
Strengthening People and Revitalizing Kansas (SPARK)

PROGRESS TO DATE





SPARK PROCESS OVERVIEW

SPARK **EXECUTIVE** COMMITTEE MEMBERS & STRUCTURE

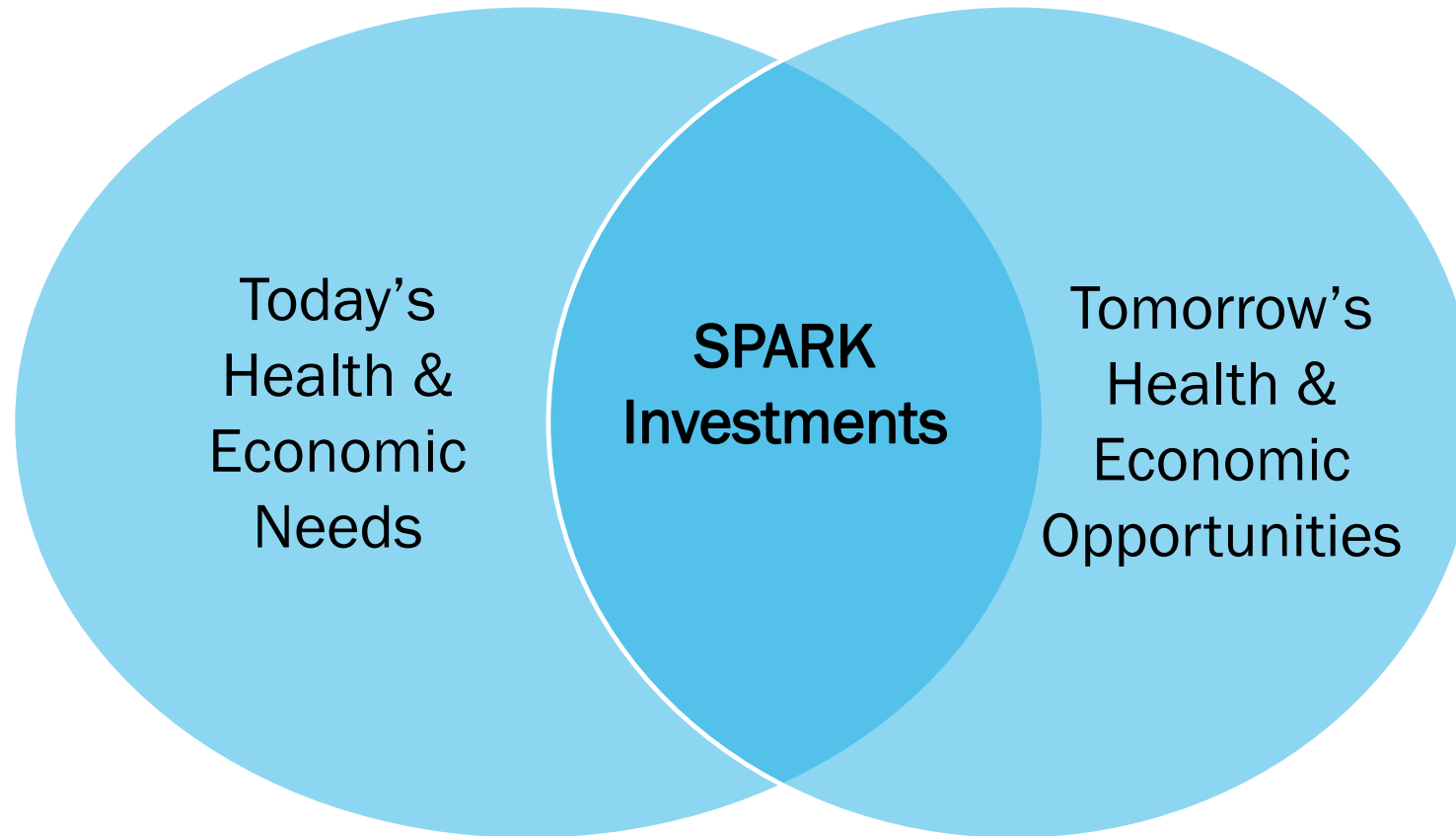
NAME	TITLE & ORGANIZATION	LOCATION
Tom Bell	President and CEO, Kansas Hospital Association	Topeka
Lyle Butler	President & CEO, Manhattan Area Chamber of Commerce (retired)	Manhattan
Senator Jim Denning	Vice President, Discover Vision Centers	Overland Park
Jill Docking	Senior Vice President, The Docking Group – Baird Financial	Wichita
Alise Martiny	Business Manager, Greater KC Building and Trades Council	Shawnee

