



Office of Budget
and Management

State of Ohio

Recovery Plan

State and Local Fiscal Recovery Funds

2021 Report

Note: The Recovery Plan Performance Report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this template includes the minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan that they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote an equitable economic recovery.

Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it meets the reporting requirements, and recipients are encouraged to tailor this template to best meet their needs. Use of infographics, tables, charts, pictures, case studies, and other explanatory elements are encouraged.

Notes on using this template

All States and territories, and metropolitan cities and counties with a population that exceeds 250,000 residents that are recipients of State and Local Fiscal Recovery Funds (SLFRF) awards are required to produce a Recovery Plan Performance Report (the “Recovery Plan”). The Recovery Plan provides information on the recipient’s projects and how they plan to ensure program outcomes are achieved in an effective and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. Each annual Recovery Plan must be posted on the public-facing website of the recipient by or on the same date that the recipient submits the report to Treasury.

The initial Recovery Plan will cover the period from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the Recovery Plan will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period (by July 31).

| Annual Report | Period Covered | Due Date |
|---------------|----------------------------------|-----------------|
| 1 | Award Date – July 31, 2021 | August 31, 2021 |
| 2 | July 1, 2021 – June 30, 2022 | July 31, 2022 |
| 3 | July 1, 2022 – June 30, 2023 | July 31, 2023 |
| 4 | July 1, 2023 – June 30, 2024 | July 31, 2024 |
| 5 | July 1, 2024 – June 30, 2025 | July 31, 2025 |
| 6 | July 1, 2025 – June 30, 2026 | July 31, 2026 |
| 7 | July 1, 2026 – December 31, 2026 | March 31, 2027 |

Instructions:

This document is meant as a suggested template for applicable SLFRF recipients to assist them in submitting their Recovery Plan. Recipients should consult the SLFRF Guidance on Recipient Compliance and Reporting Responsibilities (Reporting Guidance) located at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf> for detailed guidance on the submission of this report.

Treasury encourages Recipients to tailor this report to best meet their needs in terms of format and content. Treasury recommends the use of infographics, tables, charts, pictures, case studies, and other explanatory elements in describing their programs.

Text in italics represents the requirements from the Reporting Guidance and is meant to serve as a reference as recipients prepare their Recovery Plan. This instructions page and the *text in italics* should be removed before the final transmitted report is published and submitted to Treasury.

Additional information around Expenditure Categories is located in Appendix 1 of the Reporting Guidance.

For More Information

More information about the State and Local Fiscal Recovery Fund program and associated reporting requirements are located at www.treasury.gov/SLFRP .

Questions on reporting, eligible uses, or other general topics should be directed to SLFRP@treasury.gov.

State of Ohio
2021 Recovery Plan

Table of Contents

General Overview.....3

 Executive Summary3

 Uses of Funds3

 Promoting Equitable Outcomes4

 Community Engagement.....5

 Labor Practices5

 Use of Evidence.....5

 Table of Expenses by Expenditure Category6

Project Inventory.....8

 Example Project9

 Additional Projects.....9

Ineligible Activities: Tax Offset Provision10

GENERAL OVERVIEW

Executive Summary

The State of Ohio is undergoing a deliberative process to determine the best use of ARPA funds in accordance with the federal guidelines. The Governor recommended and the Ohio General Assembly appropriated more than 72% of the first tranche of American Rescue Plan dollars to address three critical priorities.

First, with the first tranche of ARPA funds, Ohio will repay the Unemployment Insurance advancement received from the Federal government during the height of the pandemic's impact on employment and the state's UI system. This repayment is crucial to support Ohio's economic resurgence. As Ohio's business climate and marketplace is rebounding quickly, our employers need to be freed from the unemployment debt burden caused by the pandemic. Repaying this loan relieves Ohio businesses from experiencing large increases in their federal unemployment payroll taxes in the future. Instead, businesses can use that money to invest in their businesses and hire more workers.

Second, the pandemic highlighted the disparity in health outcomes for households without access to clean water. The importance of water quality was specifically recognized in the American Rescue Plan Act and named as an allowable use of funds. Ohio has established a Water and Sewer Quality Program to provide grants to Ohio's counties, townships, and municipal governments to strategically address serious water issues that have been building in Ohio for decades. Ohio is investing in infrastructure so our communities can thrive.

Finally, the impact of the public health emergency on the mental health of children has been widely documented and therefore a portion of the first tranche of ARPA funding supports infrastructure improvements at Ohio's pediatric behavioral health care facilities to allow for safe placement of youth in crisis. The demand for pediatric behavioral health services exceeded capacity prior to the pandemic and has reached emergency levels over the last year. These funds will bolster providers that serve as a safety net for kids at risk of suicide.

