

American Rescue Plan Act (ARPA) Update

Joint Committee on Appropriations
January 14, 2026



American Rescue Plan Act (ARPA) Overview

State Fiscal Recovery Funds (SFRF)

Passed: March 11, 2021

Period of Performance: March 3, 2021 – December 31, 2026

State Allocation: \$974.5 Million

Purpose: Address negative public health and economic impacts directly related to and/or exacerbated by the COVID-19 health pandemic. Also includes funding for necessary investments in water, sewer, and broadband infrastructure.

Capital Projects Fund (CPF)

Passed: March 11, 2021

Period of Performance: March 15, 2021 – December 31, 2026

State Allocation: \$115.8 Million

Purpose: Ensure all communities have access to high-quality modern infrastructure, including broadband, needed to access critical services.

State Fiscal Recovery Funds

State Appropriation: \$974,478,793

Total Funding Update (As of 12/31/2025)

Project	Budget	Obligations	Expenditures
Environmental Funding Projects (Private)	\$695,129,729	\$695,129,729	\$631,608,291
Environmental Funding Projects (State)	\$76,003,917	\$76,003,917	\$64,449,964
Broadband	\$49,924,419	\$49,924,419	\$42,725,438
Workforce Housing	\$50,000,000	\$50,000,000	\$36,398,760
Tourism Marketing	\$35,000,000	\$35,000,000	\$31,446,415
Behavioral Health	\$12,266,000	\$12,266,000	\$12,266,000
LIFEPAK	\$10,951,595	\$10,951,595	\$10,951,595
Revenue Replacement (Correctional Healthcare)	\$10,000,000	\$10,000,000	\$10,000,000
Environmental Funding Projects (Men's Prison)	\$10,000,000	\$10,000,000	\$10,000,000
Regional Services	\$8,000,000	\$8,000,000	\$4,073,347
Reemployment Assistance	\$5,500,000	\$5,500,000	\$5,500,000
Administrative	\$1,858,660	\$1,858,660	\$1,512,253
Telemedicine in Nursing Homes	\$2,686,819	\$2,686,819	\$674,700
Capitol Lake	\$3,000,000	\$3,000,000	\$3,000,000
Environmental Funding Projects (Women's Prison)	\$2,420,154	\$2,420,154	\$2,043,295
Telehealth	\$1,737,500	\$1,737,500	\$1,737,500
Total	\$974,478,793	\$974,478,793	\$868,387,558

Quarterly Expenditure Update (As of 12/31/2025)

Project	As of Q1 FY2026	Q2 FY2026 Expenditures	Total Expenditures
Environmental Funding Projects (Private)	\$586,803,586	\$44,804,705	\$631,608,291
Environmental Funding Projects (State)	\$58,360,952	\$6,089,012	\$64,449,964
Broadband	\$38,055,156	\$4,670,282	\$42,725,438
Workforce Housing	\$30,246,022	\$6,152,738	\$36,398,760
Tourism Marketing	\$29,639,442	\$1,806,973	\$31,446,415
Behavioral Health	\$12,266,000	\$0	\$12,266,000
LIFEPAK	\$10,951,595	\$0	\$10,951,595
Revenue Replacement (Correctional Healthcare)	\$10,000,000	\$0	\$10,000,000
Environmental Funding Projects (Men's Prison)	\$10,000,000	\$0	\$10,000,000
Regional Services	\$3,495,851	\$577,496	\$4,073,347
Reemployment Assistance	\$5,500,000	\$0	\$5,500,000
Administrative	\$1,459,613	\$52,640	\$1,512,253
Telemedicine in Nursing Homes	\$486,007	\$188,693	\$674,700
Capitol Lake	\$3,000,000	\$0	\$3,000,000
Environmental Funding Projects (Women's Prison)	\$1,969,929	\$73,366	\$2,043,295
Telehealth	\$1,737,500	\$0	\$1,737,500
Total	\$803,971,653	\$64,415,905	\$868,387,558

Environmental Funding Projects (Private Projects)

Agency: Department of Agriculture and Natural Resources

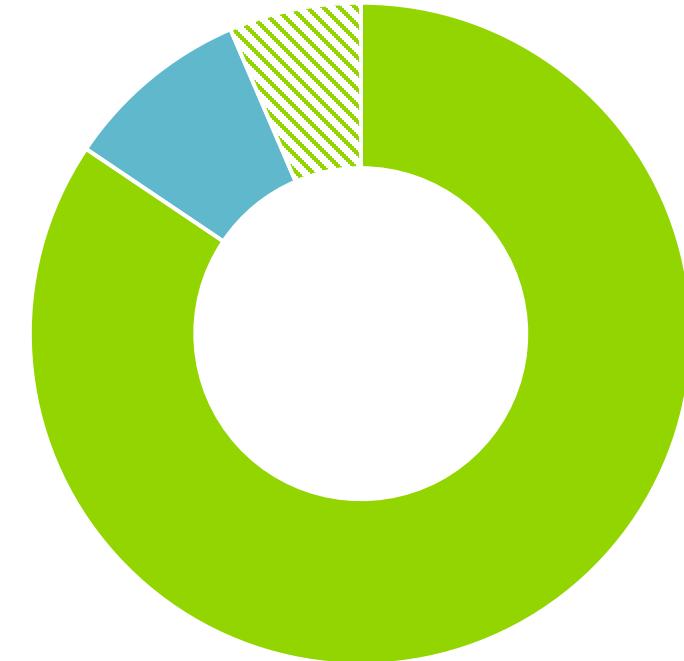
Expenditure Category: 5 Infrastructure: Water and Sewer

