Transfers	\$0	\$0
2.4	Household Assistance: Internet Access Programs	\$0	\$0
2.5	Household Assistance: Eviction Prevention	\$0	\$0
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	\$0	\$0
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)	\$0	\$0
2.8	Contributions to UI Trust Funds*	\$0	\$0

<u>Exhibit 5 Table of July 1 to 31, 2021 Expenditures by Treasury EC:</u>			
Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.9	Small Business Economic Assistance (General)	\$0	\$0
2.10	Aid to nonprofit organizations	\$0	\$0
2.11	Aid to Tourism, Travel, or Hospitality	\$0	\$0
2.12	Aid to Other Impacted Industries	\$0	\$0
2.13	Other Economic Support	\$0	\$0
2.14	Rehiring Public Sector Staff	\$0	\$0
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning	\$0	\$0
3.2	Education Assistance: Aid to High-Poverty Districts	\$0	\$0
3.3	Education Assistance: Academic Services	\$0	\$0
3.4	Education Assistance: Social, Emotional, and Mental Health Services	\$0	\$0
3.5	Education Assistance: Other	\$0	\$0
3.6	Healthy Childhood Environments: Child Care	\$0	\$0
3.7	Healthy Childhood Environments: Home Visiting	\$0	\$0
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System	\$0	\$0
3.9.	Healthy Childhood Environments: Other	\$0	\$0
3.10	Housing Support: Affordable Housing	\$0	\$0
3.11	Housing Support: Services for Unhoused persons	\$0	\$0
3.12	Housing Support: Other Housing Assistance	\$0	\$0
3.13	Social Determinants of Health: Other	\$0	\$0
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators	\$0	\$0
3.15	Social Determinants of Health: Lead Remediation	\$0	\$0
3.16	Social Determinants of Health: Community Violence Interventions	\$0	\$0
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	\$0	\$0

Exhibit 5 Table of July 1 to 31, 2021 Expenditures by Treasury EC:

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
4.2	Private Sector: Grants to other employers	\$0	\$0
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment	\$0	\$0
5.2	Clean Water: Centralized wastewater collection and conveyance	\$0	\$0
5.3	Clean Water: Decentralized wastewater	\$0	\$0
5.4	Clean Water: Combined sewer overflows	\$0	\$0
5.5	Clean Water: Other sewer infrastructure	\$0	\$0
5.6	Clean Water: Stormwater	\$0	\$0
5.7	Clean Water: Energy conservation	\$0	\$0
5.8	Clean Water: Water conservation	\$0	\$0
5.9	Clean Water: Nonpoint source	\$0	\$0
5.10	Drinking water: Treatment	\$0	\$0
5.11	Drinking water: Transmission & distribution	\$0	\$0
5.12	Drinking water: Transmission & distribution: lead remediation	\$0	\$0
5.13	Drinking water: Source	\$0	\$0
5.14	Drinking water: Storage	\$0	\$0
5.15	Drinking water: Other water infrastructure	\$0	\$0
5.16	Broadband: "Last Mile" projects	\$0	\$0
5.17	Broadband: Other projects	\$0	\$0
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	\$96,900,000	\$96,900,000
7	Administrative and Other		
7.1	Administrative Expenses	\$0	\$0
7.2	Evaluation and data analysis	\$0	\$0
7.3	Transfers to Other Units of Government	\$0	\$0
7.4	Transfers to Nonentitlement Units (States and Territories only)	\$0	\$0

Project Inventories

Appendix E contains the project inventories. As noted previously, Florida has not yet identified specific projects. Rather, the State has focused on high-level initiatives from which more finite projects will be identified and reported in the future.