SPARK **STEERING** COMMITTEE MEMBERS & STRUCTURE

NAME	TITLE & ORGANIZATION	LOCATION
Tom Gentile	CEO Spirit AeroSystems	Wichita
Natalie Haag	Attorney, Capitol Federal Savings	Topeka
David Harwood	Senior VP, Terracon Consultants & Chair, KANSASWorks State Board	Olathe
Senator Tom Hawk	Ranking Minority Member, Senate Ways and Means Committee	Manhattan
Representative Dan Hawkins	House Majority Leader	Wichita
Edward Honesty, Jr	President & Chief Operating Officer, Best Harvest Bakeries	Kansas City
Chuck Mageral	Proprietor, Free State Brewing Company	Lawrence
David McCarty	Owner, McCarty Family Farms	Colby
Senator Carolyn McGinn	Chair, Senate Ways and Means Committee	Sedgwick
Shelia Nelson-Stout	President and CEO, OCCK, Inc	Salina
Neelima Parasker	President & CEO, SnapIT Solutions	Overland Park
Jim Robinson	Partner, Hite Fanning & Honeyman	Wichita
Secretary David Toland	Department of Commerce	Topeka
Representative Troy Waymaster	Chair, House Appropriations Committee	Bunker Hill
Representative Kathy Wolfe-Moore	Ranking Minority Member, House Appropriations Committee	Kansas City

MISSION:

TO SERVE OUR IMMEDIATE HEALTH AND ECONOMIC NEEDS & LEVERAGE THESE INVESTMENTS TO CREATE A BETTER, STRONGER FUTURE



CORONAVIRUS RELIEF FUND – KANSAS ALLOCATION

	Allocation Amounts	Status
Johnson County	\$116,311,034	Received directly from Fed.
Sedgwick County	\$99,636,917	Received directly from Fed.
State	\$1,034,052,049	State's discretion to spend/distribute
Total	\$1,250,000,000	

*SPARK to make recommendations for State's portion

PURPOSE & RESTRICTIONS OF CORONAVIRUS RELIEF FUND

- To address medical or **public health needs** related to the emergency & provide **economic support** to those suffering from employment or business interruptions due to COVID-19.
- Payments can only be used for costs:
 - Necessary public health (COVID-19) emergency expenses
 - Not accounted for in the budget approved as March 27,2020
 - Incurred from **March 1 to December 30, 2020**



WE NEED TO MOVE QUICKLY - KANSANS ARE HURTING

- 240 have died from COVID-19
- 954 have been hospitalized
- 200,000+ have filed for unemployment

PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



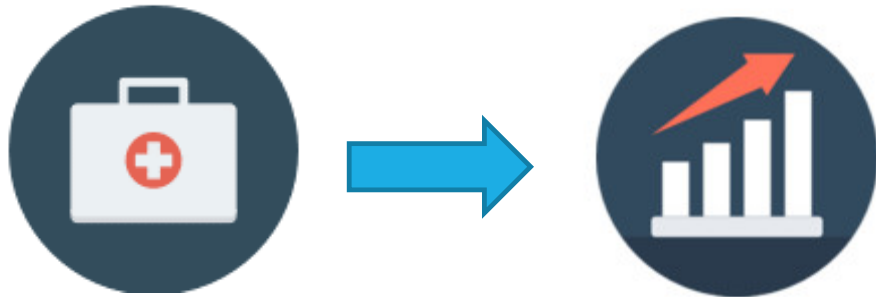
1st ROUND

- **Strengthen health** to allow our economy to reopen safely **AND to**
- **Remain open**
 - Testing, tracing, PPE could be critical to staying open

Goals:

- **Fair**
- **Impactful**
- **Timely**

PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



2nd ROUND

- Strategic investments to **revitalize our economy** in the short & long-term
- Significant input from Executive and Steering Committee provided here




PHASED APPROACH TO IMPROVE HEALTH & ECONOMIC OUTCOMES



3rd ROUND

- Reinvest to sustain our health and economy recoveries if COVID-19 reemerges or build on 2nd round investments.

