



ARPA Proposal – Cash Assistance Program

PREPARED FOR:

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Mr. Keith J. Gebauer
Executive Director
American Rescue Plan Act (ARPA) Oversight Office
A.P. Lutali Executive Office Building
Pago Pago, American Samoa 96799

Subject: ARPA Proposal for Cash Assistance Program

Dear Executive Director Gebauer:

The American Samoa Department of Commerce (DOC) is pleased to submit this proposal for funding under the American Rescue Plan Act (ARPA). DOC'S DUNS number is 854993565 and our Sam.gov registration is currently active.

The COVID-19 public health emergency declaration and business restrictions has severely impacted small businesses in the territory, especially since the implementation of Code Red and the closure of non-essential businesses. Business owners of non-essential businesses have gone weeks now with no income and/or negative cash flow to support their operations.

It is with this in mind that the Department of Commerce submits this proposal for consideration. Should you have any questions regarding this proposal, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Petti T. Matila".

Petti T. Matila
Director of Commerce

Overview

Since the first case of coronavirus was discovered in the United States in January 2020, the disease has infected over 45 million people and killed over 700,000 Americans¹. The virus has impacted every aspect of our lives: businesses closed, jobs were lost, government revenues plummeted, government services were impacted, travel was significantly curtailed, and the lives of our people are forever changed.

Our citizens and their families have all experienced some level of change or challenge during this time. As a result of this once in a generation crisis, state and local governments across the country have been called on to respond in an unprecedented way. To support this response effort, the American Rescue Plan Act was signed into law on March 11, 2021, and with it the authorization of the Coronavirus State and Local Fiscal Funds.

These funds provide the states and territories with the much-needed resources to support urgent COVID-19 relief, replace lost revenues for local governments, support economic stabilization, and to address systemic public health and economic challenges that have contributed to the unequal impact of the virus. Furthermore, while the impacts of the pandemic have been widespread, the public health and economic impacts have been most severe through low-income and disadvantaged communities. Low-income communities, people of color, and tribal communities have faced higher rates of infection, hospitalization, and death.² These communities also face pre-existing vulnerabilities that have been magnified by the pandemic, where a reduced ability to work from home and, frequently, denser housing or living situations increase the risk of infection.

On February 22, 2022, Governor Lemanu P. Mauga declared the territory under Code Red restrictions due to a community spread of the coronavirus. Code Red stipulations required that all non-essential businesses close to minimize the spread of the virus. The territory has since moved away from the color-coding system, however has continued to implement and enforce strict protocols to slow and minimize the spread of the virus. As of April 1st, 2022 the number of positive coronavirus cases have surpassed 4,000 positive cases with seven COVID-19 related fatalities as of April 1st, 2022.

The purpose of this program is to provide financial assistance in the form of a one-time pandemic response grant payment to non-essential businesses that were directly impacted by the public health emergency declaration effective on February 22, 2022.

¹ <https://usafacts.org/visualizations/coronavirus-covid-19-spread-map/>

² <https://www.federalregister.gov/d/2021-10283/p-22>

Project Description

The goal of the Cash Assistance Program (CAP) is to provide relief to non-essential businesses impacted by COVID-19 restrictions declared in the Public Health State of Emergency of American Samoa. The CAP helps pay for operational and overhead expenses. Eligible applicants must complete a CAP application (see Appendix A) with required supporting documentation. All applications will be reviewed by the Department of Commerce (DOC) Business Trade and Investments Division (BTID) with final approval by the Director of Commerce.

Eligible businesses include those that were deemed non-essential under the Public Health Emergency Declaration effective on February 22, 2022. Further consideration will be given to unlisted businesses, but may have been notified that they could not open due to lockdown. This includes, but is not limited to, the following business establishments in Tutuila, Aunu'u, and Manu'a:

- Restaurants with in-person dining services
- Movie theaters
- Gyms and fitness centers
- Hair salons, barber shops, nail salons, spas, salon and services
- Commercial and Personal recreational boating or charter fishing vessels
- Sporting and concert venues
- Commercial car or vehicle cleaning
- Bars and nightclubs
- Construction not related to essential function
- Commercial fishermen
- Commercial farmers
- Child Daycare facilities

Eligible businesses must have been licensed to do business in American Samoa prior to the February 22, 2022, declaration. A valid current business license is required for commercial/profit entities and IRS 501 (c) 3 certificate is required for nonprofit organizations that administer a non-essential business type operation that's listed in the Public Health Emergency Declaration.

Child Daycare business operators must submit verification from DHSS Daycare Program to certify that no financial assistance was provided/granted to the daycare center and/or not eligible for funding from the DHSS Daycare Program.

Commercial farmers and fishermen who apply are required to submit a current or valid license/permit issued by the Department of Agriculture (DOA) or the Department of Marine and Wildlife Resources (DMWR). DOC will also accept a verification letter from the Department of Agriculture (commercial farmers) or the Department of Wildlife Resources (commercial fishermen) to verify their status as valid commercial farmers or fishermen.

