

State of Kansas

Recovery Plan

State and Local Fiscal Recovery Funds

2021 Report

Note: The Recovery Plan Performance Report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this template includes the minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan that they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote an equitable economic recovery.

Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it meets the reporting requirements, and recipients are encouraged to tailor this template to best meet their needs. Use of infographics, tables, charts, pictures, case studies, and other explanatory elements are encouraged.

State of Kansas
2021 Recovery Plan

Table of Contents

General Overview..... 3

- Executive Summary 3
- Uses of Funds 3
- Promoting Equitable Outcomes..... 4
- Community Engagement..... 5
- Labor Practices 5
- Use of Evidence 5
- Table of Expenses by Expenditure Category 6

Project Inventory..... 8

- Example Project 9
- Additional Projects..... 9

Ineligible Activities: Tax Offset Provision 10

GENERAL OVERVIEW

Executive Summary

Kansans have displayed a remarkable level of resilience amid overwhelming challenges since the emergence of the COVID-19 pandemic and its negative economic impacts in early 2020. To support a strong and equitable recovery, Governor Laura Kelly signed SB 159 and convened the Strengthening People and Revitalizing Kansas (SPARK) Executive Committee – which includes Democrats, Republicans, and Independents as well as members of the public sector and private sector – to direct investments from the American Rescue Plan Act (ARPA)'s State Fiscal Recovery Fund (SFRF).

Through conversations with business, government, and community leaders, SPARK has discussed potential areas of investment for these funds, including economic revitalization, essential needs, health & education, childcare and early child development, behavioral health, connectivity, and government efficiency and modernization.

Investments in these areas would support the well-being of Kansans and ensure that the state is prepared for the challenges and opportunities of a post-COVID economy.

Kansas continues to be committed to the thoughtful and effective use of taxpayer funds. The state is employing an inclusive, fair, and bipartisan process that considers the full landscape of available funds, the robustness and creation of evidence for proposed investments, and input from engagement with local communities.

Accordingly, while Kansas has responded holistically to the COVID-19 pandemic and its economic impacts – through emergency programs, targeted relief for families and small businesses, and more made possible by the State General Fund and other federal relief programs – the state has deployed SFRF in support of its COVID-19 response only once as of July 31, 2021 to contribute to its unemployment insurance trust fund with a transfer of \$250M.

Uses of Funds

Kansas will use these funds in support of a strong, equitable, and inclusive recovery that meets the needs of Kansans and our communities. To maximize their programmatic impact, the distribution of and expenditure of these funds will be guided by six primary principles identified by SPARK. Kansas will seek to:

- Prioritize sustainable programs and investments through one-time use of funds vs substantial expansion of existing services
- Combine with and leverage local and agency funds to maximize use of discretionary funds
- Foster long-term systemic impact for Kansans
- Consider equitable opportunities and outcomes
- Enable flexibility within investment strategies
- Ensure results are measurable to enable tracking and transparency

Intended uses of funds

As of July 31, 2021, the SPARK Executive Committee has met twice and has started to identify potential areas of investment for the state's ARPA discretionary funds based on early needs assessments and preliminary input from business, government, and community leaders. These potential areas of investment, pending legislative approval, include:

- Economic Revitalization
- Essential Needs
- Health and education
- Childcare and early child development
- Behavioral Health
- Connectivity
- Government efficiency and modernization

To date, Kansas has used previously identified sources of funding, totaling nearly \$28B and including other federal relief bill funding, to make key investments in education and public health.ⁱ These prior investments were directed mainly toward economic recovery and essential needs through direct assistance to Kansans with programs like the Paycheck Protection Program and expanded unemployment insurance eligibility providing Kansas small businesses and families with critical support during this crisis.

Accordingly, Kansas will likely use its SFRF funds to address current gaps and meet key needs across the six remaining priority areas in support of an equitable, inclusive, and long-term recovery strategy as the state emerges from the COVID-19 pandemic.

Actual uses of funds

As of July 31, 2021, Kansas has used its SFRF funds only once. On July 15, 2021 and consistent with Kansas HB 2196, Kansas transferred \$250M to its Unemployment Insurance Trust Fund (Expenditure Category 2.8).

Equitable support for communities in Kansas

Kansas is committed to equitable use of these funds to meet the dissimilar needs of communities in the state. Given the disparate impacts of the COVID-19 pandemic of different communities, the state will closely evaluate unmet needs and appropriately tailor its responses to meet the needs within each expenditure category.

Given the state's commitment to equitable use of these funds, Kansas plans to support communities equitably across its investments to meet needs in public health, the negative economic impacts of the pandemic, the provision of services to disproportionately impacted communities, premium pay for essential workers, and infrastructure (water, sewer, and broadband).

Kansas does not anticipate using SFRF funds for revenue replacement.

Promoting equitable outcomes

The SPARK Executive Committee, responsible for approving ARPA SFRF funding requests, is committed to strategically deploying funding to promote equity and improve outcomes for historically underserved and marginalized Kansans. An equity lens underpins the evaluation and consideration of funding proposals, with a specific focus on addressing barriers to and closing the gap in economic participation, education, and health care for people of color, low-wage workers, and rural residents across the state.