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$695,129,729	\$695,129,729	\$44,804,705	\$586,803,586	91%

* Based on appropriation amount

Key Context

DANR has identified several projects which can utilize any unspent funds from other projects per SB53 of the 2024 Legislative Session. Timeline is to finalize the transfer in the January 2026 DANR board meeting.



■ Remaining Obligations ■ Previous Spend ■ New Spend

✓ Completed ▶ In Progress ⚠ Behind Schedule ━ Not Started

Environmental Funding Projects (State Projects)

Agency: Bureau of Human Resource Administration

Expenditure Category: 5 Infrastructure: Water and Sewer

Key Context

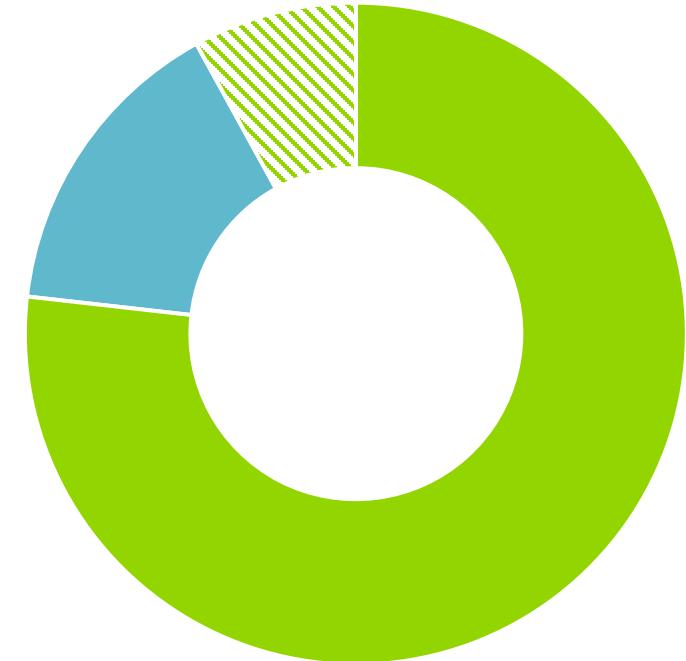
Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026.

Upcoming Milestones

- ✓ 05/24: All projects initiated
- ✓ 11/24: All funding obligated
- 12/26: All funding expended

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$76,003,917	\$76,003,917	\$6,089,012	\$58,360,952	85%

* Based on appropriation amount



■ Remaining Obligations ■ Previous Spend ■ New Spend

✓ Completed ► In Progress ! Behind Schedule — Not Started

Broadband

Agency: Governor's Office of Economic Development

Expenditure Category: 5.19 Broadband: "Last Mile" projects

Key Context

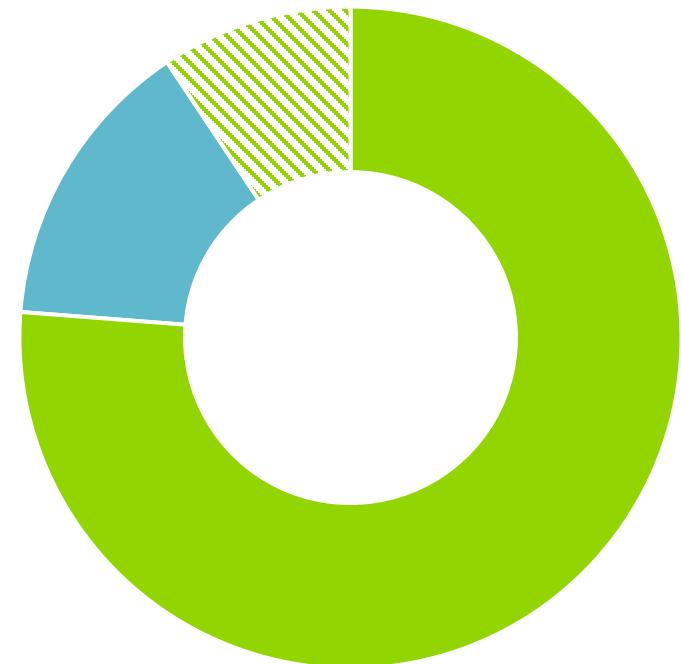
Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026.