PROCESS OVERVIEW

	1 st ROUND:	2 nd ROUND:	3 rd ROUND:
DISTRIBUTED:	 June	 August	 October
ELIGIBLE:	Local Govts.	Public/Private entitles	Public/Private entitles
AMOUNT:	\$400 M	\$310 M to \$525 M	\$109 M to \$324 M
% of TOTAL:	39%	30% to 50%	11% to 31%

* Legislation restricts Local Governments to only receiving 45% of funding

A landscape photograph featuring rolling green hills under a blue sky with scattered white clouds. In the foreground, there is a barbed wire fence with a prominent stone post. The ground is covered in tall green grass and some yellow wildflowers. The text "1ST ROUND DISTRIBUTION RECOMMENDATION" is overlaid in white, bold, sans-serif font across the middle of the image, with a thin white horizontal line underneath it.

1ST ROUND DISTRIBUTION RECOMMENDATION

FAIR: ALL KANSANS DESERVE A SHARE OF FUNDS

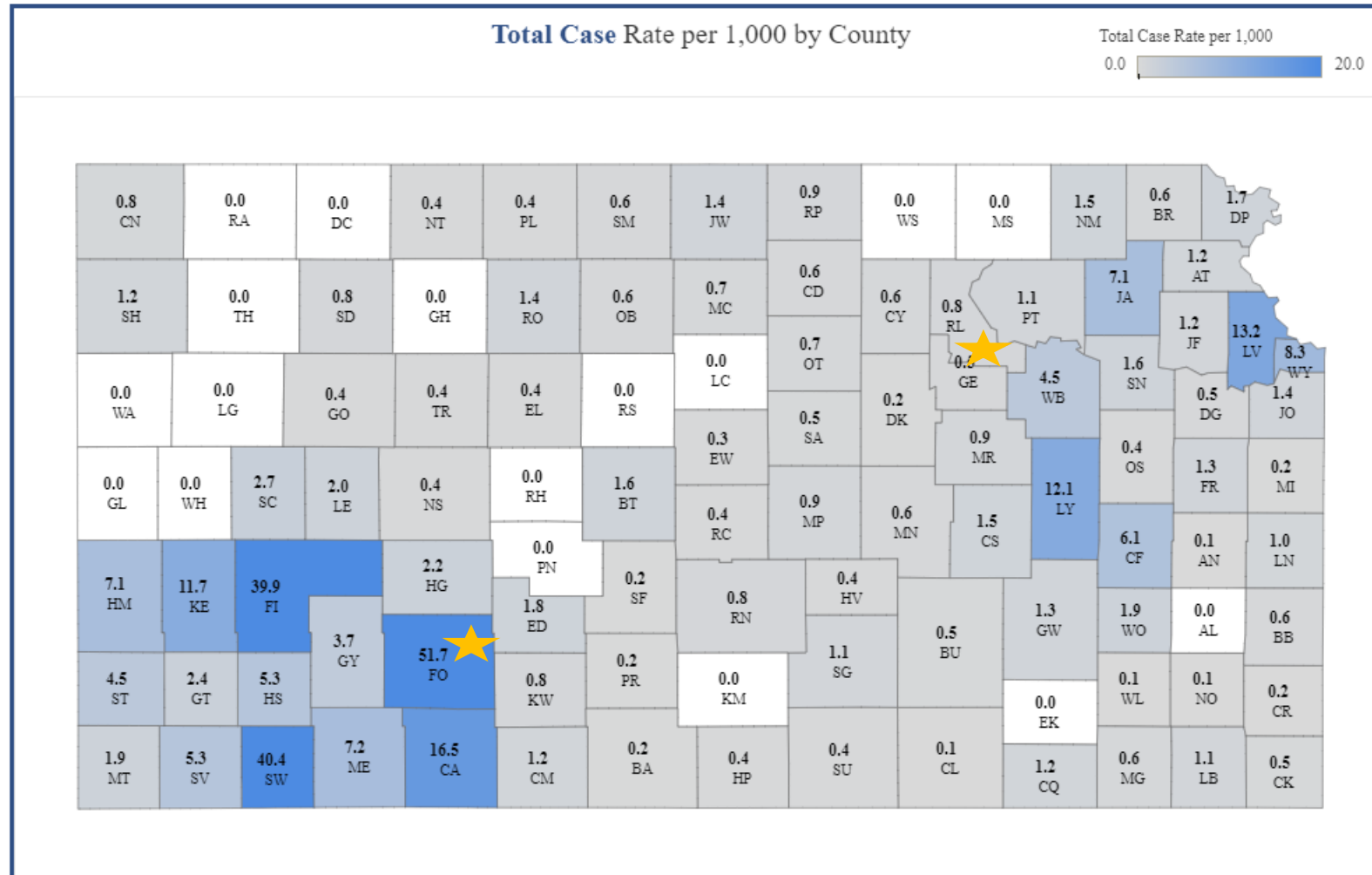
Johnson & Sedgwick
counties received about

