

# 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
<b>Total</b>	<b>\$974,478,793</b>	<b>\$974,478,793</b>	<b>\$868,387,558</b>

# 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

**Key Context**

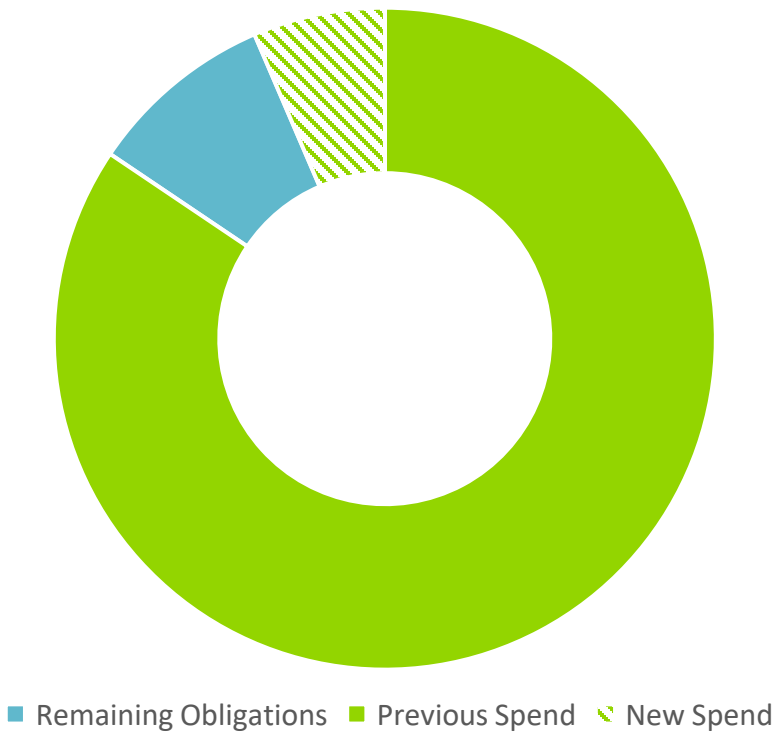
DANR has identified several projects which can utilize any unspent funds from other projects per SB53 of the 2024 Legislative Session. Timeline is to finalize the transfer in the January 2026 DANR board meeting.

**Upcoming Milestones**

- ✓ 03/24: All plans and specs submitted
- ✓ 12/24: All funds obligated
- ▶ 12/26: All funds expended

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





# Environmental Funding Projects (State Projects)

**Agency:** Bureau of Human Resource Administration  
**Expenditure Category:** 5 Infrastructure: Water and Sewer

**Key Context**

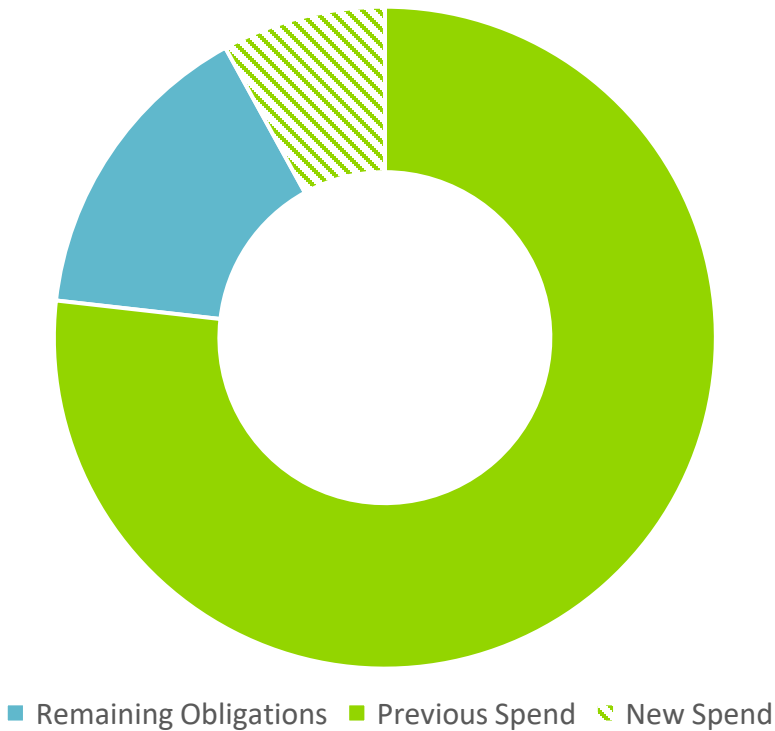
Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1<sup>st</sup>, 2026.