Upcoming Milestones

- ✓ 02/24: 2023 project completions
- ✓ 02/25: 2024 project completions
- 02/26: 2025 project completions

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$49,924,419	\$49,924,419	\$4,670,282	\$38,055,156	86%

* Based on appropriation amount



■ Remaining Obligations ■ Previous Spend ■ New Spend

Workforce Housing

Agency: SD Housing Development Authority

Expenditure Category: 7.2 Transfers to Other Units of Government

Key Context

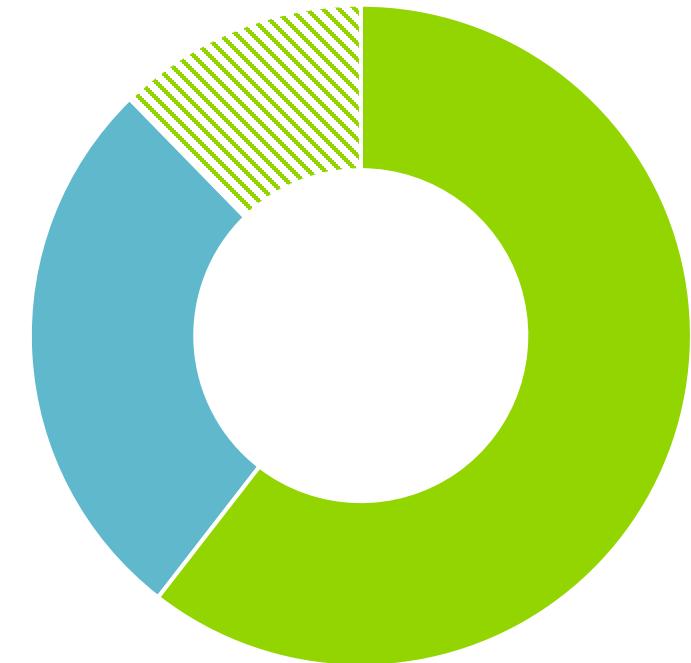
Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026.

Upcoming Milestones

- ✓ 12/23: Funds committed
- ✓ 09/24: All grant agreements signed
- 12/26: All funds expended
- 12/26: Projects completed

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$50,000,000	\$50,000,000	\$6,152,738	\$30,246,022	73%

* Based on appropriation amount



■ Remaining Obligations ■ Previous Spend ■ New Spend

Tourism Marketing Plan

Agency: Department of Tourism

Expenditure Category: 2.35 Aid to
Tourism Travel or Hospitality

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$35,000,000	\$35,000,000	\$1,806,973	\$29,639,442	90%

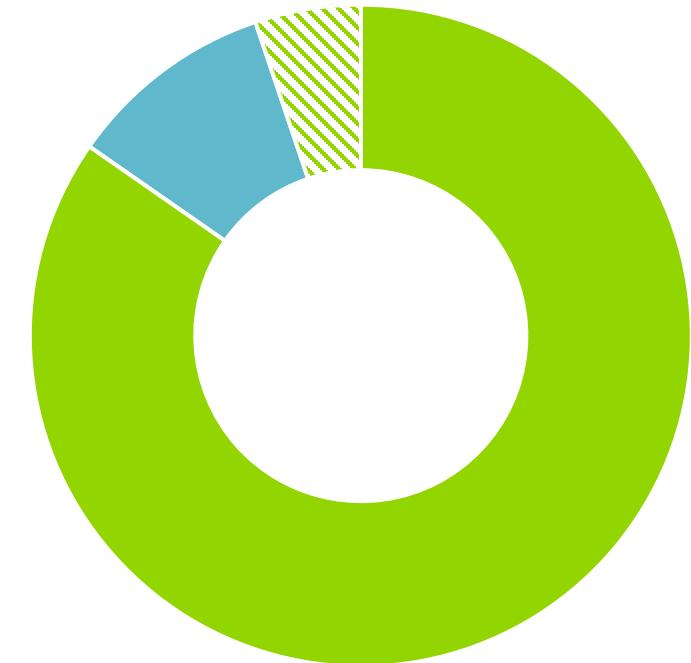
* Based on appropriation amount

Key Context

Program leaders have provided an updated expenditure timeline and plan to expend all funds by June 30th, 2026.

Upcoming Milestones

- ✓ 12/23: Year 1 spending deadline
- ✓ 12/24: Year 2 spending deadline
- ✓ 12/25: Year 3 spending deadline
- 12/26: All funds expended