Grants will be awarded to cover one or more of the following allowable costs depending on the applicant's needs to apply their cash assistance program request ranging between \$500 to \$10,000. The applicant may select which form of assistance they need most, which should add up to no more than \$10,000 per non-essential business establishment.

Credit Categories	Maximum Assistance
Shipping (air/ocean freight)	5,000
Utilities	5,000
<i>Electricity & Water</i>	<i>2,000</i>
<i>Internet</i>	<i>1,500</i>
<i>Phone Bill</i>	<i>1,500</i>
Commercial Rental/Lease	3,000
Insurance	1,000
Propane Gas	1,000
Fuel	1,000
Farming Supplies <i>(list of farming supplies from DOA)</i>	1,000
Fishing Supplies <i>(list of fishing supplies from DMWR)</i>	1,000

To receive assistance per selected category, the applicant must submit supporting documentation with a complete and signed standard CAP application shown in Appendix A.

Shipping

- Submit an invoice or receipt of shipping costs within the period of Code Red restrictions. The CAP will reimburse up to \$5,000 worth or credit directly to the shipping agent/company on behalf of your business.

Utility

- Submit an ASPA billing statement for February-March 2022 for the business establishment. An account number under the business establishment must be provided as proof. The CAP will credit the applicant's business account at ASPA for water and electricity;
- Submit a billing statement for your internet and phone service provider (ASTCA or BlueSky). The CAP will credit the applicant's account directly to the service provider. If the applicant has both services, the program may split the costs evenly between both service providers.

Commercial/Rental Lease

- Submit a copy of current commercial lease with a rent receipt for March 2022;
- The program will pay directly to the landlord on behalf of the business tenant. If the monthly rent is only \$1,000/month, the CAP will cover for 3-months' worth of rent. If the monthly rent exceeds the max amount per applicant, the applicant may opt to use their overall \$10,000 CAP request to afford rent.

Insurance

- Submit a copy of your current business insurance billing statement

Propane Gas

- Submit a receipt or invoice from the vendor of their choice for the CAP to establish propane gas credit in your business' name or an existing business account.

Fuel

- Submit a quote from a gas station of your choice for the CAP to establish fuel credit in your business' name or an existing business account.

Farming Supplies Credit

– Submit an invoice of eligible farming supplies from a vendor of your choice. The list of eligible supplies is authorized by the Department of Agriculture.

Fishing Supplies Credit

– Submit an invoice of eligible fishing supplies from a vendor of your choice. The list of eligible supplies is authorized by the Department of Marine & Wildlife Resources

Special Condition

- Non-essential businesses with outstanding arrears to ASG (e.g., TIP tenants with outstanding lease payments) may use the commercial rental/lease credit to pay for outstanding rent for months within Code Red restrictions.

Flexible Option

- The applicant may request to prorate their options to apply for various credits so long as they do not exceed \$10,000.

Home-based Businesses

- Will be prorated at 25% of the maximum credit for an applicable category they request.

Eligibility Analysis

Programs of this type are specifically authorized by the US Department of Treasury's Interim Final Rule (IFR), which identifies a non-exclusive list of eligible uses (31 CFR 35). The statute and interim final rule outline the eligible uses of the funds so as to support the following:

- 1) To support the public health emergency or its negative economic impacts, including assistance to small businesses.

Under Section II.A the interim rule authorizes the use of payments from the Fiscal Recovery Fund to respond to the negative economic impacts of COVID-19, including assistance to households and small businesses.

Scope of Work

1. DOC is to design the CAP program, establishing guidelines, eligibility criteria, application, and other standard operating procedures.

2. DOC is to ensure that the CAP program objectives are aligned with ARPA State & Local Fiscal Recovery guidelines such that:
 - a. Applicants must demonstrate how they have been negatively impacted by the Public Health Emergency and to what extent;
3. DOC is to develop an agreement whereby the applicant and/or grant recipient agrees to utilize the financial assistance or grant in a manner that is consistent with the purpose of the program, such as payment of operational and overhead expenses
4. DOC will design reporting requirements in accordance with ARPA guidelines and regulations
5. DOC will develop a Community Engagement Plan (See Appendix B)

Implementation Plan & Timeline

ARPA funds are required by federal statute to be encumbered by December 31, 2024 and spent by December 31, 2026. 31 CFR 35.5. This mandate makes the need for a definite timeline for completion of projects of critical importance.

The CAP Program will commence on April 4, 2022 and will continue until such time that the program funds have been depleted, or until after 180 days after the public health emergency closing or limiting operations of non-essential businesses has ended, whichever occurs first.

April 4, 2022: Notice of the DOC Proposed Project will be published online, in local newspapers, and via television or radio broadcasts.

April 11, 2022: Public comment period closes.