**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



# 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 1<sup>st</sup>, 2026.

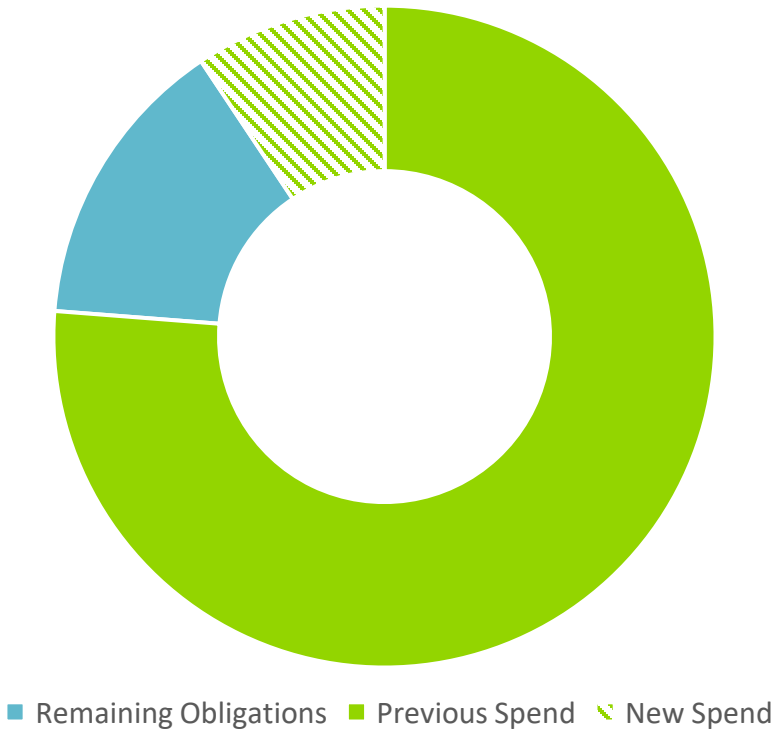
**Upcoming Milestones**

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

✓ Completed ▶ In Progress ⚠ Behind Schedule ⬤ Not Started

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





# Workforce Housing

**Agency:** SD Housing Development Authority

**Expenditure Category:** 7.2 Transfers to Other Units of Government

**Key Context**

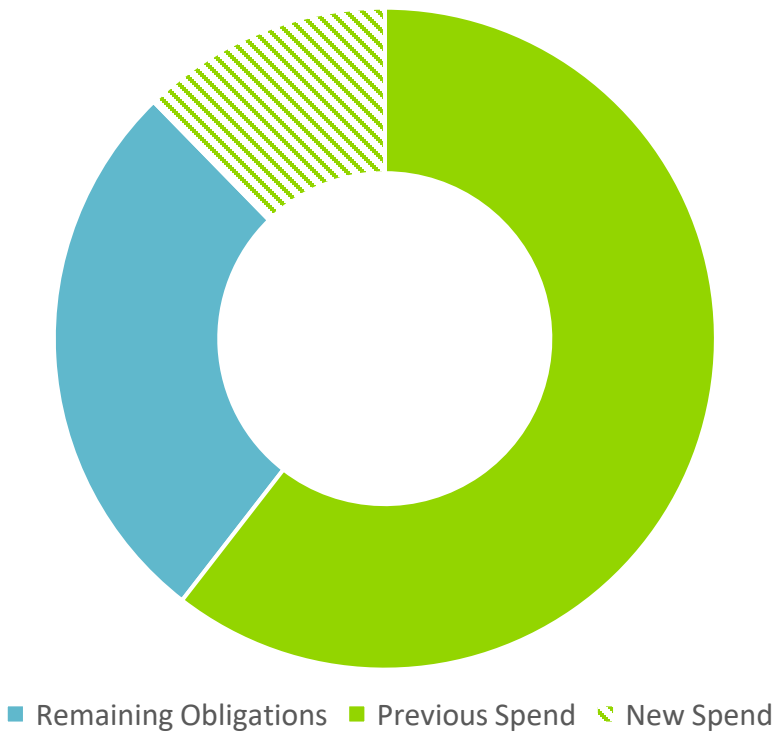
Program leaders have provided an updated expenditure timeline and plan to expend all funds by September 1<sup>st</sup>, 2026.