■ Remaining Obligations ■ Previous Spend ■ New Spend

Behavioral Health Service Delivery Transformation

Agency: Department of Social Services

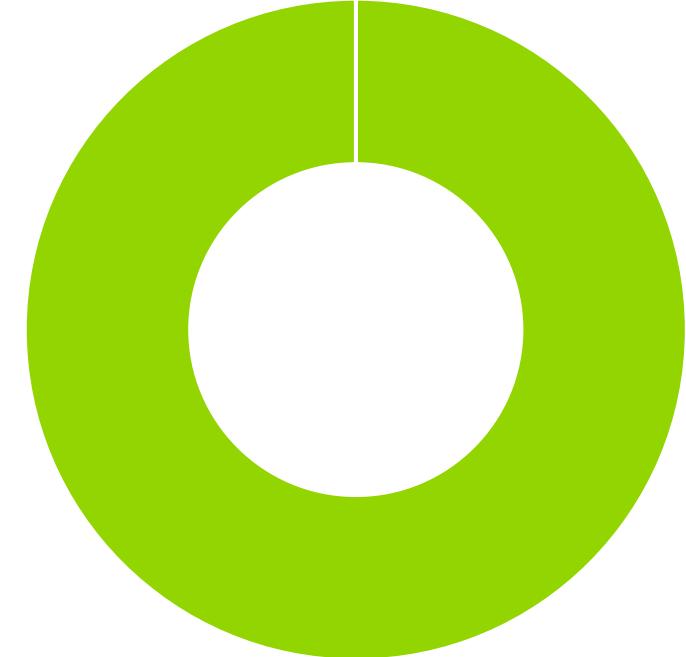
Expenditure Category: 1.12 Mental Health Services

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$12,266,000	\$12,266,000	\$0	\$12,266,000	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures. \$547,901 in unspent funding moved to DANR projects per SB53 of the 2024 Legislative Session.



■ Remaining Obligations ■ Previous Spend ■ New Spend

LIFEPAK Replacement Initiative

Agency: Department of Health

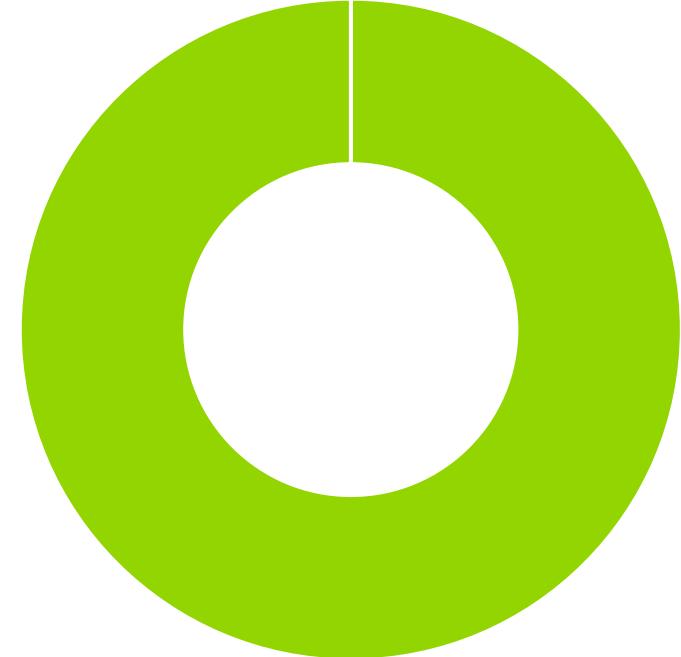
Expenditure Category: 1.14 Other Public Health Services

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$10,951,595	\$10,951,595	\$0	\$10,951,595	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures. \$658,627 in unspent funding moved to DANR projects per SB53 of the 2024 Legislative Session.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Correctional Healthcare General Fund Reduction

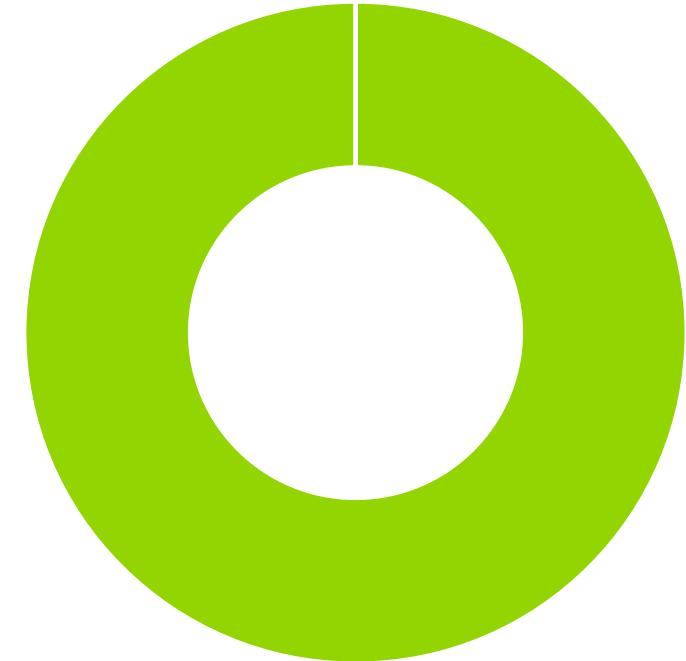
Agency: Department of Corrections
Expenditure Category: 6.1 Provision of Government Services

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$10,000,000	\$10,000,000	\$0	\$10,000,000	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Men's Prison

