

# Colorado's Coordinated Approach to Economic Recovery

October 18, 2021





# Agenda

Introductions

ARPA state funds

Statewide feedback collection

Interim Committees & ongoing engagement

Catalyzing change together

Open opportunities

Questions?





# Statewide feedback

## Build Back Stronger

The investments are informed by feedback received from the statewide Build Back Stronger listening tour. Common feedback supports addressing significant needs for our state:

- Affordable Housing & Home Ownership
- Mental and Behavioral Health Support
- Workforce Development
- Economic Recovery





# American Rescue Plan Act (ARPA)

## Summary of other direct aid

Total aid to Colorado ~\$27 billion

Includes state and local recovery funds and direct aid into the state

Examples of aid	Est. amount	Examples
K-12	\$1.2B	Funding for school districts and schools
Higher Education	\$450M	Funding for institutions of higher education
Child care	\$530M	Sustainable grants for providers and assistance for workers
Housing Relief	\$750M	Rental, homeownership, and homeless
Business Relief	\$680M	Restaurants, small business credit, and paycheck protection expansion
Unemployment Relief	\$3B	Enhanced benefits and other provisions to support claimants
Stimulus Check	\$7B	\$1400 stimulus checks
Child Tax Credit Extension	\$2B	\$300 per month per child





# ARPA ~\$3.8 billion

## **\$1.3 billion for FISCAL INTEGRITY AND BUDGET STABILIZATION AND ONGOING HEALTH RESPONSE**

- Fortify the State Budget and Maintain Fiscal Integrity
- Continued public health response

## **\$1.3 billion to CATALYZE TRANSFORMATIONAL CHANGE**

- Affordable Housing and Homeownership
- Mental and Behavioral Health
- Workforce Development and Education

## **\$1.2 billion for RECOVERY & RELIEF and JOB CREATION**

- Economic Recovery and Relief
- Infrastructure, Parks, and Agriculture

*Above figures are estimates*



# ARPA final rule allowable categories

One time spending with de minimis outyear costs	Spends out quickly 12 to 18 months	Provides economic stimulus (jobs, multiplier effect, etc.)	Provides relief to address a gap
-------------------------------------------------	------------------------------------	------------------------------------------------------------	----------------------------------

U.S. Treasury Department approved dollars in key areas:

- To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency
- To make necessary investments in water, sewer, or broadband infrastructure.

Funds must be obligated before end of 2024





# Interim Committees recommendations on spending ~\$1.63 billion next year

## Federal and State stimulus funds fall into transformational buckets:

- Affordable Housing policy
- Behavioral/mental health
- Workforce Development/Higher Education
- Economic recovery and relief

These committees began their work in August to develop a unified approach among the Governor and the General Assembly to help ensure an impactful, equitable, and efficient roll out of economic recovery dollars.





# We want to work with locals to catalyze the greatest change!

The ARPA Interim Task Forces present a significant opportunity to help solve some of our state's most pressing challenges when it comes to behavioral health, workforce, and housing. However, one time dollars are not enough to truly transform policies and practices in this state. These one-time dollars must be leveraged strategically to help fill gaps and ignite transformational change across the state.

- **Leverages local, private, federal, and philanthropic dollars:** The state cannot make truly lasting change on its own. Any proposal should leverage significant (i.e. 3x) investment from local, private, federal, and philanthropic partners.
- **Transformational change:** Proposals should not just “tinker around the edges.” They should be designed to truly transform policy and practice to improve outcomes for Coloradans.
- **One-time proposals:** Given that these are one-time dollars, proposals emerging from the interim process should be one-time proposals with no or very little out-year costs, or a financing plan that does not increase the state's structural deficit.
- **Fills the gaps:** Proposals should not just do more of what we're currently doing. The state will take a comprehensive, data-based approach to current policy and design proposals, in coordination with the committees, subpanels and local partners, to help fill major gaps that exist in services, policies, and programs across the state for all Coloradans.



# Questions?

