

KACo Leadership Institute  
**CARES Act**

**CARES Act:** Coronavirus  
Aid, Relief, and Economic  
Security Act

## **CARES Act**

- Passed by Congress and signed into law by President Trump on March 27, 2020
- Established the \$150 billion Coronavirus Relief Fund

## **Coronavirus Relief Fund**

- Assistance for state and local governments
- Kentucky received about \$1.7 billion
- Louisville/Jefferson County allocated \$134 million because over 500,000 population

## **Local Government Distribution**

- KACo worked with the Kentucky League of Cities, the Governor's office and the Department for Local Government to secure funding
- Governor committed \$300 million of the state's \$1.7 billion to local governments

## **Local Government Distribution**

- \$50 million held back, with \$250 million split 50-50 between counties and cities
- \$125 million for counties, \$125 millions for cities

## **Local Government Distribution**

- Fayette County allocated \$25 million off the top - \$10 million from county pool, \$15 million from city pool
- Remaining county amount: \$115 million

## **Local Government Distribution**

- \$115 million allocated on a per capita basis
- Full county population – not just unincorporated

## **Example: X County**

\$300 million set aside for cities and counties.

- In the first round, \$250 million is available, with \$50 million held back for additional rounds of funding.
- The \$250 million is split evenly between counties and cities: \$125 million available for counties and \$125 million for cities.

## **Example: X County**

- Total county population without Jefferson and Fayette County for the state is 3,377,764.
- Dividing that out from the \$115 million pool, you get about \$34.05 per capita.
- So, for X County, with a population of 30,000 (times the \$34.05 per capita), the available funding is \$1,021,500.

## Example: X County

- On the city side, \$110 million was available for distribution on a per capita basis after Fayette County received its portion.
- Total city population (minus Lexington and Louisville) is 1,529,766. Divide that out from the \$110 million and you get about \$71.91 per capita.
  - So for Y City (inside X County) with a population of 18,000 (times the \$71.91 per capita), the allocation from the city pool is \$1,294,380.

## Use of funds

The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

## Additional Resources

**KACo's COVID-19 website**

<https://covid19.kaco.org/>

**Department for Local Government**

[https://kydlgweb.ky.gov/Articles/16\\_articleView.cfm?NewsID=673](https://kydlgweb.ky.gov/Articles/16_articleView.cfm?NewsID=673)

**U.S. Department of Treasury Guidance**

<https://home.treasury.gov/policy-issues/cares/state-and-local-governments>

**National Association of Counties**

<https://www.naco.org/covid19>

KACo Leadership Institute  
**CARES Act**