Agency: Department of Corrections

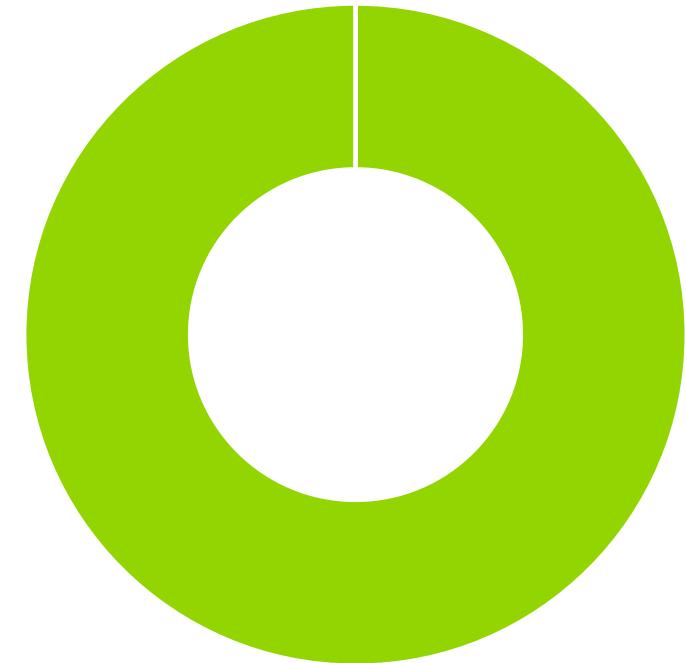
Expenditure Category: 5.5 Clean Water:
Other Sewer Infrastructure

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$10,000,000	\$10,000,000	\$0	\$10,000,000	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures.



■ Remaining Obligations ■ Previous Spend ■ New Spend

EMS Regional Service Designation

Agency: Department of Health

Expenditure Category: 1.14 Other Public Health Services

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$8,000,000	\$8,000,000	\$577,496	\$3,495,851	51%

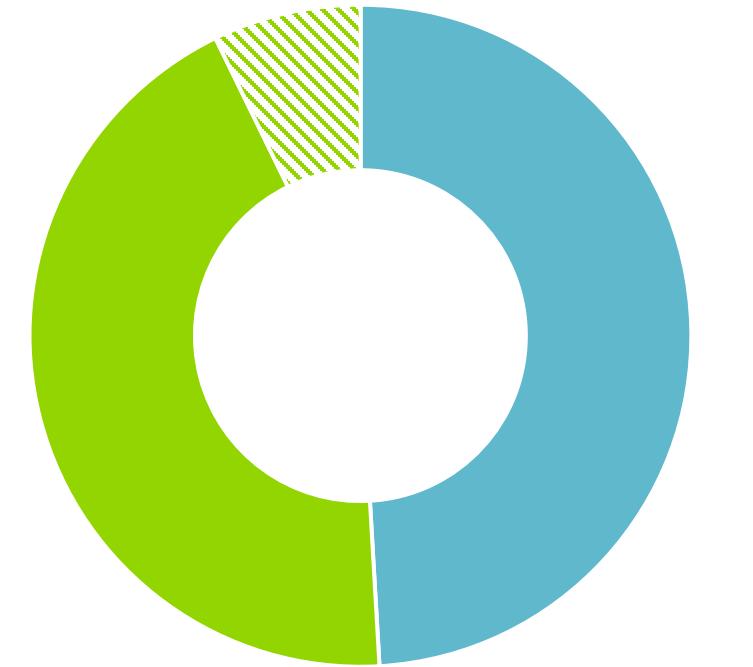
* Based on appropriation amount

Key Context

Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026.

Upcoming Milestones

- ✓ 09/24: Open second application period
- 12/26: All funds expended



■ Remaining Obligations ■ Previous Spend ■ New Spend

Reemployment Assistance System Upgrade

Agency: Department of Labor & Regulation

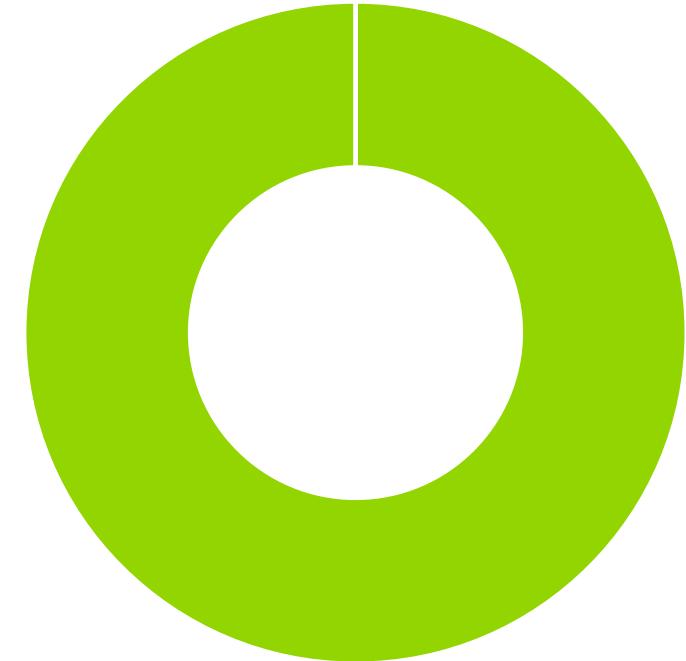
Expenditure Category: 3.34 Public Sector Capacity: Effective Service Delivery

