

Governor Gary R. Herbert



UTAH LEADS TOGETHER IV

Utah's plan for a health and
economic recovery

Prepared by the Economic Response Task Force

This economic response aims to protect lives and livelihoods. It provides a dynamic plan for a dynamic situation. The data and measures that inform this plan will be monitored daily and the recommendations will be updated as required.

June 17, 2020

Utah leaders remain confident that as the COVID-19 pandemic ends, Utah will emerge even stronger. The *Utah Leads Together* plans provide clarity, confidence, and context for that recovery.

Volumes I, II, and III of the *Utah Leads Together* plan presented economic phases, color-coded health guidance, instructions for high-risk individuals, recommendations from Utah’s multi-cultural communities, and initial plans for Utah’s next economy.

This edition, Volume IV, of the *Utah Leads Together* plan, presents Utah’s economic recovery and revitalization plan.

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MESSAGE FROM STATE LEADERS

June 2020

Our fellow Utahns,

Our state was among the first to provide a comprehensive plan for managing the COVID-19 pandemic. This plan, *Utah Leads Together*, allows us to move forward with greater confidence. Over the past twelve weeks through Volumes I, II, and III, Utahns have successfully managed uncertainty, flattened the curve, protected the most vulnerable, and re-cultivated much of the economy.

While we have seen some successes during this period, we have also seen some deep-seated societal challenges. Mass gatherings following the death of George Floyd in Minneapolis illuminate the plight of those who have been marginalized in our society and remind each of us of our duty to each other. They also highlight the value of direct human contact – even during a pandemic.

Utah Leads Together Volume IV recognizes the complex risk-reward relationships among public health, economic wellbeing, and social interaction. It continues to focus on safeguarding lives but pivots from isolation to interconnection. This new phase leverages the preparations made in earlier phases to begin concentrating on our future. Volume IV contemplates strategic actions and investments that will pay off not only immediately, but in the long term.

We anticipate that COVID-19 case counts will rise in our state as we continue to reactivate the economy. However, through rigorous testing, contact tracing, and targeted intervention, we plan to manage those cases. Our focus will be on preparation, transmission rates, and health care capacity. Flattening the curve has allowed us this chance to turn toward the “new normal.”

At-risk individuals should continue to self-isolate. Those who can successfully work, learn, and play from home should do so. Most of us can continue safely returning to restaurants, hotels, stores, and our own places of business. As we do so, we must be conscientious of those around us, maintaining appropriate physical distance, wearing face coverings, practicing rigorous hygiene, and staying home when sick.

If we do these simple things, with a little belt tightening, Utah can take advantage of new opportunities. We envision strategic investments in teachers, education technology, telecommunications, rapid reskilling and upskilling, cultural organizations, health care, recreational infrastructure, and more will help Utah emerge from this crisis stronger than ever.

Governor Gary R. Herbert

President Stuart Adams
Utah State Senate

Speaker Brad Wilson
Utah House of Representatives

UTAH LEADS TOGETHER OVERVIEW

Every Utahn plays a role in Utah's recovery. We lead together. This leadership requires Utahns to continue to take three major actions:

1. **Follow public health guidelines**
2. **Stay engaged with the economy**
3. **Assist those in need**

This Volume IV of the *Utah Leads Together* plan builds upon Volumes I, II, and III by presenting Utah's plan for economic recovery and revitalization.

Recover to Better

The Economic Response Task Force believes Utah can "recover to better." In formulating this revitalization strategy, we ask the question, "How do we use this massive economic disruption to create a stronger, more resilient, and inclusive economy?" We recognize that hidden within this crisis is an opportunity to position Utah for long-term prosperity for all.

With relatively less economic damage than other states, we posit three major opportunities that support Utah's revitalization efforts.

- **Investment advantage** – Utah can invest in infrastructure and people to create a competitive benefit for our state.
- **Economic leadership** – Utah can assert greater economic leadership regionally, nationally, and globally and increase our economic reach.
- **Long-term focus** – Utah can avoid "short-termism" and address priorities that benefit the state for generations.

By capitalizing on these opportunities Utah can, as one business leader put it, "play to win, rather than playing not to lose." This *Utah Leads Together* plan affirms this significant opportunity for Utah.

ECONOMIC RECOVERY AND REVITALIZATION

We define economic recovery via two labor market measures: job growth and unemployment. Recovery starts when net job losses stop and net job gains begin, and completes when Utah reaches full employment (all workers who are able and want to work are employed).