Uses of Funds

Ohio's initial plan for ARPA funding is targeted to support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. The largest portion of ARPA State Recovery Funds that have been appropriated thus far will repay the \$1.47 billion Unemployment Insurance Trust Fund advancement, thereby relieving Ohio businesses of this burden that was directly caused by the pandemic. For comparison, Ohio's Unemployment Insurance Trust fund borrowed \$3.39 billion because of shortfalls during the Great Recession. As a result, the state's businesses paid higher tax rates for five years. Assuming the current \$1.47 billion loan was paid off at the same rate as the Great Recession loan, the current loan would be paid back sometime in late 2023 or early 2024, and the FUTA tax rate would be higher for Ohio's businesses for three years, through the end of 2024. To estimate the economic impact of these charges, businesses across the state paid an additional \$560.7 million in FUTA taxes to pay down the principle of the loan during the first three years of loan repayment for the Great Recession. Ohio businesses are still trying to adjust their operations to the ongoing unpredictability of COVID-19.

According to the Congressional Budget Office, businesses effectively pay their unemployment taxes by passing the cost through to employees through reduced wage rates. Therefore, the paying off the unemployment trust fund loan now creates a better business environment with higher wages for Ohio workers.

The second largest appropriation is \$250 million for to help Ohio communities make necessary investments in water and wastewater infrastructure. The pandemic not only shined a light on disparities in access to clean water but resulted in disproportionate outcomes for individuals living in areas without adequate water and wastewater infrastructure. Projects receiving funds will improve access to clean drinking water and wastewater infrastructure, supporting both health and equity. Projects will be funded as either construction or design grants. Examples of infrastructure construction projects could include, but are not limited to:

- Sewer/wastewater treatment plant (WWTP) improvements/expansion
- New/replacement sanitary sewer lines
- Excess sanitary sewer infiltration/inflow correction
- Improvements to public drinking water treatment facilities
- Drinking water line improvements or extensions
- Repair, replacement, and construction of drinking water storage towers

The third largest appropriation responds to the impact of the pandemic on children's mental health with \$84 million to expand capacity to serve children in crisis at Ohio's pediatric behavioral health hospitals. By expanding access to vital care in areas of high demand and in areas with limited access to care today these funds will assist Ohio households of all types to access care closer to home. Ohio children's hospitals serve as a safety net for Ohio youth. Located in Cleveland, Akron, Toledo, Dayton, and Cincinnati, children's hospitals care for a diverse array of children with serious emotional disorders in both in-patient and out-patient settings. The Appalachian Children's Coalition is working in southeast Ohio to also expand access to residential treatment for youth and recovery housing for families. By repurposing an existing hospital that closed several years ago and a school, the Appalachian Children's coalition will return existing facilities to productive use and estimates the creation of 120 jobs. More importantly, they expect as many as 400 youth per year will be able to access needed care much closer to their own communities rather than being sent potentially hundreds of miles away from their families. By focusing on both urban and Appalachian settings, these funds will benefit multiple communities that are disproportionately impacted by COVID-19.

Promoting equitable outcomes

Ohio's Water and Sewer Quality Program will provide assistance to traditionally underfunded communities that currently experience socio-economic hardship. Funding is available throughout the state, but areas that have a higher-than-average unemployment rate, whose median household income is less than the state average and where households pay a higher-than-average monthly utility cost will be prioritized for assistance. Additionally, projects that encourage regionalization and projects that are providing safe, drinking water and wastewater will be prioritized.

As part of the Pediatric Behavioral Health grant process, each recipient of state funds will provide information on how they will reach out to disadvantaged or underserved communities. Project documents, including the contract that is required of each recipient of funds, require a commitment to provide care in a non-discriminatory fashion.

All construction funded by these projects will follow federal and state public bidding requirements to ensure that any capable contractor has the ability to win the job. We also anticipate applying Ohio's EDGE contracting requirement to these funds to ensure that diverse contractors have an opportunity to win a construction contract.

The Water and Sewer Quality Program and the Pediatric Behavioral Health programs are intended to close gaps in access to clean drinking water and reliable wastewater infrastructure and access to care for children in crisis. Both programs are directly intended to increase services for underserved populations and increase opportunities across the state.

Ohio's appropriated ARPA dollars for Pediatric Behavioral Health grants target hospitals in Ohio's urban centers of Cleveland, Akron, Dayton, Toledo, and Cincinnati, and several projects sponsored by the Appalachian Children's Coalition in underserved areas of Appalachia. These funds will support numerous children and families who represent racial and ethnic minorities, in addition to those in economically disadvantaged areas.

Ohio's Water and Sewer Quality Program will provide assistance to traditionally underfunded communities that currently experience socio-economic hardship. Funding is available throughout the state, but areas that have a higher-than-average unemployment rate, whose median household income is less than the state average and where households pay a higher-than-average monthly utility cost will receive prioritization.