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$5,500,000	\$5,500,000	\$0	\$5,500,000	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Telemedicine in Nursing Homes

Agency: Department of Health

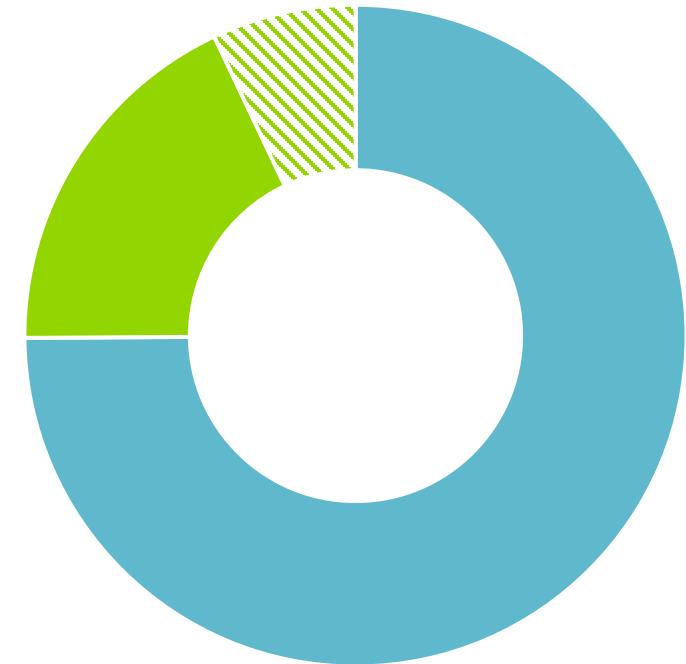
Expenditure Category: 1.14 Other Public Health

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$2,686,819	\$2,686,819	\$188,693	\$486,007	25%

* Based on appropriation amount

Key Context

Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Upcoming Milestones

- ✓ 12/24: All funds obligated
- 12/26: All funds expended

✓ Completed ► In Progress ! Behind Schedule - Not Started

Capitol Lake Master Plan

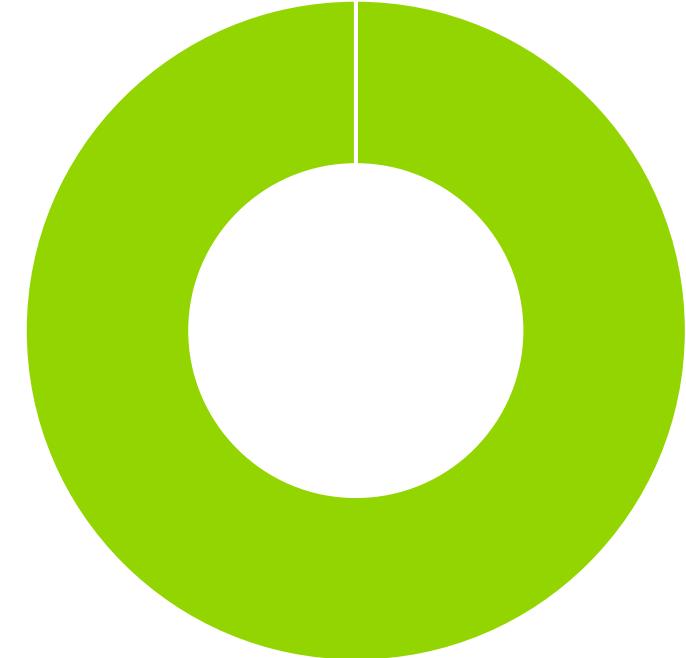
Agency: Bureau of Administration
Expenditure Category: 5.8 Clean Water:
Water Conservation

	Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
	\$3,000,000	\$3,000,000	\$0	\$3,000,000	100%

* Based on appropriation amount

Key Context

Project has completed all SLRF expenditures.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Women's Prison