Economists differ on how to define full employment. In *Utah Leads Together* we target a statewide unemployment rate of 4.0-5.0% by the end of 2020, falling to 3.0-4.0% by mid 2021. Currently, a large gap exists between full employment and the state's unemployment rate (9.7% April 2020). Closing this gap is the first step in Utah's economic recovery and revitalization plan.

Job growth constitutes another key measure of economic recovery. As the pandemic's impacts spread, Utah's employment growth rate dropped from a 2.5% year-over increase in March 2020 to 7.1% year-over decrease in April 2020. In *Utah Leads Together* we target a statewide year-over job growth rate of 1.5-2.0% by the end of 2020 for economic recovery and 2.5-3.5% by mid 2021 as economic revitalization occurs.

Recap of State's Economic Response Strategy

Volumes I, II, and III presented the state's economic strategy to combat the COVID-19 economic shock. Volume IV presents the state's economic recovery and revitalization plan. Additional volumes will be prepared as necessary to inform state decisions.

Volume I presented the economic phases of urgent, stabilization, and recovery so that Utahns could envision the future, take needed actions, and have confidence that we would work through this challenge. It required an aggressive and coordinated response with a historic economic stimulus. The urgent phase started in mid-March and ended approximately

UTAH'S STRATEGY – PROTECT HIGH-RISK POPULATIONS

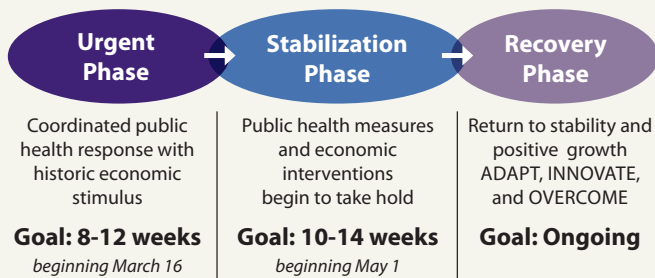
During the urgent phase of the pandemic, Utah pursued a strategy of minimizing transmission – or flattening the curve. With a "novel" or new coronavirus this strategy provided time so the state could procure needed medical supplies, build testing and follow-up capacity, operationalize health data sharing, learn more about the virus, and create surge capacity at hospitals. Once Utah accomplished these objectives, the

strategy changed to carefully reactivate the economy while protecting high-risk populations. Some call this "protecting the hive." Under this strategy there will undoubtedly be additional transmission, but as people take personal responsibility to follow public health guidelines, lives are protected and overall societal well-being is improved.

Utah Leads Together Successive Volumes

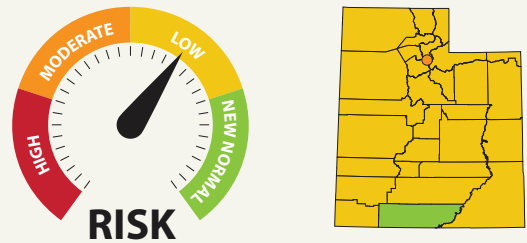
VOLUME I

Presented economic phases



VOLUME II

Introduced color-coded health guidance and valuable data tools



VOLUME III

Provided instructions for high risk individuals

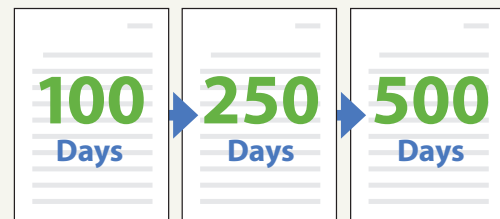
Addressed impacts on multi-cultural communities

Started planning for recovery



VOLUME IV

Provides a plan for economic recovery and revitalization



six weeks later, two weeks ahead of schedule. The stabilization phase started May 1, 2020, and we remain in that phase today. We anticipate entering the recovery phase soon.

Volume II introduced color-coded health guidance and valuable data tools. The guidance system includes four levels of risk: red, orange, yellow, and new normal green. Each level of risk is informed by a rigorous measurement system so policymakers can safely determine when to apply these risk levels and at what geography. A legislatively created Public Health and Economic Emergency Commission advises Gov. Herbert, who makes final decisions and implements the health guidance, in collaboration with local health and elected officials. As of June 15, 2020, most of Utah remains in the low (yellow) risk category, with the exception of Kane County (green) and Salt Lake City (orange). Gov. Herbert, with input from the Commission and local health departments, and informed by a rigorous data intelligence system, makes adjustment in this guidance by geographic area.

Volume III presented critical instructions for high-risk populations, addressed the significant impact of COVID-19 on Utah's multi-cultural community, and planted seeds for economic recovery and revitalization.