Community Engagement

Ohio encourages all capital project applicants to work locally to ensure a widespread base of support. Ohio's Children's Hospitals and the Appalachian Children's Coalition represent significant local constituencies and will focus on serving those populations that struggle with accessing care.

When the Water and Sewer Quality Program was launched, a press release was issued notifying the public of available funds. Information was also sent to eligible entities, communities and county engineers ensuring they were aware of the program. Numerous calls, meetings, and webinars have been and will continue to be held with communities to discuss the program. Communities that have little to no access to other funds, in areas where households may not have safe drinking water or wastewater services, will receive additional priority.

Labor Practices

Ohio will apply either state or federal prevailing wage requirements, in accordance with ARPA requirements. Applicants are encouraged to ensure that projects use strong labor standards,

including project labor agreements and community benefit agreements that offer wages at or above the prevailing rate. Local hiring is also strongly encouraged.

Use of Evidence

This category does not apply to projects currently appropriated.

Table of Expenses by Expenditure Category

Ohio does not yet have expenses.

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

| Category | | Cumulative expenditures to date (\$) | Amount spent since last Recovery Plan |
|----------|---|--------------------------------------|---------------------------------------|
| 2.6 | Unemployment Benefits or Cash Assistance to Unemployed Workers | | |
| 2.7 | Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives) | | |
| 2.8 | Contributions to UI Trust Funds* | | |
| 2.9 | Small Business Economic Assistance (General) | | |
| 2.10 | Aid to nonprofit organizations | | |
| 2.11 | Aid to Tourism, Travel, or Hospitality | | |
| 2.12 | Aid to Other Impacted Industries | | |
| 2.13 | Other Economic Support | | |
| 2.14 | Rehiring Public Sector Staff | | |
| 3 | Expenditure Category: Services to Disproportionately Impacted Communities | | |
| 3.1 | Education Assistance: Early Learning | | |
| 3.2 | Education Assistance: Aid to High-Poverty Districts | | |
| 3.3 | Education Assistance: Academic Services | | |
| 3.4 | Education Assistance: Social, Emotional, and Mental Health Services | | |
| 3.5 | Education Assistance: Other | | |
| 3.6 | Healthy Childhood Environments: Child Care | | |
| 3.7 | Healthy Childhood Environments: Home Visiting | | |
| 3.8 | Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System | | |
| 3.9. | Healthy Childhood Environments: Other | | |
| 3.10 | Housing Support: Affordable Housing | | |
| 3.11 | Housing Support: Services for Unhoused persons | | |
| 3.12 | Housing Support: Other Housing Assistance | | |
| 3.13 | Social Determinants of Health: Other | | |
| 3.14 | Social Determinants of Health: Community Health Workers or Benefits Navigators | | |
| 3.15 | Social Determinants of Health: Lead Remediation | | |
| 3.16 | Social Determinants of Health: Community Violence Interventions | | |
| 4 | Expenditure Category: Premium Pay | | |
| 4.1 | Public Sector Employees | | |
| 4.2 | Private Sector: Grants to other employers | | |
| 5 | Expenditure Category: Infrastructure | | |
| 5.1 | Clean Water: Centralized wastewater treatment | | |

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

[Project Inventory](#)

Project 1: Unemployment Insurance Trust Fund Advancement Repayment

Funding amount: \$1,471,765,771.37

Project Expenditure Category: 2.13, Other Economic Support

Project overview

Ohio will repay the Unemployment Insurance Trust Fund advancement, which is a crucial step in Ohio's economic resurgence. As Ohio's business climate and marketplace is rebounding quickly, our employers need to be freed from the unemployment debt burden caused by the

pandemic. Repaying this loan relieves Ohio businesses from experiencing large increases in their federal unemployment payroll taxes in the future. Instead, businesses can use that money to invest in their businesses and hire more workers.

Additional Projects

Project [Identification Number]: [Project Name]

Funding amount: [Funding amount]

Project Expenditure Category: [Category number, Category Name]

Performance Report

Performance indicators for Pediatric Behavioral Health construction projects include adherence to the overall budget, adhering to the design schedule, obtaining awardable bids, construction progress, and the ability to occupy the finished facility. While these factors are important, Ohio does not as a practice, score construction projects on these indicators. Our primary goal is to see steady, timely progress throughout the project resulting in a high-quality facility that is able to serve the intended populations.

For the Water and Sewer Quality Program, performance will be measured differently for construction versus design grants. Construction grant recipients will provide quarterly reports detailing the progress of the project. These project reports may include procurement activities, status of contracts, progress of construction start dates and status of compliance items with the Ohio Environmental Protection Agency.

Design grant recipients will provide quarterly reports and detail procurements status, contract status and final outcomes of the design plan.

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

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