Memorandum

Date: June 18, 2020
Re: COVID Relief to Local Governments

As we have discussed, there is a complex process for the evaluation and distribution of requested federal pandemic funding that began last week with the Governor’s task force and continues into this week. For the remainder of calendar year 2020, the federal funding approval process will repeat this procedure. The task force will make recommendations, the State Finance Council (SFC) will approve, and Legislative Coordinating Council will review. The Governor’s veto of the legislature’s aggressive COVID management bill, and the compromise agreement from the special session resulted in this process. Now that the SPARK Task Force has worked through their first round of funds for local governments, they are focused now on leveraging public-private partnerships and distributing funding for projects, including for healthcare needs. There will likely be a grant process to receive these second-round funds, and we will update you as we learn more about this.

Per the SPARK (Strengthening People and Revitalizing Kansas) Task Force recommendation, the SFC, comprised of legislative leadership and chaired by the Governor, approved $400 million to local governments for COVID-19 relief. Excepting Johnson and Sedgwick counties, who received direct funding from the federal government, the remaining 103 Kansas counties will receive $350 million, to be distributed on a per capita basis. This amounts to $194 per person to align with funding received by Johnson and Sedgwick counties. Additionally, a $50 million impact fund, available to all 105 counties, is available to aid counties that need it most, based on both number of cases as well as unemployment rate. Attached is a spreadsheet detailing amount of funding per county, including impact fund distribution per county. The Legislative Budget Committee will also oversee state fund expenditures and review and recommend regarding federal funds.

Counties should expect to receive draft resolutions this week from the SPARK committee. Counties will then have until July to submit the resolutions to SPARK whereupon counties will then receive their funding. The resolution will strongly encourage counties to share the funds with other taxing entities, and the expectation is that the counties will share this money with cities and school districts.

The SFC also approved the following:

- $26 million in GEER funds (Governor’s Emergency Education Relief) for the Kansas Board of Regents.
- Funds awarded directly to state agencies for coronavirus relief. (For example, the Kansas Department of Labor has received funds to help with their unemployment system).
- Coronavirus Relief Fund reimbursements for state agencies amounting to $16.7 million. The bulk of that amount is for the Adjutant General’s office for things like PPE, testing kits, etc.
- The SPARK Task Force’s fiscal year 2020 budget.
The Legislative Budget Committee this week also approved roughly $25 million of the state’s $50 million COVID relief SGF funds, including $11.6 million for DCF; $6.8 million for the Kansas Bureau of Investigation; $5.5 million for the Department of Commerce; as well as funds for Veterans Affairs and the Kansas State Fair. These recommendations will now be forwarded to the Legislative Coordinating Council (LCC), made up of House and Senate leadership. Their next meeting is this afternoon. The committee did not recommend a KDHE request that came from the Kansas Association of Local Health Departments for additional staff in areas where it is most needed. The committee is recommending to the LCC that counties should be responsible for administering funds to local health departments that request funding.

The SPARK Steering Committee meets again Monday, June 22nd, to continue discussions about Phases II and III funding for public and private partnerships focusing on healthcare, education, economic development, and infrastructure. Once they make recommendations for these phases, the SFC will meet again to approve their recommendations. The SFC stated yesterday they will meet again before July 1st.

The process is not simple and clear, but state and federal funds are beginning to be distributed. Everyone is encouraged to keep in close touch with your county leadership and local health department.