

CARES ACT FUNDING

OPPORTUNITIES FOR ECONOMIC RECOVERY

Below is a list of ideas for uses of the Coronavirus Relief Fund (CRF) or CARES Act direct allocation to state and local governments.

1. Healthcare costs

First and foremost, funding should be used to assist with healthcare costs such as testing, tracing, and personal protective equipment.

2. Broadband accessibility and affordability programs to facilitate distance learning and telehealth

- Funding could be used to assist with student device programs, hot spots, and other connectivity programs capable of increasing capacity.
- Local governments could consider a telehealth program for rural hospitals, medical centers, and clinics to provide hotspots to clients who demonstrate a financial need or limited connectivity.

3. Locally-targeted training programs for unemployed or furloughed workers

- Local governments could provide access to training programs in priority industries and occupation fields.
- These programs should seek alignment with the Governor's Show Me Strong Recovery Plan.

4. Fund county or city-level economic recovery planning, aligned with the Governor's Show Me Strong Recovery Plan

- This should ensure that local agencies and organizations are aligned to identify the biggest local challenges and opportunities, match needs with resources, and provide a unified voice to state and federal economic recovery efforts.
- Local governments could consider additional staffing, IT infrastructure, or other needs in order to better address local economic needs.

5. Potential financial assistance for local hospitals

- Hospitals are major employers for many areas of the state, in addition to their vital role for community health. CRF funds should be considered to help avoid layoffs or furloughs and maintain provision of critical health services in communities that need them.
- This recommendation should only be considered for gaps not already filled by CARES Act.

6. Establish or strengthen financial assistance programs for local businesses that haven't received the help they need from other CARES Act resources

- For example, some counties have established a recovery assistance program for local small businesses based on need, industry, and financial capacity to continue operations in the future.
- Local governments should consider working with a Regional Planning Commission, Council of Government, or other regional partner to optimize administration.
- Local governments should consider targeting the hardest-hit industries in their local economy based on available data and local input.

Important Notes for Local Governments

1. Be mindful of the statutory requirements:
 - Expenses must be reasonably necessary in the reasonable judgment of the government officials responsible for spending the funds.
 - Generally, funds can't be used to replace budget items approved prior to March 27, 2020.
 - Expenses must be incurred between March 1, 2020 and December 30, 2020.
2. The U.S. Department of the Treasury continues to update its CARES Act Relief Fund guidance. The State of Missouri will be monitoring, and county governments should monitor as well.
3. Communities must avoid duplication of benefits with respect to any federal dollars already received.
4. Record keeping is key – county governments must make sure to document expenses, including the rationale of why they were reasonably necessary.
 - Each local government needs to be able to show good stewardship of taxpayer resources.