\$194
per person

To give all remaining counties \$194
per person would equal about

\$350 M
total statewide

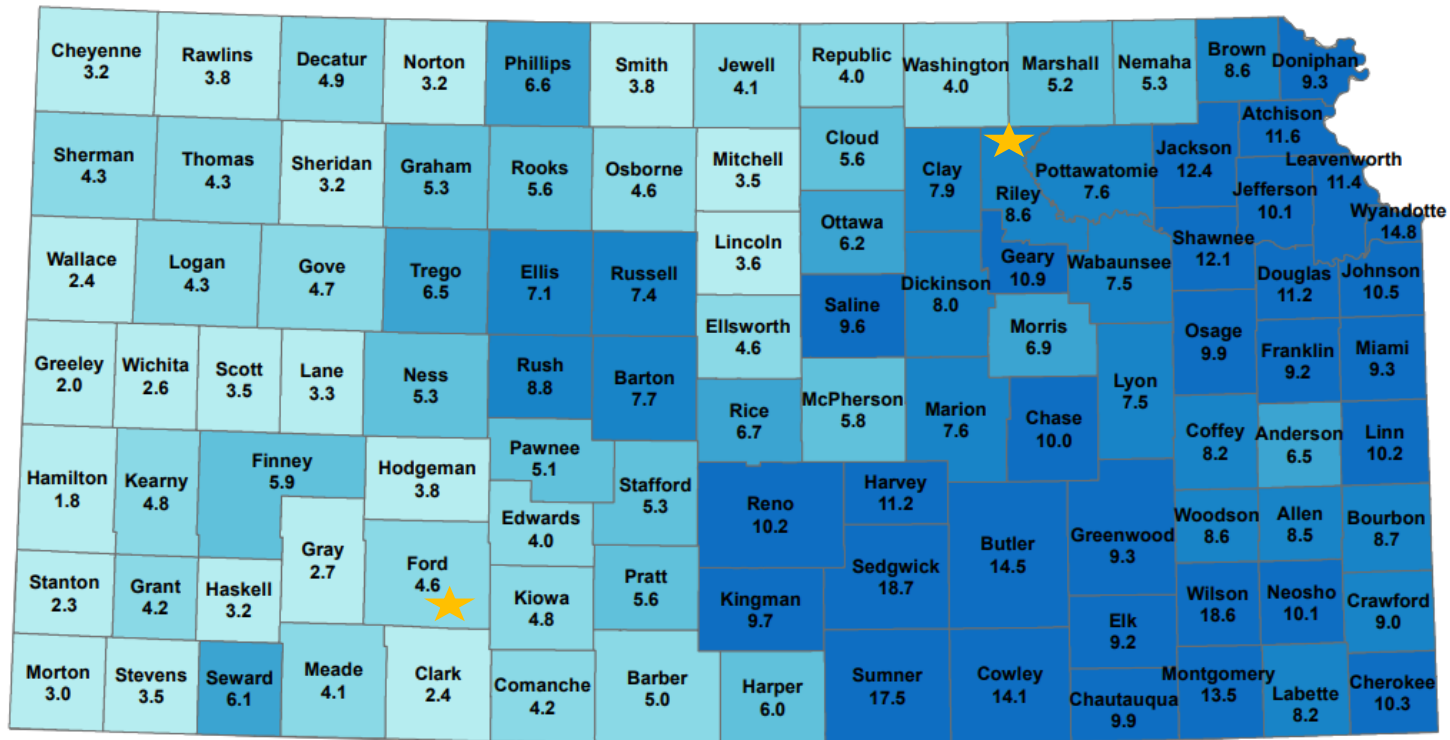
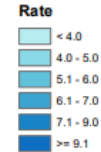
IMPACTFUL: BUT THE NEEDS ARE NOT EQUALLY DISTRIBUTED BY POPULATION CONSIDER COVID-19 RATES