**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



# 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%

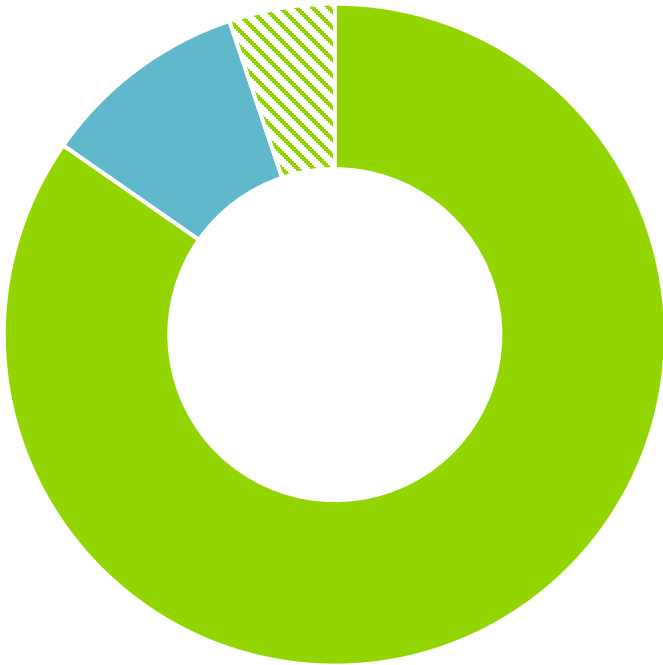
\* Based on appropriation amount

### Key Context

Program leaders have provided an updated expenditure timeline and plan to expend all funds by June 30<sup>th</sup>, 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

✓ Completed ▶▶ In Progress ⚠ Behind Schedule ⬤ Not Started

# Behavioral Health Service Delivery Transformation

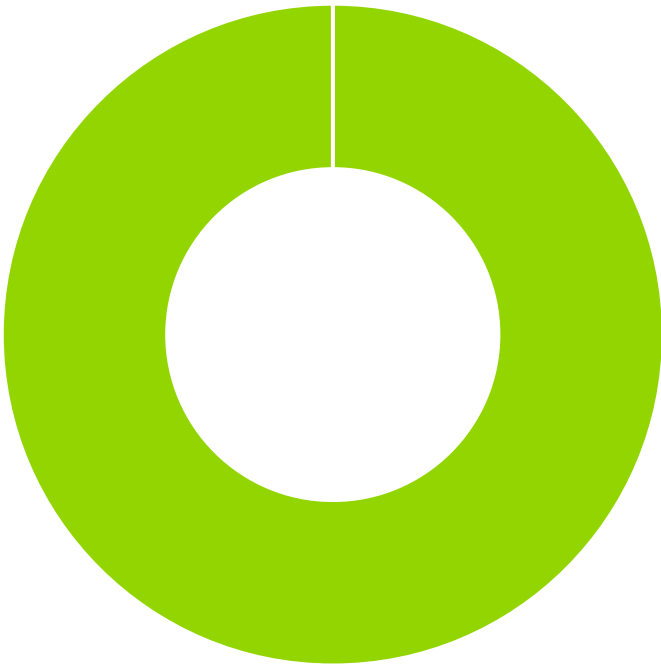
**Agency:** Department of Social Services  
**Expenditure Category:** 1.12 Mental Health Services

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

✓ Completed    ▶ In Progress    ⚠ Behind Schedule    ⬤ Not Started

# LIFEPAK Replacement Initiative

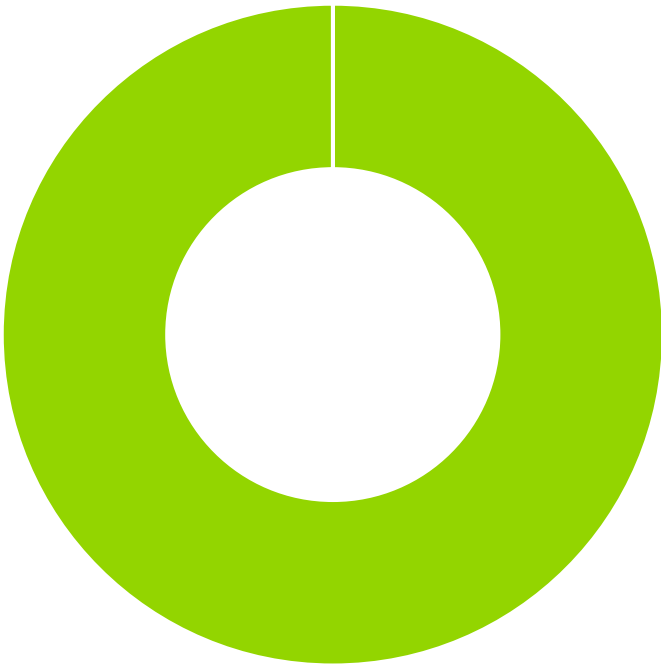
**Agency:** Department of Health  
**Expenditure Category:** 1.14 Other Public Health Services