The Compliance and Reporting Guidance requires the following information:

- Project Identification Number and Name – Project Inventories contain *initiative* numbers and names.
- Funding Amount – Included on Project Inventories.
- Project Expenditure Category – These are included in the table in the Use of Funds section which also references the initiative number. They are not included on the individual Project Inventories because some may change as Program Guidelines are developed and individual projects are identified.
- Project overview including a description of the project, timeline, primary delivery mechanism and partners, and intended outcomes – These are included at an *initiative* level on Project Inventories.
- Link to the website if applicable – This is included on Project Inventories for the *initiative*.
- How projects are addressing climate change for infrastructure projects under EC 5 - currently the only initiatives under category EC 5 are water projects within the Florida Department of Environmental Protection and was not included on the Project Inventory documents. Instead, this is discussed in the next section.
- Use of evidence - Because Florida is still in the planning stages for specific projects, Use of Evidence is not included on the Project Inventory documents. Please see the Use of Evidence Discussion for more information.

Contribution to Addressing Climate Resiliency for EC 5 projects

Recognizing challenges presented by sea level rise, intensified storm events and localized flooding, Governor DeSantis set forth resilience goals for the state to help protect Florida's coastal communities and fortify its pathway to continued prosperity.

Continuing to build on these efforts, the Fiscal Year 2021-22 budget provides both state and SFRF funding dedicated to adapt infrastructure to address impacts of sea level rise, restore and protect Florida's beaches and dune systems, and to complete statewide coastal mapping to support efforts to plan and adapt to sea level rise.

Detail is provided below on each of these three initiatives.

Up to \$500 million in SFRF funding has been allocated for the Resilient Florida Grant program (152-D). The Resilient Florida Grant program makes grant funding available to counties, municipalities, water management districts, flood control districts and regional resilience entities for community resilience planning, such as vulnerability assessments, plan development, and projects to adapt critical assets. Critical asset includes:

- Transportation assets and evacuation routes, including airports, bridges, bus terminals, ports, major roadways, marinas, rail facilities, and railroad bridges.
- Critical infrastructure, including wastewater treatment facilities and lift stations, stormwater treatment facilities and pump stations, drinking water facilities, water utility conveyance systems, electric production and supply facilities, solid and hazardous waste facilities, military installations, communications facilities, and disaster debris management sites.
- Critical community and emergency facilities, including schools, colleges, universities, community centers, correctional facilities, disaster recovery centers, emergency medical service facilities, emergency operation centers, fire stations, health care facilities, hospitals, law enforcement facilities, local government facilities, logistical staging areas, affordable public housing, risk shelter inventory, and state government facilities.
- Natural, cultural, and historical resources, including conservation lands, parks, shorelines, surface waters, wetlands, and historical and cultural assets.

In addition to adapting critical assets, protecting Florida's 1,300 miles of coastline is critical to sustaining economic growth and quality of life, as millions travel from around the world to visit our world-renowned beaches. Healthy beaches protect public infrastructure and private upland development, provide critical habitat for many endangered and threatened species, and secure recreational and economic interest along the state's sandy shoreline. The beach and dune system is the first line of defense against storms because it acts as a buffer between storm waves and coastal development or infrastructure. The budget includes \$50 million in SFRF funding for beach protection, preservation, restoration and nourishment to continue addressing Florida's critically eroded shorelines.

The Fiscal Year 2021-2022 budget also includes \$100 million in SFRF funds for statewide coastal mapping. One significant challenge in Florida has been the need for a comprehensive statewide dataset of coastal bathymetry to use as the basis for modeling analysis to understand the regional sea level rise scenarios implied by sea level rise projections, active coastal processes and littoral transport affecting shoreline erosion and inlet management, and a variety of aquatic resource management needs. The intended use of funds for the Florida Coastal Mapping Initiative is to collect bathymetric data and create derived products that will support planning and design level efforts for infrastructure, habitat mapping, restoration projects, resource management, emergency response, and coastal resiliency and hazard studies that address the effects of sea level rise and flooding on wastewater, drinking water, and stormwater infrastructure.