Specifically, the State of Kansas is committed to pursuing an equity-focused process for considering funding proposals and designing programs that close the gap in outcomes for marginalized communities. Historically underserved communities—in many cases, the communities also hardest hit by the COVID-19 pandemic—will be engaged throughout the process to understand which investments will have the greatest impact. The channels through which input is being invited are outlined in the Community Engagement Plan.

To ensure programmatic investments incorporate a strong equity focus, the SPARK Executive Committee is expecting proposals to outline how each project will advance equity goals in the state. For example, the Executive Committee may want to consider prioritizing proposals that:

- Invest in frontline, COVID-impacted communities
- Prevent displacement
- Strengthen civic infrastructure
- Connect unemployed and low-wage workers with good jobs

The distribution of SFRF funding also aligns with the work of the Governor’s Commission on Racial Equity and Justice, which has recommended the allocation of federal funds using a broad interpretation of “health” that includes social determinants of health and considers health equity. Given the disparate health and economic impacts of the COVID-19 pandemic, particularly on people of color and low-income Kansans, addressing social determinants of health will be a key goal of long-term recovery efforts and SFRF allocations.

To ensure equitable access and distribution of funds, the State of Kansas is committed to minimizing the administrative burden for communities and individuals accessing funding and assistance. Application procedures will be as simplified and accessible as possible, with resources translated into multiple languages to ensure access for non-English speaking communities.

Community Engagement

The State of Kansas knows that making smart investments involves incorporating the best ideas from all Kansans. Strengthening resources for community support will be key to aiding Kansans in the long term. The process for approving and allocating SFRF funds provides numerous opportunities for community leaders, businesses, and Kansans from across the state to engage. Kansans can participate by:

- Learning about Kansas’s COVID-19 response programs and investments, available through the [Office of Recovery website](#)
- Submitting their investment proposals and funding ideas to SPARK

- Attending training and information sessions about federal funding guidelines
- Listening in to publicly available meetings on SFRF funding
- Participating in public town-hall style meetings
- Submitting a community success story [here](#)
- Submitting questions or feedback to the Office of Recovery [here](#)

This inclusive, fair, and bipartisan process will be critical to making sure that the funds provided by ARPA are fully used to benefit diverse communities while safeguarding against wasteful or duplicative spending. The State of Kansas strives to facilitate a collaborative process which honors the diversity of different communities and brings together local and community leaders, tribal governments, businesses, non-profits and all other Kansans. It is imperative to ensure that all Kansans have the opportunities and channels to suggest funding priorities to their local governments through direct engagement.

Labor Practices

No infrastructure projects are being pursued as of the reporting deadline. Although the *Davis-Bacon Act of 1931* does not apply to this funding, Kansas is committed to providing livable wages for any infrastructure project as relevant.

Use of Evidence

Kansas is committed to responsible use of taxpayer funds and is taking numerous steps to ensure these funds are deployed effectively. These steps support development of a portfolio of investments that either use or create a rigorous body of evidence about what works.

Kansas expects that a large share of its investments will be made in a manner consistent with research on evidence-based interventions within investment areas with a base of strong causal evidence. Kansas has identified a number of resources to support its use of evidence-based interventions including but not limited to:

- Official data and research clearinghouses (for example, the US Department of Education’s *What Works* or the Department of Labor’s *CLEAR* clearinghouses)
- Public research institutions (for example, the University of Kansas’s *Center for Science, Technology, and Economic Policy*)
- Private research institutions (for example, the *Latif Jameel Poverty Action Lab* or *Upjohn Institute for Employment Research*)

The COVID-19 pandemic required all Kansans to be innovative like never before. In situations where available evidence is limited, Kansas may employ innovative new programs to meet the challenges of the post-COVID economy and environment. When such programs are pursued, Kansas will be systematic in its creation, collection, and comparison of evidence from these programs consistent with the federal *Foundations for Evidence-based Policymaking Act of 2018*. Through regular foundational fact-finding, performance measurement, policy analysis, and

program evaluation, Kansas will build a rigorous body of evidence that informs what is effective in the context of our state.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*	\$250,000,000	\$250,000,000

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services		
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)	\$81,328,943.45	\$81,328,943.45

Project Inventory

UI Trust Fund Contribution

Project [Identification Number]: UI Trust Fund Contribution

Funding amount: \$250,000,000

Project Expenditure Category: 2.8 - Contributions to UI Trust Funds

Project overview:

- Kansas HB 2196 authorized immediate use of \$250M of ARPA SFRF funding to replenish the State’s Unemployment Insurance Trust Fund.
- The bill was signed by Governor Laura Kelly on April 26, 2021 and became law on May 13, 2021, requiring \$250M be transferred to the UI Trust Fund by July 15, 2021.
- Between the beginning of the pandemic and May 2021, the State’s UI Trust Fund paid out roughly \$570M to claimants. The SFRF allocation was used to replenish the Trust Fund to nearly pre-pandemic levels.

Use of Evidence

N/A: This expenditure category does not require use of evidence.

Additional Projects

N/A: Kansas does not have additional projects funded by SFRF on which to report as of July 31, 2021.

Performance Report

N/A

Ineligible Activities: Tax Offset Provision (States and territories only)

Item	Amount
a. Revenue-reducing Covered Changes	\$ 0

ⁱ Other federal relief bills include the Coronavirus Preparedness and Response Act; the Families First Coronavirus Response Act; the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); and the Consolidated Appropriations Act