April 19, 2022: If no program modifications are required, DOC will begin to accept applications.

April 21, 2022: If program modifications are needed based on public comments received, DOC will make modifications and begin to accept applications.

Proposed Itemized Budget

Budget Category	Item Description	Total
Contractual Service	Cash Assistance up to \$10,000 max per eligible business applicant. Goal to assist over 200 impacted businesses.	1,980,000
Admin (1%)	Program supplies and promotional ads via newspaper, radio, etc.,	20,000
TOTAL		2,000,000

Project Lead

Ms. Petti T. Matila

Director, ASG Department of Commerce

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CASH ASSISTANCE PROGRAM (CAP) APPLICATION

Section 1 APPLICANT INFORMATION

Last, First Name, Middle Initial	
Business Name or "Doing Business As"	
Type of Business/Industry	
Number of Employees	
Business Address (PO Box and Village)	
Email (if any)	
Phone Number (Office and Mobile)	

SECTION 2 - CAP SELECTION REQUEST

Check mark one or more categories that apply to your business needs since the Code Red restrictions. Maximum CAP assistance is \$10,000 per business establishment that was deemed non-essential during the lockdown.

Shipping		\$5,000
Utilities		\$5,000
Commercial Rental/Leased Space		\$3,000
Fuel		\$1,000
Propane Gas		\$1,000
Insurance		\$1,000
Commercial Farmer's Supplies		\$1,000
Commercial Fisherman's Supplies		\$1,000

SECTION 3 - SUPPORTING DOCUMENTS

Attach the following documents with your signed application.

Two Forms of Valid ID
Current Business License
If applying for Shipping – attach shipping invoice(s) or receipt(s) within March-April 2022
If applying for Utilities – attach ASPA, ASTCA, BlueSky billing statements for March 2022
If applying for Commercial Rental/Leased Space – attach copy of Lease Agreement
If applying for Fuel – attach invoice from gas station vendor of your choice
If applying for Propane Gas – attach invoice from Le Afi and/or Origin Energy or a receipt
If applying for Insurance – attach copy of billing statement
If applying for Commercial Farmer's Supplies – attach an invoice from a vendor of your choice of eligible supplies as provided by the Department of Agriculture
If applying for Commercial Fisherman's Supplies – attach an invoice from a vendor of your choice of eligible supplies as provided by the Department of Marine & Wildlife Resources

SECTION 4 - CERTIFIED STATEMENTS

The undersigned acknowledges and understands that the program relies on required information for final decision-making. The undersigned represents and warrants that the information provided in this application is correct and complete and agrees to notify the program immediately in writing of any change in name, address, terms or conditions, or employment or of any material adverse change. The program is authorized to make all inquiries deemed necessary to verify the accuracy of the information contained on this application and to determine credit-worthiness of the undersigned. If the application is approved or disapproved, you will be notified in writing.

Signature (Applicant's First & Last Name)	Date (mm/dd/yyyy)

Appendix B

COMMUNITY ENGAGEMENT

Community engagement is an essential aspect of ARPA funded projects. The intent of the US Treasury in fostering public participation is to maintain transparency and provide opportunities for feedback to ensure that funds are used in the most beneficial manner.

In keeping with the intent of the US Treasury and the American Samoa ARPA Oversight Office, DOC has adopted the following notice and comment timeline for proposed projects:

- A Notice of the DOC Proposed Project will be published online, in local newspapers, and via television or radio broadcasts.
- The Notice will specify that there will be a minimum of seven(7) days for the public to provide comment either in writing or by attendance at scheduled public hearings.
- Concurrent to the publication of the Notice, a draft proposal and scope of work will be published on the ARPA website for the public to review.
- General meetings with the public, local farmers association, local fishing association, nonprofit organization, Chamber of Commerce, Lion Club, Rotary Club, church organization, etc. will be scheduled and publicized within the seven (7) day Notice period and conducted via video conference in light of the COVI-19 public spread. Email comments will also be accepted.
- Presentations to the Legislature will be conducted during the Notice period, as needed.
- At the close of the public comment period, the agency will have 3 days to revise the project as appropriate and submit the Final Draft to the ARPA Oversight Office.
- The Final Draft of the Project will be posted for public review once completed and certified by the ARPA Oversight Office.

It is the responsibility of DOC to publicize notices and adhere to the stated timelines. Upon the final approval of the ARPA Oversight Office, DOC will initiate a general public engagement schedule to inform the community of the final program guidelines.

Engagement Schedule

1. April X, 2022: Initiate Community Engagement Plan
 - a. Notice to be published online, in local newspaper, TV & Radio
 - b. Application requirements and other program details are to be published at this time
2. April X, 2022 & April X, 2022: Virtual General Meeting with Public
3. May X, 2022: Public Comment period closes
4. May X, 2022: DOC to revise the project as appropriate and submits to ARPA Office
5. Ongoing: public awareness campaign