Performance Report

The Compliance and Reporting Guidance requires the following:

- Key performance indicators for your major SFRF funded projects (those included in Project Inventories)
- Mandatory performance indicators if there are projects in specific expenditure categories

The Project Inventories contain the intended outcomes for each high-level initiative. We have also noted performance measures where they are known. Generally, once individual projects are identified, output measures will be defined and specified in contract or grant deliverables, or milestones in the project, and will be identified in the Program Guidelines. Outcome measures will be developed as projects within the initiatives are defined and will be identified in the Program Guidelines. For some initiatives, the outcome measures could be the same for all projects within that initiative, whereas, others may be specific to the project.

Mandatory performance indicators are required for Negative Economic Impacts only as Florida does not currently have initiatives associated with other expenditure categories requiring reporting. Indicators will be provided on a state fiscal year basis to coincide with future Performance Report timeframes.

Exhibit 6: Public Assistance Benefits **(in \$millions)**

Benefits Issued	Base Year SFY 18-19	SFY 19-20	SFY 20-21	Forecast for SFY 21-22
Temporary Assistance for Needy Families (TANF)	\$128.3	\$122.5	\$129.4	\$123.7
Supplemental Nutritional Assistance (SNAP)	\$4,130.5	\$5,026.0	\$8,462.0	Not forecast

Note: TANF Benefits per the TANF estimating conference. SNAP benefits are based on DCF reports.

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

The Performance Report Template requires that only revenue-reducing covered changes be reported at this time. A covered change means a change in law, regulation, or administrative interpretation that is predicted to have the effect of reducing tax revenue in a given reporting year. The reporting year is defined in the Interim Final Rule as a single year or partial year within the covered period, aligned to the current fiscal year of the State or Territory during the covered period. The covered period is defined in the Interim Final Rule as March 3, 2021, through the end of the last day of the fiscal year (for Florida, this is June 30, 2021). Thus, Florida must report revenue-reducing covered changes that are predicted to reduce tax revenue that were enacted during the period March 3, 2021, through June 30, 2021.

The table below shows the revenue-reducing covered changes enacted during the period March 3, 2021, through June 30, 2021. No ARPA funds were used or allocated to offset these reductions.

Exhibit 7: Florida 2021 Taxation

During the 2021 Legislative Session Florida passed a comprehensive tax package that included the following provisions

Initiative	Summary	Fiscal Impact	Nonrecurring	Recurring
Disaster Preparedness	<p>This 10-day tax holiday allows Floridians to prepare for hurricane season while saving money on disaster preparedness items such as flashlights under \$40, batteries less than \$50, tarps under \$100, generators less than \$1,000, and more.</p> <p><i>Background:</i> Florida has enacted a “disaster preparedness” sales tax holiday seven times since 2006. The length of the exemption period has varied from three to 12 days.</p>	The legislature estimated a fiscal impact for the disaster preparedness tax holiday to be \$8.1 million nonrecurring decrease to General Revenue.	(\$42,000,000)	\$0
Freedom Week	The first ever “Freedom Week” provides 7 days of sales tax savings on outdoor recreation purchases, such as the first \$100 of the sales price of sunglasses, the first \$200 of the sales prices of tents, and the first \$500 of the sales price of kayaks or canoes, as well as tickets for events, museums, the arts, and more.	The Legislature estimated a fiscal impact for the freedom week tax holiday to be \$42 million nonrecurring decrease to General Revenue	(\$8,100,000)	\$0

Exhibit 7: Florida 2021 Taxation

During the 2021 Legislative Session Florida passed a comprehensive tax package that included the following provisions