Agency: Department of Corrections

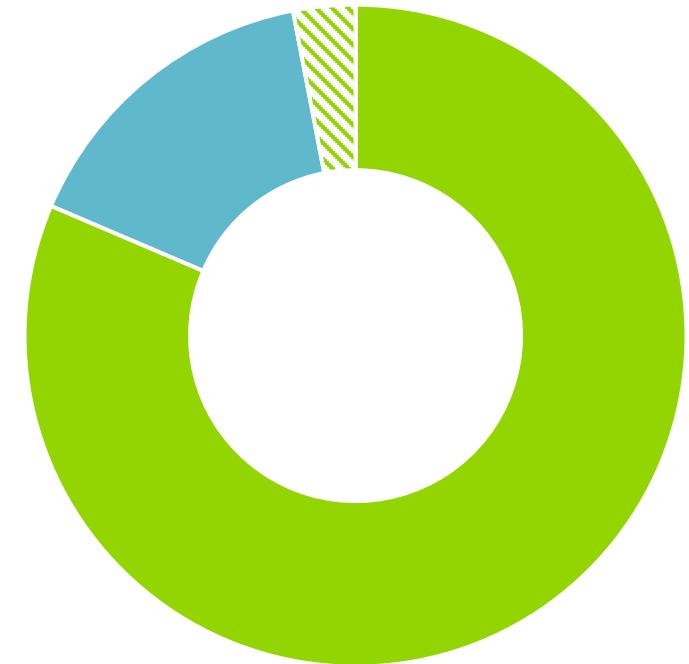
Expenditure Category: 5.5 Clean Water:
Other Sewer Infrastructure

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$2,420,154	\$2,420,154	\$73,366	\$1,969,929	84%

* Based on appropriation amount

Key Context

Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1st, 2026



Upcoming Milestones

- ✓ 12/24: All funds obligated
- 12/26: All funds expended

EMS Telehealth Services

Agency: Department of Health

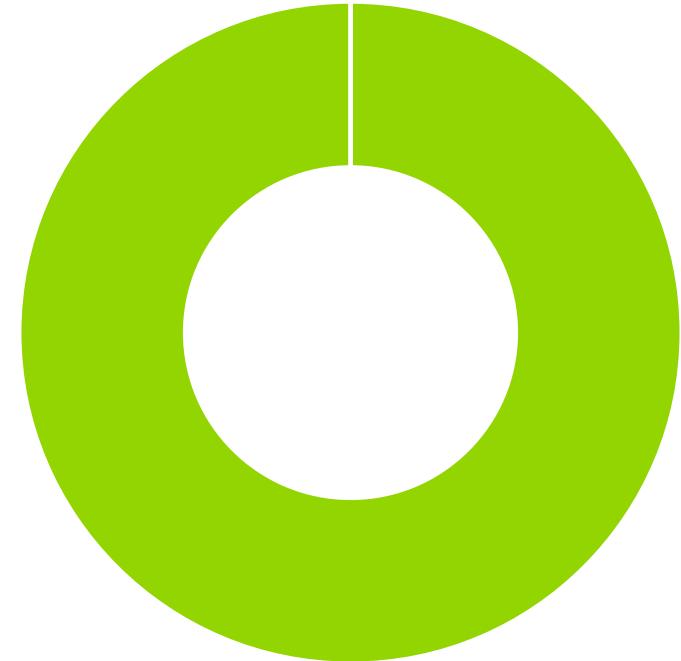
Expenditure Category: 1.14 Other Public Health

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$1,737,500	\$1,737,500	\$0	\$1,737,500	100%

* Based on appropriation amount

Key Context

Project has completed all SLFRF expenditures.



■ Remaining Obligations ■ Previous Spend ■ New Spend

Capital Projects Fund

State Appropriation: \$115,898,703

Funding Update (as of 12/31/2025)

Project	Budget	Treasury Approval	Obligations	Expenditures
Public Health Laboratory Build & Remodel	\$75,365,000	\$75,365,000	\$73,967,786	\$39,926,349
NSU Lincoln Hall Renovation/Expansion	\$29,500,000	\$29,500,000	\$25,194,340	\$19,570,970
BHSU West River Nursing Renovation/Expansion	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000
Administrative	\$3,033,703	\$3,033,703	\$765,697	\$204,144
Total	\$115,898,703	\$115,898,703	\$107,927,823	\$67,701,463

Expenditure Update (as of 12/31/2025)

Project	As of Q1 FY2026	Q2 FY2026 Spend	Total Expenditures
Public Health Laboratory Build & Remodel	\$29,587,128	\$10,339,221	\$39,926,349
NSU Lincoln Hall Renovation/Expansion	\$14,781,700	\$4,789,270	\$19,570,970
BHSU West River Nursing Renovation/Expansion	\$8,000,000	--	\$8,000,000
Administrative	\$190,389	\$13,755	\$204,144
Total	\$52,559,216	\$15,142,247	\$67,701,463

Public Health Laboratory Build & Remodel

Agency: Department of Health

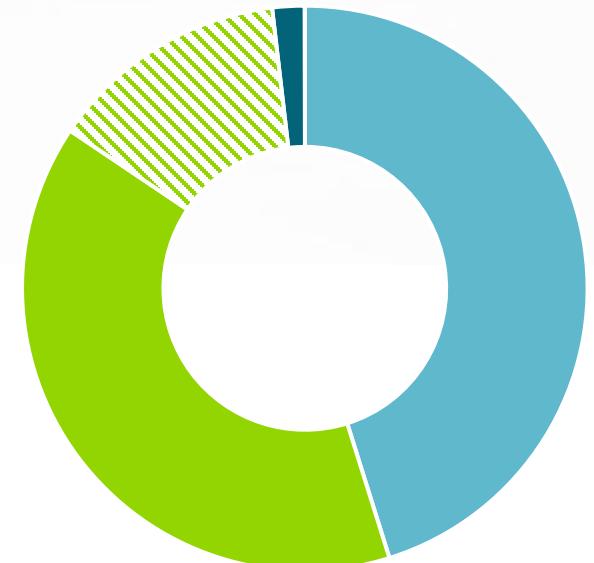
Expenditure Category: 1c – Multi-Purpose
Community Facility Project

