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EXECUTIVE ORDER

Directing the Expenditure of Federal Funds Pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020

Pursuant to the authority vested in the Governor of the State of Colorado and, in particular, pursuant to Article IV, Section 2 of the Colorado Constitution, I, Jared Polis, Governor of the State of Colorado, hereby issue this Executive Order directing the expenditure of federal funds pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act), Public Law 116-136.

I. Background and Purpose

The CARES Act provides emergency assistance in response to the coronavirus disease 2019 (COVID-19) pandemic. The CARES Act established the Coronavirus Relief Fund, which provides payments to state, local, and tribal governments navigating the impact of COVID-19. Colorado's State government received approximately $1.674 billion from the Coronavirus Relief Fund pursuant to the CARES Act. Under the CARES Act, a state must use the funds from the Coronavirus Relief Fund to cover expenses that (1) are necessary expenditures incurred due to the COVID-19 public health emergency (COVID-19 emergency); (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; and (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. As Governor, I have the authority to direct the expenditure of these federal funds.

Pursuant to the CARES Act, I certified to the United States Department of the Treasury on April 15, 2020, that the State's proposed use of the funds from the Coronavirus Relief Fund would comply with the specified purposes in the CARES Act. The State of Colorado has created the CARES Act Fund to receive Coronavirus Relief Fund moneys prior to allocation for eligible expenditures.

My administration, along with other State, local, and federal authorities, has taken a wide array of actions to mitigate the effects of the pandemic, prevent further spread, and protect against overwhelming our health care resources. The funds received by the State from the Coronavirus Relief Fund are essential for mitigating the effects of the pandemic. This Executive Order disburses those funds for the purposes described below.

II. Directives

A. I direct the following expenditures of federal funds received by the State pursuant to the CARES Act:

1. Forty-eight million dollars ($48,000,000) for Fiscal Year (FY) 2019-20 and one hundred fifty-seven million dollars ($157,000,000) for FY 2020-21 to be transferred from the CARES Act Fund to the Disaster Emergency Fund to respond directly to the COVID-19 emergency, such as by addressing medical or public health needs. These funds will be available for current and planned public health expenses.

2. One million dollars ($1,000,000) for FY 2019-20 and seven million dollars ($7,000,000) for FY 2020-21 to be transferred from the CARES Act Fund to the Colorado Department of Corrections for expenditures to comply with public health measures pertaining to maintaining State prisons, including sanitation and effectively implementing social distancing measures.

3. One million dollars ($1,000,000) for FY 2019-20 and one million dollars ($1,000,000) for FY 2020-21 to be transferred from the CARES Act Fund to the Colorado Department of Human Services (CDHS) for expenditures to comply with public health measures pertaining to maintaining veterans living facilities and other State facilities with congregate care, including relating to sanitation and improvement of social distancing measures.

4. Thirty-seven million dollars ($37,000,000) for FY 2020-21 to be transferred from the CARES Act Fund to the Colorado Department of Education (CDE) for expenditures incurred to respond to second-order effects of the COVID-19 emergency, in particular the increased number of at-risk pupils due to the COVID-19-driven recession.

5. Two million dollars ($2,000,000) for FY 2019-20 and twenty million dollars ($20,000,000) for FY 2020-21 to be transferred from the CARES Act Fund to CDHS for expenditures incurred to respond to second-order effects of the COVID-19 emergency, specifically for increased caseload due to the COVID-19-driven recession.

6. Ten million dollars ($10,000,000) for FY 2019-20 transferred from the CARES Act Fund to the Colorado Department of Local Affairs (DOLA) for expenditures incurred to respond to second-order effects of the COVID-19 emergency, specifically for emergency rental and mortgage assistance to low to moderate income individuals, as well as additional direct assistance, if appropriate, for individuals that have been economically impacted by COVID-19, with preference given to

individuals who are ineligible for other forms of assistance such as unemployment insurance, food benefits, or direct federal stimulus payments.

7. Five hundred ten million dollars ($510,000,000) for FY 2019-20 to be transferred from the CARES Act Fund to CDE for expenditures associated with actions to facilitate compliance with COVID-19-related public health measures, including facilitating distance learning and social distancing for in-person contact hours, mitigating lost learning, and the provision of economic support in connection with the COVID-19 emergency to stimulate the economy by supporting Colorado's workforce through increasing free instructional hours for our kindergarten through 12th grade education system. All funds must be distributed on a per pupil basis to local school districts, and proportionally by student population to the Charter School Institute and the Colorado School for the Deaf and the Blind, and $25,000 to each Board of Cooperative Educational Services (BOCES).

8. Four hundred fifty million dollars ($450,000,000) for FY 2019-20 to be transferred from the CARES Act Fund to the Colorado Department of Higher Education for expenditures associated with actions to facilitate compliance with COVID-19-related public health measures and with the provision of economic support in connection with the COVID-19 emergency to stimulate the economy by supporting Colorado's workforce through increasing student retention and completions at state institutions of public higher education. Institutions receiving such funds commit to raise by no more than three (3) percent their FY 2020-21 resident undergraduate tuition rate, or to seek a waiver of this requirement from the Governor's Office.

9. Twenty-eight million nine hundred twenty thousand dollars ($28,920,000) for FY 2019-20 and fifty-five million nine hundred twenty thousand dollars ($55,920,000) for FY 2020-21 in the CARES Act Fund shall remain available for payroll expenses and other necessary expenditures for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 emergency.

10. Two hundred seventy-five million dollars ($275,000,000) for FY 2019-20 and FY 2020-21 in the CARES Act Fund shall remain available for units of local government that did not receive a direct distribution of funds in the CARES Act for expenses to facilitate compliance with COVID-19-related public health measures. The distribution will be informed by the recommendations from the Local Government consortium hosted by DOLA, as well as best practices from other states.

B. I transfer seventy million dollars ($70,000,000) from the CARES Act Fund to the State General Fund for eligible expenditures pursuant to the CARES Act Coronavirus Relief Fund.

C. I direct the Office of the State Controller to issue instructions regarding the distribution of the funds described in Section II, and to monitor their expenditure. I designate the Governor's Office of State Planning and Budgeting as the final authority for resolution of any issues that may arise during the expenditure or allocation of these funds.

III. Duration

This Executive Order shall remain in effect unless modified or rescinded by future Executive Order of the Governor.

GIVEN under my hand and the Executive Seal of the State of Colorado, this eighteenth day of May, 2020

Jared Polis
Governor