Initiative	Summary	Fiscal Impact	Nonrecurring	Recurring
Back-to-School Sales Tax Holiday	<p>The bill establishes a temporary back-to-school sales tax holiday in late July and early August 2021. The Back-to-school sales tax holiday is 10 days long. During that time Floridians will pay no sales tax for certain clothing of \$60 or less per item, school supplies of \$15 or less per item, and the first \$1,000 of personal computers and related accessories.</p> <p><i>Background:</i> Florida has enacted a “back-to-school” sales tax holiday nineteen times since 1998. The length of the exemption periods has varied from three to 10 days.</p>	The legislature estimated a fiscal impact for the back-to-school sales tax holiday to be \$53.3 million nonrecurring decrease to general revenue.	(\$53,300,000)	\$0
Florida’s Seniors Living Independently	Creates Florida’s first permanent sales tax exemption for independent living items for seniors in our state. Items like bed transfer handles, bed rails, grab bars, and shower seats will be exempt from sales tax for individual purchases.	The Legislature estimated a fiscal impact for the Florida Seniors Living Independently to be \$1.2 million nonrecurring decrease to general revenue and \$2.9 million recurring decrease to	(\$1,200,000)	-\$2,900,000

Exhibit 7: Florida 2021 Taxation

During the 2021 Legislative Session Florida passed a comprehensive tax package that included the following provisions

Initiative	Summary	Fiscal Impact	Nonrecurring	Recurring
		General Revenue.		
Strong Families Tax Credit Program	Creates s. 402.60, F.S., known as the Strong Families Tax Credit Program. This program provides tax credits for businesses that make monetary donations to certain eligible charitable organizations that provide services focused on child welfare and well-being. The tax credits are a dollar-for-dollar credit against certain tax liabilities.	The Legislature estimated a fiscal impact for the Strong Families Tax Credit Program to be \$5 million nonrecurring decrease to general revenue and \$5 million recurring decrease to General Revenue.	(\$5,000,000)	(\$5,000,000)
Brownfields Tax Credit	<p>The Legislature provided the DEP the direction and authority to issue tax credits as an additional incentive to encourage site rehabilitation in brownfield areas and to encourage voluntary cleanup of certain other types of contaminated sites.</p> <p>The bill provides a one-time increase in funding of \$17.5 million available for the Brownfields program for FY 2021-</p>	The Legislature estimated a fiscal impact for the Brownfields tax credit be \$17.5 million nonrecurring decrease to General Revenue.	(\$17,500,000)	

Exhibit 7: Florida 2021 Taxation

During the 2021 Legislative Session Florida passed a comprehensive tax package that included the following provisions

Initiative	Summary	Fiscal Impact	Nonrecurring	Recurring
	22, so the total credits available for that year will be \$27.5 million. The allowable credits return to \$10 million in FY 2022-23.			
Internship Tax Credit	Creates s. 220.198, F.S., the Florida Internship Tax Credit Program, which authorizes a state corporate income tax credit of \$2,000 for each student intern employed by a qualified business, up to a maximum of \$10,000 in any taxable year, for taxable years beginning on or after January 1, 2022.	The Legislature estimated a fiscal impact for the Brownfields tax credit be \$2.5 million nonrecurring decrease to General Revenue.	(\$2,500,000)	
Moffitt Distribution Increase (Cigarette Tax)	Beginning July 1, 2021, and continuing through June 30, 2024, the bill increases the portion of net cigarette taxes distributed to the Moffitt Cancer Center from 4.04 percent to 7 percent. Beginning July 1, 2024, and continuing through June 30, 2054, the bill increases the portion of net cigarette taxes	The Legislature estimated a fiscal impact for the change in cigarette tax distribution to be \$11.4 million nonrecurring decrease to General Revenue and \$22.9 million	(\$11,400,000)	(\$22,900,000)

Exhibit 7: Florida 2021 Taxation

During the 2021 Legislative Session Florida passed a comprehensive tax package that included the following provisions

Initiative	Summary	Fiscal Impact	Nonrecurring	Recurring
	distributed to the Moffitt Cancer Center from 7 percent to 10 percent.	recurring decrease to General Revenue.		
TOTAL			(\$141,000,000)	(\$30,800,000)