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Laura Kelly, Governor

**To:** Kansas Legislative Research Department

**From:** Office of Recovery **Date:** February 24, 2023

**Re:** SPARK Programs with Contractual Obligations

On December 21, 2022, the State Finance Council approved \$374 million in discretionary American Rescue Plan Act (ARPA) COVID-19 relief dollars allocated to 14 programs as recommended by the SPARK Executive Committee. While significant progress has been made in designing and implementing these programs by the designated administering agencies, no contractual obligations, defined as a signed sub-recipient agreement or having an encumbrance or requisition attached to the funds in SMART, have been executed as of the date of this memo. Despite the lack of contractual obligations, public-facing application processes for these programs are underway.

Each agency administering a program has executed an agreement with the Office of Recovery outlining the federal and state requirements for the use of funds and the funds allocated through the SPARK process have been transferred to the agencies. Table 1 provides additional detail on the status of each program, including the status of the program's application process.

As of the writing of this memo five of these programs have opened for applications or letters of interest from the public. Two of these programs, Building a Stronger Economy (BASE) 2.0 and the State Efficiency and Modernization program, have closed their applications and have either made awards or are in the process of making awards. Additional programs are expected to open for application in the next two to three weeks.

As the applications for these programs open, the administering State Agencies are reaching out to relevant SPARK idea submitters via email to make them aware of the funding opportunities. In addition to this outreach, the Office of Recovery is in the process of individually reaching out to the entities that provided an idea submission to the SPARK process to make them aware of the status of their submission and the availability of potential funding opportunities through these programs.

The Office of Recovery stands ready to provide the committee additional information on these programs as needed.

Table 1: Status of programs approved via SPARK process in December 2022

| <b>Advisory Panel</b>        | Program                                                | Program Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Connectivity                 | Lasting Infrastructure and Network Connectivity (LINC) | <ul> <li>\$30 million administered by the Office of Broadband Development for competitive grant program for both last- mile and middle mile broadband projects in areas of the state that lack access to high-speed internet service</li> <li>Application will open mid-March, with ongoing communication to community and industry stakeholders, including email announcements to previous SPARK investment idea submissions reviewed by the Connectivity advisory panel</li> </ul>                                                                                                                                                                                                   |
| Connectivity                 | Digital Equity Grant                                   | <ul> <li>\$5 million administered by the Office of Broadband Development for competitive grant program for projects aimed at development of digital literacy skills and adoption of broadband services</li> <li>Application will open September 2023, with ongoing communication to community and industry stakeholders, including email announcements to previous SPARK investment idea submissions reviewed by the Connectivity advisory panel</li> </ul>                                                                                                                                                                                                                            |
| Efficiency and Modernization | State Efficiency and Modernization                     | <ul> <li>\$95 million administered by the Department of Administration for enhancements to State facilities, IT infrastructure, continuity of operations, and safety and security</li> <li>Grant awards announced at the end of January; list of awards available on Office of Recovery website and shard with KLRD</li> <li>Agreements currently being executed between Department of Administration and agencies that received awards</li> <li>While there are currently no encumbrances associated with this program by recipient agencies, approved projects may be ongoing and have existing obligations that will be shifted to this program once funding is received</li> </ul> |

| Efficiency and Modernization | Local Safety and<br>Security               | <ul> <li>\$5 million administered by the Governor's Grants Program to provide grants to local public safety agencies for essential communication and equipment upgrades</li> <li>RFP in draft</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health and<br>Education      | Health Facilities and<br>Program Expansion | <ul> <li>\$66 million administered by Kansas Department for Aging and Disability Services to fund competitive applications focused on expanding statewide health and behavioral health services to close gaps in the continuum of care and expand workforce</li> <li>RFP to be posted the end of February/beginning March, followed by email to all those that submitted SPARK investment ideas reviewed by the Health and Education Advisory panel announcing funds have become available</li> </ul>                                                                                                                                                                        |
| Health and Education         | Childcare Capacity Accelerator             | <ul> <li>\$20 million administered by the Kansas Children's Cabinet and Trust Fund (KCCTF) to support community-based efforts to increase number of affordable and accessible childcare seats</li> <li>Informational webinar held February 9<sup>th</sup></li> <li>KCCTF has requested letters of interest by February 20<sup>th</sup> to gauge interest and inform final application details</li> <li>Application to be posted March 10<sup>th</sup> and due by May 15<sup>th</sup></li> <li>All those that submitted SPARK investment ideas related to childcare were emailed information regarding program timeline and invited to submit a letter of interest</li> </ul> |
| Health and<br>Education      | Community Resource Capacity Accelerator    | <ul> <li>\$18 million administered by the Department for Children and Families to fund competitive grant applications for expansion of programs or facilities that provide health, education, and/or early childhood services</li> <li>RFP to be posted in March, followed by email to all those submitted SPARK investment ideas reviewed by the Health and Education Advisory Panel</li> </ul>                                                                                                                                                                                                                                                                             |