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

✓ Completed ▶ In Progress ⚠ Behind Schedule ⬜ Not Started

# Correctional Healthcare General Fund Reduction

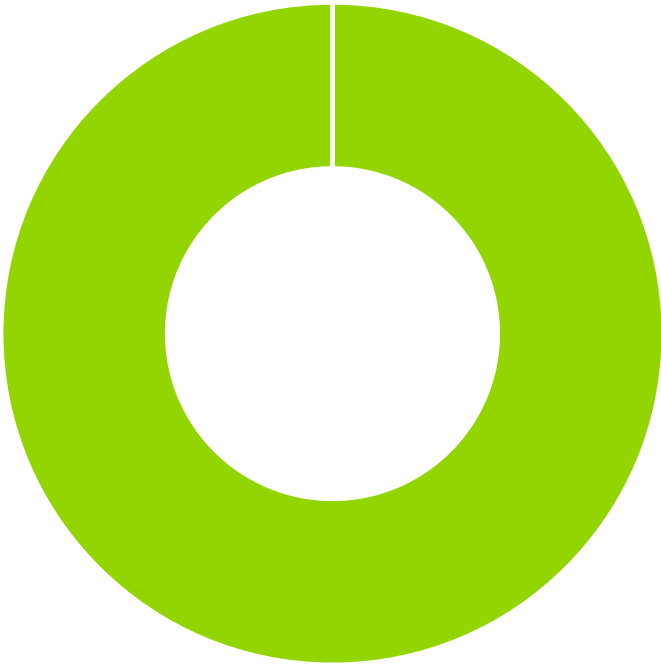
**Agency:** Department of Corrections  
**Expenditure Category:** 6.1 Provision of Government Services