For high-risk populations, the Economic Task Force recommended a triaged approach to protect human health and restore economic and societal health. Where Volumes I and II sought to “flatten the curve,” Volume III emphasized risk management to reducing suffering and death and achieving greater societal and economic health.

Volume III also included the recommendations of Utah's COVID-19 Multi-Cultural Subcommittee, including enhanced language accessibility, improved training and capacity development, creation of an equity and inclusion fund, increased service engagement in underserved communities, and more.

Finally, Volume III presented a framework for economic recovery and revitalization. This framework included the following:

- Guiding principles,
- A strategic approach divided by time and category,
- Capitalization of existing and new economic trends,
- Strategic investment options, and
- Re-imagined incentives.

THE PLAN

ECONOMIC RECOVERY AND REVITALIZATION

Five guiding principles inform Utah's COVID-19 economic recovery and revitalization plan:

- **Speed** – Act with pace
- **Targeted** – Focus on industries, locations, and people that have suffered the greatest impact
- **Enduring** – Favor policy solutions that solve an existing problem and provide an enduring benefit
- **Flexible** – Combat uncertainty by preparing for a range of scenarios
- **Innovative** – Find better ways to create value

We segment the plan by 100-day, 250-day, and 500-day horizons.

The need to restore consumer confidence undergirds actions in each time horizon. Even if Utah lifted all public health restrictions, the economy would not fully recover until consumers feel confident in their safety (and that of their loved ones) and financial standing. Confidence intertwines both health and economic security and is primary to Utah's recovery and revitalization.

NEW NORMAL GREEN

Utah's color-coded health guidance recognizes that for the foreseeable future our actions cannot return to pre-pandemic life. We must manage risk in the face of a novel coronavirus that preys on high-risk individuals and vulnerable populations. For this reason, when it pertains to the color-coded health guidance we don't use the term "green," but rather "new normal green."

New normal green means we protect Utah by taking personal responsibility to manage risk and protect lives by practicing good hygiene, wearing face coverings as needed, maintaining appropriate physical distancing wherever feasible, and using extra caution around older adults and high-risk individuals.

As we do these things, and follow public health guidelines, we position Utah for the highest level of economic activation and overall societal well-being.

100-DAY HORIZON

The 100-day horizon focuses on workers who remain "job attached," meaning they anticipate returning to the same job. Returning these furloughed workers or inactive employees to work provides the quickest path to economic recovery.

Approximately 61,000 (75%) of Utah's continued unemployment claimants filed as job attached. The longer these employees remain out of work, the more likely that these furloughs will become permanent layoffs.

Businesses will naturally want to bring furloughed workers back when they see consumer demand for their goods and services pick up. To facilitate demand, the Economic Response Task Force recommends the state take three steps:

1. **Return to work/follow public health guidelines** – Help businesses operate safely so Utahns can return to work and operate under the current public health guidance.
2. **Make job connections** – Connect unemployed Utahns with available jobs.
3. **Stimulus** – Provide economic assistance using CARES Act and other funding to stimulate economic reactivation.

A brief summary of each of these steps follows.

Step 1: Return to work/follow public health guidelines

Under the yellow public health guidelines, nearly all firms can conduct business operations with limited modifications. As different areas of the state transition to a new normal green level of public health protocols that further relax certain limitations, businesses will need to increasingly assume the responsibility of protecting their customers and employees.

Unfortunately, significant portions of existing COVID-19 cases relate to workplace transmission. Workplace transmissions can severely undermine public confidence in those businesses and inhibit economic recovery.

While the pandemic continues, proper health protocols, including physical distancing, sanitizing, and wearing of face coverings when people are in close contact, will be extremely important. The Utah Leads Together Pledge has been developed so that businesses can learn appropriate protocols and certify to the public that they are implementing these protocols.

