



79 FOR

December 21, 2021

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court and

His Excellency, Governor Christopher T. Sununu
And the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Business and Economic Affairs, Division of Travel and Tourism Development to accept and expend grant funds from the U.S. Department of Commerce, U.S. Economic Development Administration (EDA) American Rescue Plan Programs Travel, Tourism, and Outdoor Recreation grant program (Award #01-79-1561) in the amount of \$7,623,750, effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2023. **100% Federal Funds.**
2. Pursuant to the provision of RSA 124:15, Positions Restricted, and subject to approval of item 1 above, authorize BEA to establish one, full-time temporary Business Specialist position using EDA funds to provide support to the Hospitality/Tourism Industry effective upon Fiscal Committee and Governor and Executive Council approval for the period July 1, 2022 through June 30, 2023. **100% Federal Funds**

Funds are to be budgeted in FY2022 and FY2023 as follows:

03-22-22-221010-NEW XXXX Department of Business and Economic Affairs

Class	Description	FY22 Requested Budget	FY23 Requested Budget	Total Requested Budget
037-500173	TECHNOLOGY-HARDWARE	\$ 0	\$ 2,000	\$ 2,000
038-500175	TECHNOLOGY-SOFTWARE	\$ 0	\$ 750	\$ 750
039-500188	TELECOMMUNICATIONS	\$ 0	\$ 800	\$ 800
040-501587	INDIRECT COSTS	\$ 19,800	\$ 46,633	\$ 66,433
041-500801	AUDIT FUND SET ASIDE	\$ 320	\$ 7,297	\$ 7,617
042-500620	ADDITIONAL FRINGE BENEFITS	\$ 0	\$ 5,500	\$ 5,500
059-500117	TEMP FULL TIME	\$ 0	\$ 61,200	\$ 61,200
060-500612	BENEFITS	\$ 0	\$ 48,500	\$ 48,500
069-500567	PROMOTION – MARKETING EXP	\$ 300,000	\$ 312,800	\$ 612,800
102-500731	CONTRACTS FOR PROGRAM SVCS	\$ 0	\$6,818,150	\$6,818,150
	TOTAL EXPENSES	\$ 320,120	\$7,303,630	\$7,623,750
000-403944	FEDERAL FUNDS	\$ 320,120	\$7,303,630	\$7,623,750
	TOTAL REVENUE	\$ 320,120	\$7,303,630	\$7,623,750

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EXPLANATION

Implemented via the U.S. Department of Commerce, U.S. Economic Development Administration (EDA) American Rescue Plan Programs, New Hampshire was allotted funds to support travel, tourism, and outdoor recreation sectors that were significantly affected by the pandemic. The funds are to support a wide variety of activities to assist the state's critical travel, tourism, and outdoor recreation industries, such as marketing campaigns to promote state and regional assets, workforce training, business technical assistance and infrastructure projects to support growth in these sectors.

The EDA funds will be used on projects that are specifically focused around researched based marketing and promotion, economic development planning, and infrastructure. During FY22, the Division of Travel and Tourism Development (DTTD) will conduct research on potential new drive and fly markets, as well as research to confirm our marketing visuals and tactics are effective in new and current markets. During FY23, DTTD will spend the year collecting images and video assets in every season and region covering a variety of activities and locations. To better support the New Hampshire Hospitality/Tourism Industry the division will create more direct mechanisms of support, including a Business Specialist dedicated to supporting the Hospitality/Tourism Industry, creation of online resource center, and exploring the opportunity within the meetings and convention markets. The Office of Recreation Industry Development (ORID) will focus on projects that will support a region, city/town, or destination around specific outdoor recreational activities.

The total grant amount awarded to BEA is \$8,360,978.00, to run over a period of just over five years (ending on May 31, 2027).