| Health and<br>Education    | Early Childhood Data Integration and System Enhancements                       | <ul> <li>\$5 million administered by the Kansas Department for Health and Environment to fund new and existing statewide data system and IT initiatives</li> <li>Program still in design – intended to be a competitive process, collaborating with the Children's Cabinet and DCF</li> </ul>                                                                                                                                                                                                           |
|----------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Economic<br>Revitalization | Building a Stronger<br>Economy (BASE)<br>2.0                                   | <ul> <li>\$50 million administered by the Department of Commerce to issue additional awards from the Building a Stronger Economy infrastructure program</li> <li>Opportunity was open to new and previous BASE applicants</li> <li>Email communication was sent to all those submitted SPARK investment ideas reviewed by the Economic Revitalization Advisory Panel inviting eligible projects to apply</li> <li>Applications were due at the end of January and are currently under review</li> </ul> |
| Economic<br>Revitalization | State Park Revitalization and Investment in Notable Tourism (SPRINT) - Tourism | <ul> <li>\$30 million administered by the Department of Commerce for competitive grant program for new or existing tourism facilities or attractions</li> <li>Informational webinar held February 2 for potential applicants</li> <li>Program open; applications accepted through March 14</li> <li>Email communication was sent to all those submitted SPARK investment ideas reviewed by the Economic Revitalization Advisory Panel inviting eligible projects to apply</li> </ul>                    |
| Economic<br>Revitalization | ARPA Building Opportunities for the Disabled and Elderly (ABODE) - Housing     | \$10 million administered by the Department of Commerce<br>for competitive grant program to fund new construction or<br>renovation of affordable, multi-dwelling housing units for<br>persons with disabilities and the elderly                                                                                                                                                                                                                                                                         |

|                            |                                                                       | <ul> <li>Informational webinar held February 2 for potential applicants</li> <li>Program open; applications accepted through February 27</li> <li>Email communication was sent to all those submitted SPARK investment ideas reviewed by the Economic Revitalization and Health and Education Advisory Panels inviting eligible projects to apply</li> </ul>                                                                                                          |
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| Economic<br>Revitalization | Workforce: Aviation and Aerospace                                     | <ul> <li>\$20 million administered by the Department of Commerce for competitive grant program for projects related to workforce development related to aviation and aerospace manufacturing</li> <li>RFP to be posted by the end of February/beginning of March, followed by email to all those submitted SPARK investment ideas reviewed by the Economic Revitalization Advisory Panel</li> </ul>                                                                   |
| Economic<br>Revitalization | DRAW: Delivering<br>Residents and<br>Workforce                        | <ul> <li>\$10 million administered by the Department of Commerce for competitive grant program for projects that address labor shortages in high demand and critical need industries</li> <li>RFP to be posted by the end of February/beginning of March, followed by email to all those submitted SPARK investment ideas reviewed by the Economic Revitalization Advisory Panel</li> </ul>                                                                           |
| Economic<br>Revitalization | Small Town Water<br>and Sewer<br>Infrastructure<br>Assistance Program | <ul> <li>\$10 million administered by the Kansas Department for Health and Environment for competitive program to fund infrastructure improvements for small (&lt;1000 population) municipal water and wastewater utilities</li> <li>Application process in development</li> <li>In addition to previous SPARK investment idea submitters, KDHE will notify relevant utility and municipal related associations of opportunity to apply when program opens</li> </ul> |