

SPARK Taskforce Round 3 Recommendations Overview

Pending SPARK & SFC Approval

SYNOPSIS: Seeking SPARK Executive Committee and State Finance Council approval for **\$290 million of the Coronavirus Relief Fund (CRF)** to be invested in three programs: 1. Public Health, 2. Essential Needs & Services, 3. Business Resiliency & Workforce Support. Recognizing the continuously evolving needs Kansas continues to face in its health and economic response to the pandemic, the round 3 recommendations include dynamic approach that offers the flexibility to increase funds where they are most needed and avoids over committing funds now in case needs shift considerably later this year. It achieves this by creating a reserve fund for each program. See breakdown of investments for each program below.

\$105 million for **Public Health**
\$120 million for **Essential Needs & Services**
\$65 million for **Business Resiliency & Workforce Support**
\$290 million total from Coronavirus Relief Fund (CRF)

PUBLIC HEALTH	
\$52,000,000	COVID-19 Testing. A minimum of \$50 million must be invested in COVID-19 testing. Testing proposals will be sought and selection criteria will be informed by SPARK. Potential applicants could include private labs, universities and public agencies. NOTE: This also includes the \$2 million for the VA and Dept. of Corrections for testing.
\$10,000,000	KDEM/FEMA Match
\$10,000,000	PPE for Adult Homes (HB 2016)
\$33,000,000	Reserve Fund. These dollars can be used to increase COVID-19 testing, PPE or other previously approved round 2 priorities.
\$105,000,000	Total for Public Health

ESSENTIAL NEEDS & SERVICES	
\$35,000,000	Housing Stability. A minimum of \$35 million must be invested in housing stability, which will include rental assistance, landlord support, and utilities assistance. The program will be administered by the Kansas Housing Resources Corp.
\$30,000,000	Continuity of Operations (COOP) – For State executive, legislative and judicial agencies to ensure provision of essential services and continuity of essential operations.
\$30,000,000	Dept. of Labor UI Stability & Support – For IT upgrades, increased staffing to deliver the Pandemic Unemployment Assistance program and enhanced fraud identification and mitigation efforts.
\$25,000,000	Reserve Fund. These dollars can be used to increase investments in Housing Stability, COOP, or other previously approved round 2 priorities.
\$120,000,000	Total for Essential Needs

BUSINESS RESILIENCY & WORKFORCE SUPPORT	
\$40,000,000	Kansas Children’s Cabinet Trust Fund to provide remote learning centers for school-age children. A minimum of \$40 million must be invested in child supervision/ remote learning for working parents.
\$5,000,000	Dept. of Commerce for HIRE Fund.
\$20,000,000	Reserve Fund. These dollars can be used to increase investments in remote learning centers for school-age children or other previously approved round 2 priorities.
\$65,000,000	Total for Business Resiliency

Reserve Fund Distribution Process

What can reserve funds be spent on?

These funds can be spent to increase the investment of the approved expenses in each program for round 3. If demand does not warrant increases in the round 3 investment areas, applicable priority areas previously approved in round 2 by SPARK and State Finance Council will be considered for additional funding. Below is the prioritization of how the reserve fund will be utilized for each program.

Reserve Fund Breakdown by Program	
\$33 M	Public Health
\$25 M	Essential Needs & Services
\$20 M	Business Resiliency & Workforce Support
\$78 M	TOTAL in Reserve Funds

Public Health
Top Priorities for Reserve Fund
COVID-19 Testing PPE for Adult Homes KDEM/FEMA Match
Example Additional Priorities from Round 2 to Consider
Mental Health Grants (KDADS) Nursing Facility Assistance (KDADS) Supplemental funding for Local Health Depts. (KDHE)

Essential Needs & Services
Top Priorities for Reserve Fund
Housing Stability Continuity of Operations
Example Additional Priorities from Round 2 to Consider
State Agency Reimbursements for COVID-19 expenses

Business Resiliency & Workforce Support
Top Priorities for Reserve Fund
Remote learning centers for school-age children HIRE Fund
Example Additional Priorities from Round 2 to Consider
Small Business grants Connectivity

Note: Reserve Funds can only be transferred from one previously approved program to another approved program.

Accountability Timeline:

Recovery Office begins process for distributing round 3 funds

All Round 3 applications available

Ongoing distribution of Round 3 funds based on priorities. Updates to SPARK

CRF Deadline