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

✓ Completed    ▶ In Progress    ⚠ Behind Schedule    ⬚ Not Started

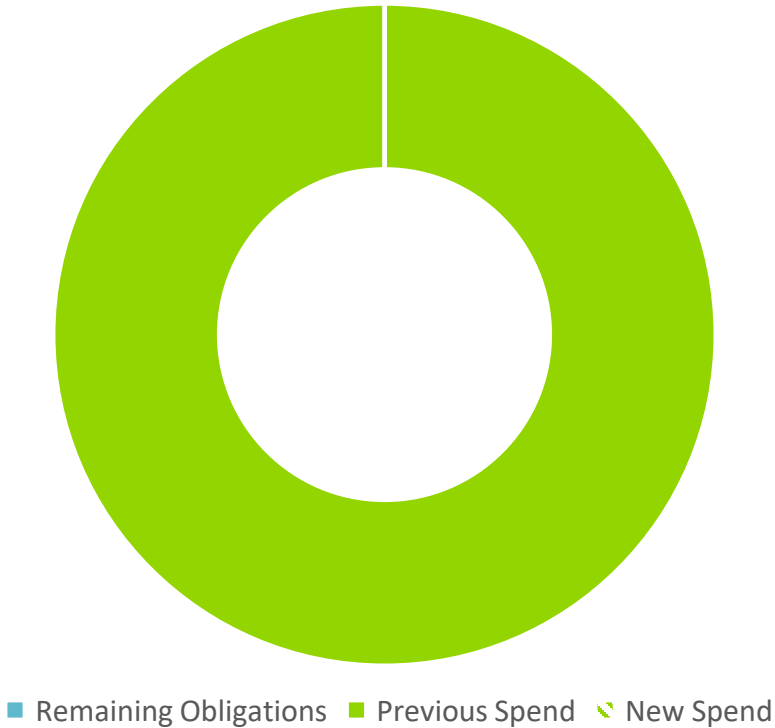
# Men’s Prison

**Agency:** Department of Corrections  
**Expenditure Category:** 5.5 Clean Water:  
Other Sewer Infrastructure

**Key Context**  
Project has completed all SLFRF expenditures.

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



# 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%

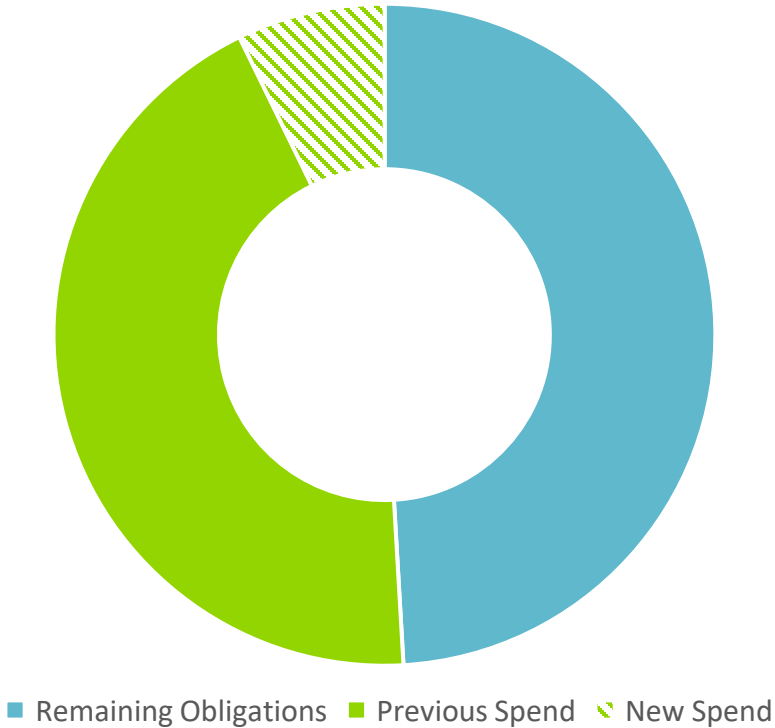
\* Based on appropriation amount

### Key Context

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

### Upcoming Milestones

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



✓ Completed ▶▶ In Progress ⚠ Behind Schedule ⬤ Not Started



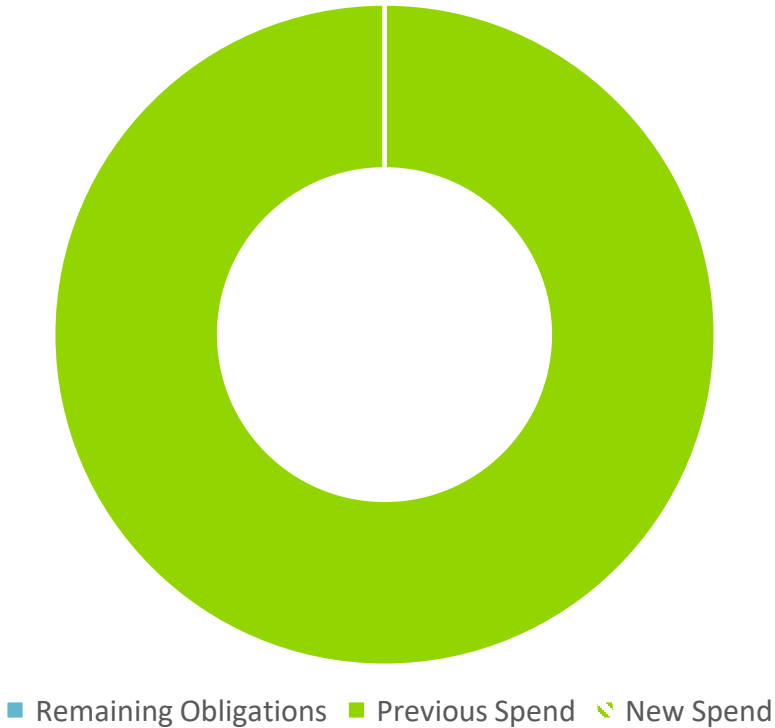
# Reemployment Assistance System Upgrade

**Agency:** Department of Labor & Regulation  
**Expenditure Category:** 3.34 Public Sector Capacity: Effective Service Delivery