Utah's Recovery and Revitalization Plan

Guiding Principles

1

Speed

2

Targeted

3

Enduring

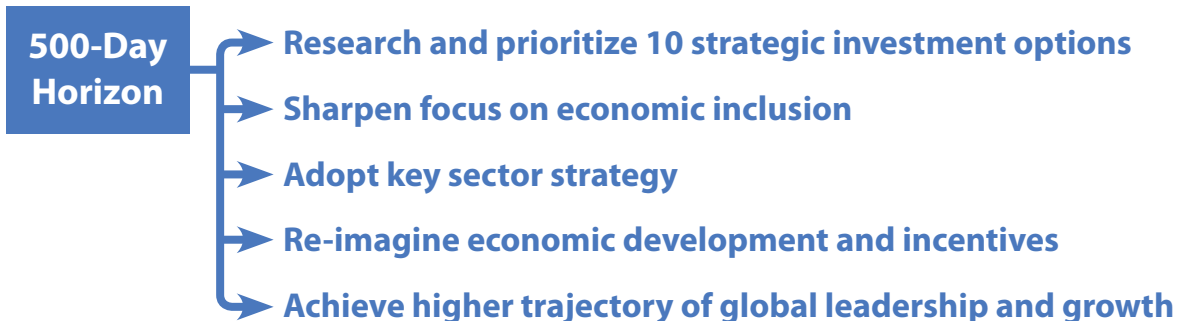
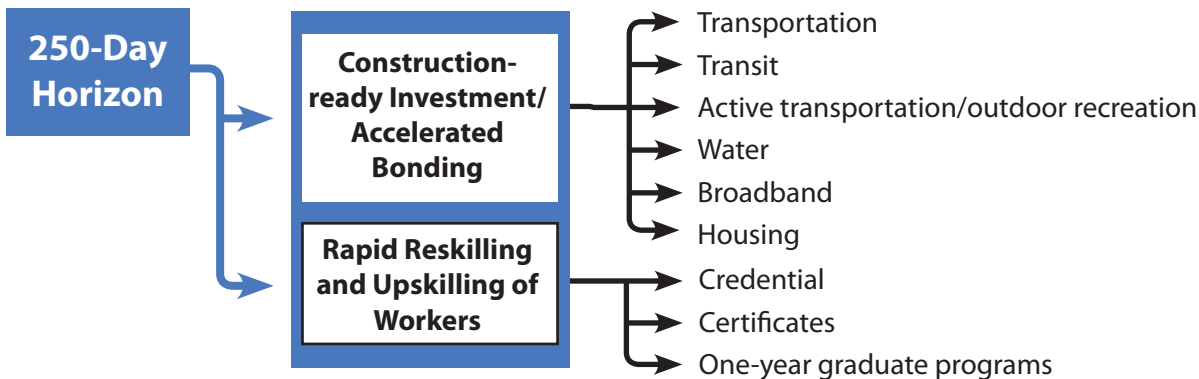
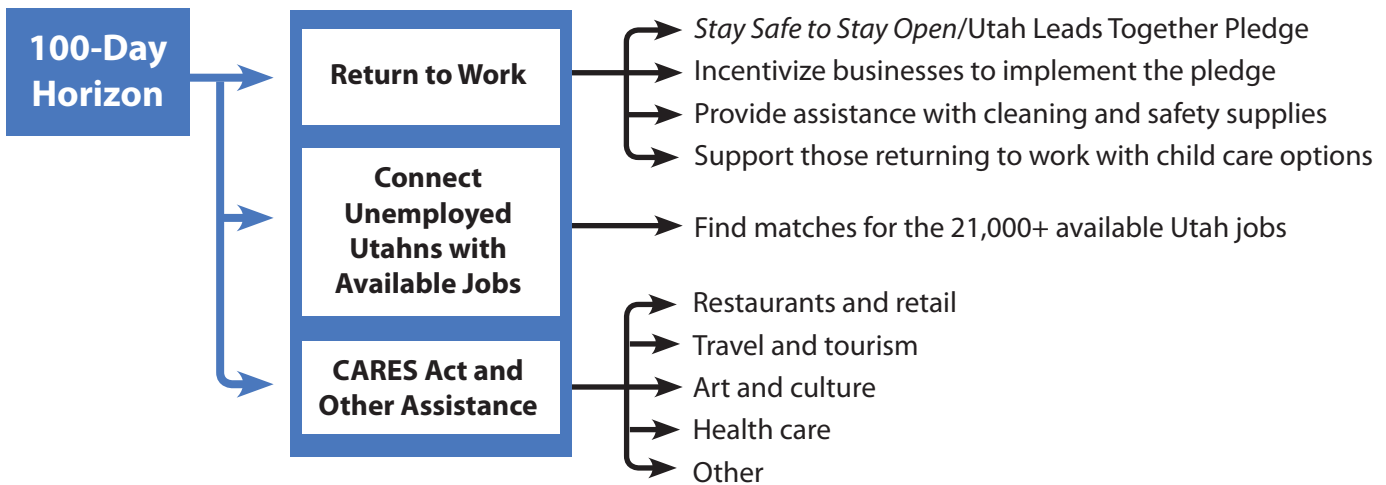
4

Flexible

5

Innovative

All Utahns asked to follow public health guidance and practice risk management



UTAH LEADS TOGETHER PLEDGE

Stay Safe to Stay Open

Initially the state put in place a “stay safe, stay home” directive to navigate Utah through the urgent phase of the pandemic. We are now in the stabilization phase and nearing the recovery phase. Businesses and consumers need guidance to follow as we economically re-engage. The Salt Lake Chamber developed the *Stay Safe to Stay Open* campaign to help businesses across the state communicate that they put safety first and follow public health guidance. The theme *Stay Safe to Stay Open* speaks to both sides of the economic relationship. For the economy to reactivate and recover, both business and consumers must work together and trust one another.