Funds are budgeted as follows:

- Class 037 – Technology - Hardware – computer equipment for temporary staff member
- Class 038 – Technology – Software – computer software for temporary staff member
- Class 039 – Telecommunications – phone service for temporary staff member
- Class 040 – Indirect Costs – payment for indirect costs estimated at FY23 indirect cost rate
- Class 041 – Audit Fund Set-Aside – payment of audit fee set aside associated with federal funding to comply with RSA 124:16 that requires all agencies which receive federal funds to set aside a percentage (0.1%) of the federal revenue amount received to pay for financial and compliance audits.
- Class 042 – Additional Fringe Benefits – post retirement expenses for temporary staff member
- Class 069 – Promotional and Marketing – expand on current research and support programs
- Class 102 – Contracts for Program Services – several contracts will be necessary for asset capture, creative asset development, online asset management system, assessment and program development of statewide programs, like a Convention and Visitors Bureau and the outdoor recreation program.

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The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

- 1) *List of Personnel involved:*
One full-time temporary Industrial Agent At Large I, LG 25. Position # 9TXXXX
- 2) *Nature, need and duration:*
The period of performance runs until May 31, 2027, the life of the grant.
- 3) *Relationship to existing agency programs:*
The department has three other Industrial Agent At Large I. This position will be solely responsible for assisting and supporting businesses within the hospitality/tourism sector.
- 4) *Has similar program been requested of the Legislature and denied?* No
- 5) *Why wasn't funding included in the agency's budget request?*

These funds were only recently awarded on November 8, 2021. It was not known that these funds would be available at the time the agency established its FY22/FY23 biennial budget.

- 6) *Can portions of the grant funds be utilized for other purposes?*
These funds can only be used for the purpose of the grant award.
- 7) *Estimate the funds required to continue these positions:*

Position	FY24	FY25
Industrial Agent At Large I	\$109,700	\$113,100
- 8) *Geographic Area Served:*
Statewide
- 9) *Sources of Funds:*
United States Department of Commerce's Economic Development Administration

In the event that Federal Funds are no longer available, General Funds will not be requested to continue the support of this program.

Respectfully Submitted,



Taylor Caswell
Commissioner

Fiscal Situation

Total Award	\$	8,360,978
Amount Budgeted This Period	\$	<u>7,623,750</u>
Remaining Amount to Budget in FY24 - FY25	\$	737,228

GRANT COOPERATIVE AGREEMENT

FINANCIAL ASSISTANCE AWARD

FEDERAL AWARD ID NUMBER
01-79-15161 / URI:118143

RECIPIENT NAME
Business and Economic Affairs, New Hampshire Department of

PERIOD OF PERFORMANCE
48 Months From Date of Award

STREET ADDRESS
100 North Main Street, Suite 100

FEDERAL SHARE OF COST
\$8,360,978.00

CITY, STATE, ZIP CODE
Concord, NH, 03301

RECIPIENT SHARE OF COST
\$ 0

AUTHORITY
Section 209 of the Public Works and Econ Development Act (42 USC 3149)

TOTAL ESTIMATED COST
\$8,360,978.00

CFDA NO. AND NAME
11.307 Economic Adjustment Assistance

PROJECT TITLE
ARP Act State Tourism Grant Program

This Award Document (Form CD-450) signed by the Grants Officer constitutes an obligation of Federal funding. By signing this Form CD-450, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, the Form CD-450 must be signed by an authorized representative of the Recipient and returned to the Grants Officer. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Award offer and de-obligate the funds.

- DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS
- R & D AWARD
- FEDERAL-WIDE RESEARCH TERMS AND CONDITIONS, AS ADOPTED BY THE DEPT. OF COMMERCE
- SPECIFIC AWARD CONDITIONS
- LINE ITEM BUDGET
- 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS, AS ADOPTED PURSUANT TO 2 CFR § 1327.101
- 48 CFR PART 31, CONTRACT COST PRINCIPLES AND PROCEDURES
- MULTI-YEAR AWARD. PLEASE SEE THE MULTI-YEAR SPECIFIC AWARD CONDITION.
- OTHER(S): OIG Fraud Awareness Training

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER

Linda Cruz-Carnall

Linda A. Cruz-Carnall

Digitally signed by Linda A. Cruz-Carnall
Date: 2021.11.08 22:54:31 -0500

DATE

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

Taylor Caswell, Commissioner

DATE