**Key Context**  
Project has completed all SLFRF expenditures.

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



# 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

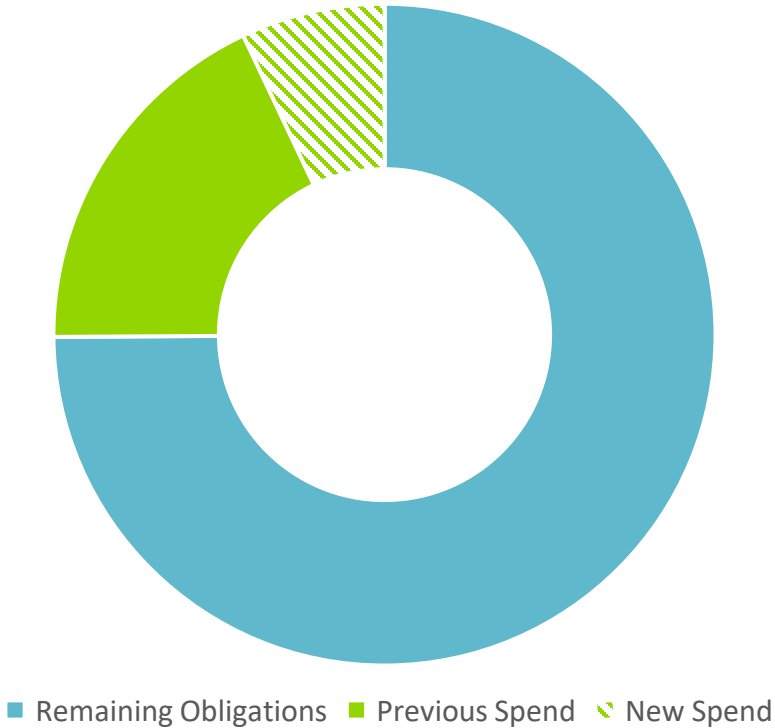
### Key Context

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

### Upcoming Milestones

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

✓ Completed ➤ In Progress ⚠ Behind Schedule ⬤ Not Started



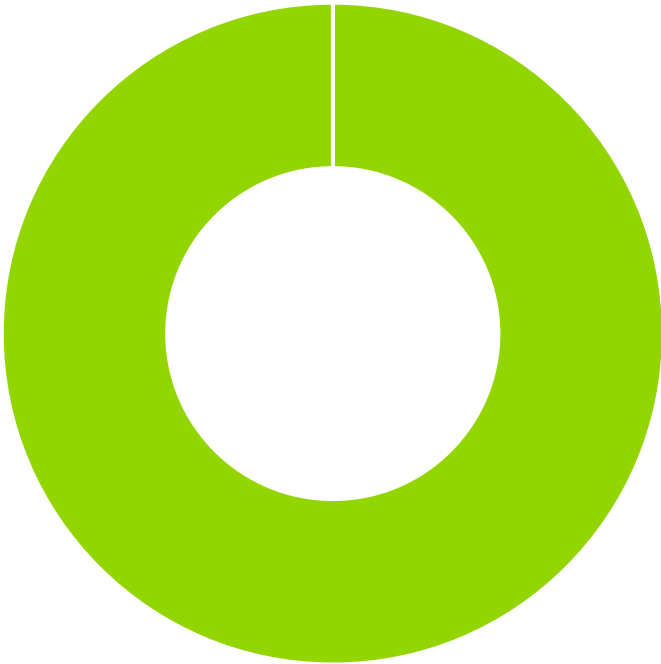
# Capitol Lake Master Plan

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

**Key Context**  
Project has completed all SLFRF expenditures.

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



■ Remaining Obligations ■ Previous Spend ■ New Spend

✓ Completed ▶ In Progress ⚠ Behind Schedule ⬚ Not Started

