



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

Andy Beshear
GOVERNOR

Capitol Building, Suite 100
700 Capitol Avenue
Frankfort, Kentucky 40601
(502) 564-2611
Fax: (502) 564-2517

May 13, 2020

Jim Henderson, Executive Director, Kentucky Association of Counties
J.D. Chaney, Executive Director, Kentucky League of Cities

Dear Mr. Henderson and Mr. Chaney:

Thank you for your May 11, 2020 letter responding to our recent discussion on the allocation of funds to Kentucky county and cities from the Coronavirus Relief Fund. I have pledged to make \$300 million available to Kentucky's counties and cities to cover costs that are necessary expenditures incurred from March through December, 2020, due to the public health emergency that are not covered in current budgets. Combined with the direct funding provided to Louisville/Jefferson County, this would result in a significant share of the dollars the Commonwealth received for the Coronavirus Relief Fund for local governments. With this important partnership, Kentucky becomes one of about 20 states to devote a share of the Fund directly to local governments with population under 500,000.

You have communicated a consensus decision between your two organizations that the \$300 million should be divided equally between counties and cities, each based their relative share of population. The Commonwealth looks forward to the continued partnership with our local elected leaders in responding to the COVID-19 virus that is affecting every community in Kentucky. As you know, the Commonwealth's Emergency Management operation has been working non-stop to provide resources to every community in the form of personal protection equipment, testing capabilities and infrastructure, and other response requirements. I have recently directed a major statewide ramp-up in testing and contact tracing that will be necessary to relax mitigation efforts that have been necessary to reduce the spread of the virus and save lives.

This funding will provide counties and cities with resources to help cover their extra spending that has been necessary to respond to the coronavirus. Unfortunately, neither the Commonwealth nor local governments may use these funds as revenue replacement to fill shortfalls in government revenue.

There is still much uncertainty facing us in the months ahead with the fight against the spread of the virus. Also, the U.S. Congress continues to discuss both aid to states and local governments as well as a more flexible use of the Coronavirus Relief Fund. To maintain flexibility with the

KLC
KACO
May 13, 2020
Page 2

future uses of this Fund, I am reserving an ability to direct other portions of the Fund at a later date when more is known about the needs of Kentucky.

To further the implementation of the details of the allocation and use of the \$300 million, I request that you contact and work with Dennis Keene, Commissioner of the Department of Local Government. This funding will flow through the Department and they will administer all agreements with the counties and cities.

Sincerely,

A handwritten signature in blue ink, appearing to read 'AB', with a long horizontal flourish extending to the right.

Andy Beshear
Governor