*As of June 1, 2020

IMPACTFUL: UNEMPLOYMENT RATES SHOULD BE CONSIDERED TOO

APRIL 2020
UNEMPLOYMENT RATES



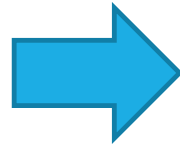
Note: County unemployment rates are only available not seasonally adjusted
Source: Kansas Department of Labor, Labor Market Information Services and the Bureau of Labor Statistics; Local Area Unemployment Statistics (LAUS)

Created: May 2020

Source: May 22, 2020 Labor Report

1ST ROUND FORMULA OVERVIEW

\$350 M
FAIR

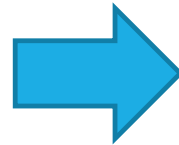


- All counties receive their portions of funds based on population.



\$194 per person in each county

\$50 M
IMPACT FUND



- All counties evaluated.
- Shares determined by COVID & unemployment rates
- Counties with higher than average rates receive more funds



Amounts vary per county

Avg. COVID-19 rate -	3.3
Avg. Unemployment rate -	11%

TYPES OF EXPENDITURES FOR 1ST ROUND & DISTRIBUTION OPTIONS

- Reimbursements for COVID-19 expenses
- Direct aid without requiring reimbursement
- COVID-19 expenses could include:
 - PPE
 - Testing supplies
 - Contact tracers
 - Quarantine resources
 - Payroll for employees dedicated to the COVID-19 response
 - Medical expenses
 - Public health costs



“Reimbursement doesn’t make sense if cities don’t have the money to pay for their needs in the first place.”

1ST ROUND DISTRIBUTION RECOMMENDATION

50-50 split per County

- 50% made available for **reimbursement**; funds not used returned to a general pot
- 50% goes to **direct aid**, no reimbursement required

Benefits of this approach:

- Provides counties some flexibility with both direct aid & reimbursements
- It makes recouping funds easier if counties are unable to use all their funds in time. AND we can redistribute them to ensure Kansas doesn't lose any funds.



COUNTIES WILL BE ENCOURAGED TO SHARE THEIR FUNDS WITH:

- Cities
- School districts
- Local businesses

ANY QUESTIONS?

Funding Formula

- \$350 M based on population
- \$50 M bonus pool based on COVID-19 and unemployment rates

Distribution Type

- 50% - Reimbursement
- 50% - Direct aid

Schedule

- June 19 - Notify
- July 10 - Resolutions
- July 13 - Distribute
- Sept. 15 - Plans due
- Oct. 1 - Redistribute
- Dec. 30 - Deadline



2ND ROUND OVERVIEW

PROCESS OVERVIEW

1st ROUND:



June

DISTRIBUTED:

ELIGIBLE:

AMOUNT:

% of TOTAL:

Local Govts.

\$400 M

39%

2nd ROUND



August

Public/Private entitles

\$310 M to \$525 M

30% to 50%

3rd ROUND:



October

Public/Private entitles

\$109 M to \$324 M

11% to 31%

2ND ROUND INVESTMENT CHALLENGES – **EVOLVING PROCESS**

Allowable expenses according to

April 22 guidance:

- Establishing and operating public **telemedicine** capabilities
- Technological improvements to facilitate **distance learning**
- Improving **telework** capabilities

May 28 clarification:

- Rural broadband expansion can only occur if it is necessary for the **public health emergency**

Bills have been proposed in the House & Senate calling for more flexibility with how the funds can be spent.