# 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%

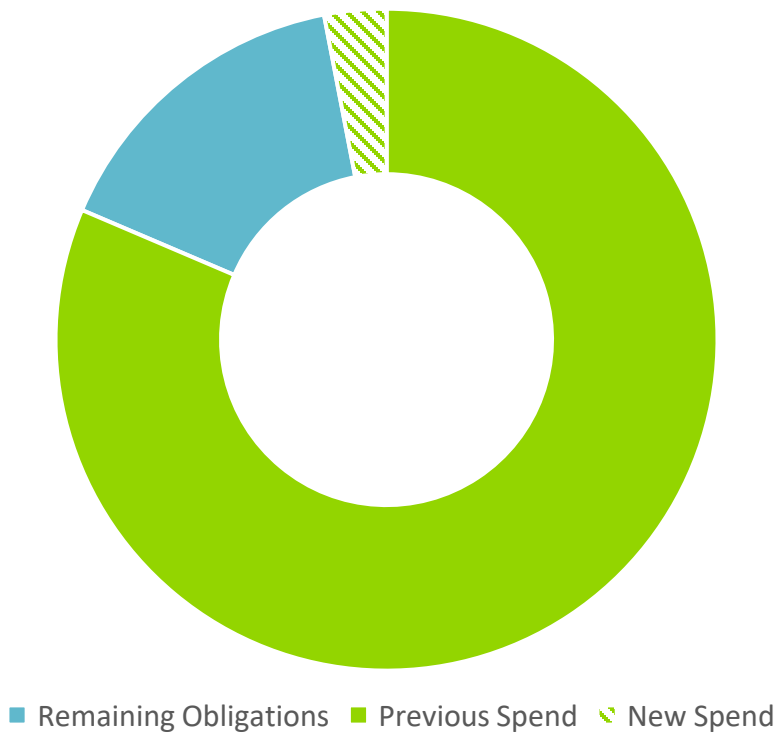
\* Based on appropriation amount

## Key Context

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

## Upcoming Milestones

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



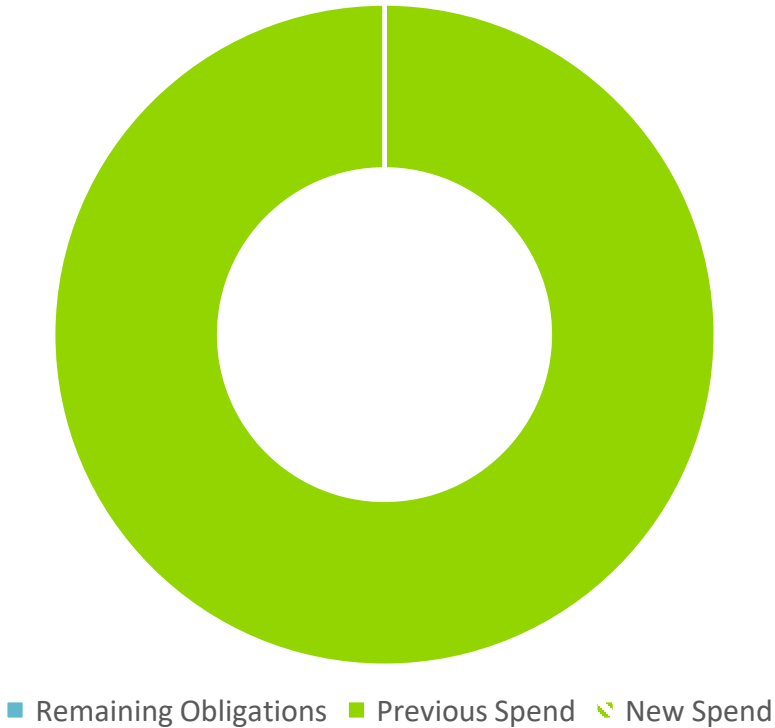
# EMS Telehealth Services

**Agency:** Department of Health  
**Expenditure Category:** 1.14 Other Public Health

**Key Context**  
Project has completed all SLFRF expenditures.

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



# 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
<b>Total</b>	<b>\$115,898,703</b>	<b>\$115,898,703</b>	<b>\$107,927,823</b>	<b>\$67,701,463</b>



# 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
<b>Total</b>	<b>\$52,559,216</b>	<b>\$15,142,247</b>	<b>\$67,701,463</b>