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$75,365,000	\$73,967,786	\$10,339,221	\$29,587,128	53%

* Based on appropriation amount

Key Milestones

- ✓ 12/22: Program Validation
- ✓ 03/24: Design & Documentation
- ✓ 09/25: 50% Construction
- 06/26: Commissioning, Move-In & Construction Monitoring
- 09/26: Project Completion
- 09/27: Warranty & Compliance and Monitoring Period



■ Remaining Budget ■ Remaining Obligations
■ Previous Spend ■ New Spend

✓ Completed ► In Progress ● Not Started

NSU Lincoln Hall Renovation/Expansion

Agency: Board of Regents

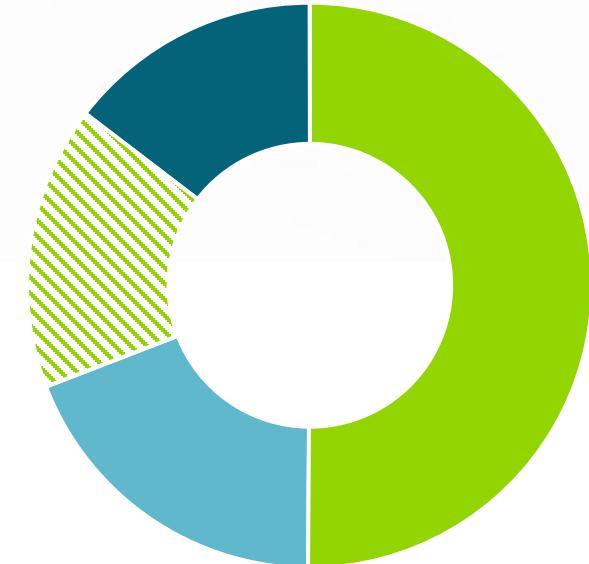
Expenditure Category: 1c – Multi-Purpose
Community Facility Project

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$29,500,000	\$25,194,340	\$4,789,270	\$14,781,700	66%

* Based on appropriation amount

Key Milestones

- ✓ 09/23: Schematic Design
- ✓ 12/23: Design Development
- ✓ 01/24: Construction Documents
- ✓ 03/24: Project Bid
- ✓ 05/24: Demolition
- ✓ 08/25: Construction
- 09/25: Substantial Completion



■ Remaining Budget

■ Previous Spend

■ Remaining Obligations

■ New Spend

BHSU West River Nursing Renovation/Expansion

Agency: Board of Regents

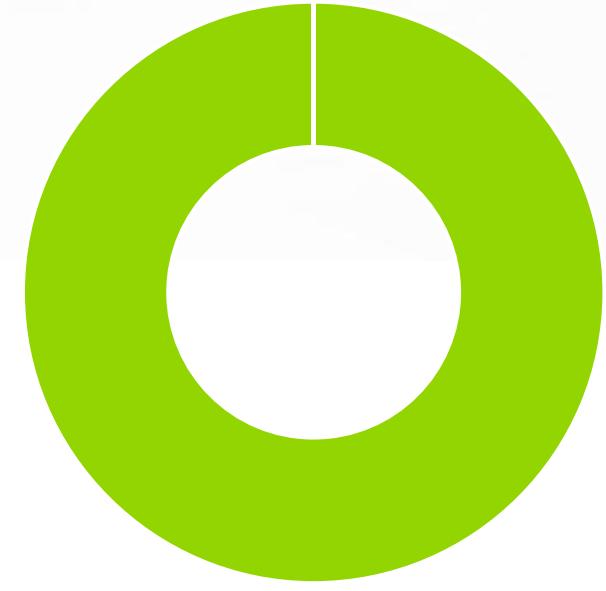
Expenditure Category: 1c – Multi-Purpose
Community Facility Project

Budget	Obligations	Q2 FY2026 Expenditures	As of Q1 FY2026	Percentage Spent*
\$8,000,000	\$8,000,000	\$0	\$8,000,000	100%

* Based on appropriation amount

Key Milestones

- ✓ 06/23: Schematic Design Complete
- ✓ 08/23: Design Development Complete
- ✓ 11/23: Construction Documents Complete
- ✓ 12/23: Bid Project
- ✓ 04/24: Construction Begins
- ✓ 09/25: Project Complete



■ Remaining Budget
■ Remaining Obligations
■ Previous Spend
■ New Spend

American Rescue Plan Act (ARPA) Update

Joint Committee on Appropriations
January 14, 2026