# Public Health Laboratory Build & Remodel

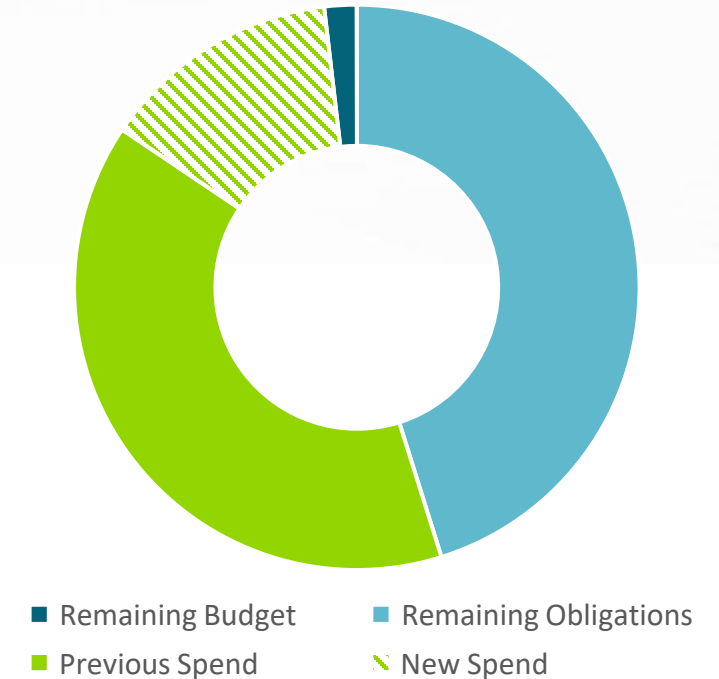
**Agency:** Department of Health  
**Expenditure Category:** 1c – Multi-Purpose  
Community Facility Project

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



# NSU Lincoln Hall Renovation/Expansion

**Agency:** Board of Regents

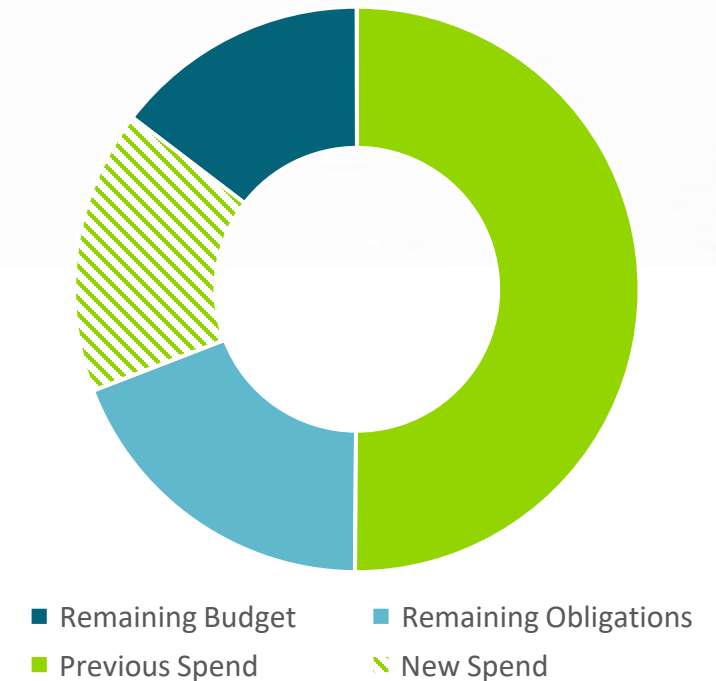
**Expenditure Category:** 1c – Multi-Purpose  
Community Facility Project

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



✓ Completed ▶▶ In Progress ● Not Started

# BHSU West River Nursing Renovation/Expansion

**Agency:** Board of Regents

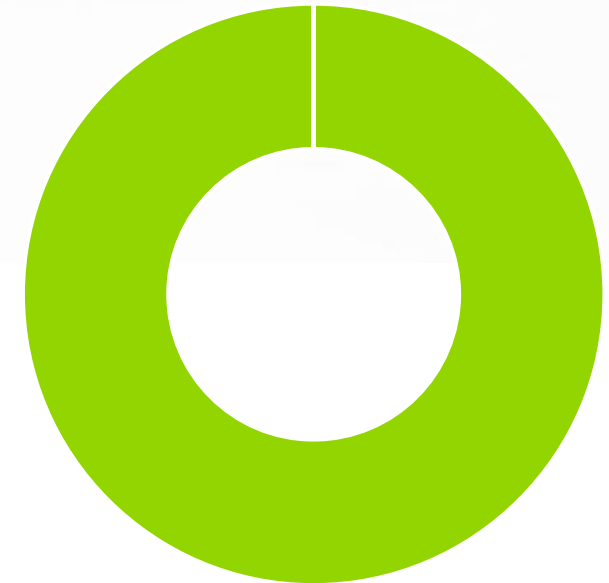
**Expenditure Category:** 1c – Multi-Purpose  
Community Facility Project

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

✓ Completed    ▶ In Progress    ● Not Started

# American Rescue Plan Act (ARPA) Update

Joint Committee on Appropriations

January 14, 2026