The *Stay Safe to Stay Open* initiative inculcates best public health practices in a business setting and is not regulatory in nature. It trains businesses on how to operate safely and provides a “seal of approval” for businesses that comply with health protocols. Businesses can display this seal as an indicator that they promote safe and hygienic practices.

The initiative includes the following pledge:

As a part of the Utah business community, and as a member of Utah’s community as a whole, we recognize the need to comply with health guidelines to protect our employees, our customers, and our high-risk and vulnerable populations. We recognize the importance of following health guidelines to show care, consideration, and appreciation for our customers and to do our part to protect Utah’s population and economy.

The Salt Lake Chamber will publish a list of businesses that pledge to follow these guidelines, provide businesses with collateral to display the pledge, maintain a searchable database of businesses that commit, and promote *Utah Leads Together* best practices and Department of Health guidelines.

Step 2: Connect Unemployed Utahns with Available Jobs

The Utah Department of Workforce Services website as of June 6, 2020 includes over 21,000 posted jobs. Similarly, the job search website indeed.com shows over 25,000 jobs available as of June 14, 2020.

The Economic Response Task Force recommends the Department of Workforce Services work with unemployed Utahns to conduct job skill matches to align worker skills with available jobs.

In addition, the CARES Act provided a sizable \$600 weekly enhancement to traditional unemployment insurance benefits, which in Utah average roughly \$300 a week. Various estimates indicate that about 70-90% of those on unemployment insurance receive more income on unemployment insurance than in their job. This enhanced federally-funded benefit is currently scheduled to expire at the end of July.

Some employers have experienced challenges getting employees to return to work, because returning would result in a sizable income decrease for the claimant. As this benefit expires and recognizing some continuation of enhanced unemployment benefits may be needed, the Economic Response Task Force recommends that the Utah Congressional Delegation provide leadership in Congress to carefully evaluate the incentives associated with any enhanced benefit and ensure that an extension does not create inappropriate disincentives to return to work.

Step 3: Economic Assistance Using CARES Act and Other Funding

The Economic Response Task Force recommends that state and local governments allocate \$50-60M in CARES Act and other funding to encourage consumers to re-engage with the Utah economy. While many industries will need to rely on general economic reactivation, targeted economic assistance can assist some of the most heavily-impacted industries.

State and local policymakers may wish to consider the following alternatives and assistance amounts to help instill consumer confidence and assist some of the industries hardest hit by the pandemic.

Utah Shops Together - Establish a grant program to provide grants to businesses negatively impacted by COVID-19. To qualify for the grant, businesses must offer a discount or other offer of significant value to consumers to encourage economic activity.

Utah Creates Together - Establish a grant program administered by the Department of Heritage and Arts to provide grants to botanical, cultural, recreational, or zoological organizations that provide a cultural, artistic, or related activity that also encourages travel and tourism in the state.

Utah Works Together - Establish a grant for businesses to make their workplaces safe for workers and customers during the COVID-19 pandemic through measures such as PPE purchases, workplace redesigns, signage, and technology solutions that allow for distance working.

Utah Innovates Together – Expand the scope of the Talent Ready Utah Center to provide education and training to workers displaced by the COVID-19 pandemic. Create a dashboard to identify unemployment and job opening trends to better match workers with job opportunities.

Utah Stays Healthy Together - Create a public information campaign to encourage healthy activity during the COVID-19 pandemic such as following health guidelines and not forgoing medical care including preventative care, urgent care, and vaccinations.

In addition to these allocations, state and local governments can allocate CARES Act funding for pandemic response needs. Separately, the state can use other funding to front-load state small-scale capital improvement projects so that as many as possible are completed by the end of September.

Addressing Utah's Child Care Needs

In response to the financial challenges confronting child care programs, the COVID-19 Child Care Task Force established work groups to stabilize the child care system and support programs and families during the recovery phase of the pandemic. Implemented Task Force recommendations include a monthly grant to ensure programs can meet operating expenses. These Child Care Operations Grants are available to all child care programs that are open and operating. As other programs re-open, they are eligible to apply for these funds. In addition, funds will be available to all child care programs, open and closed, to modify buildings to continue to meet health and safety requirements. These additional CARES Act resources have increased the number of programs re-opening and will support them to remain open.

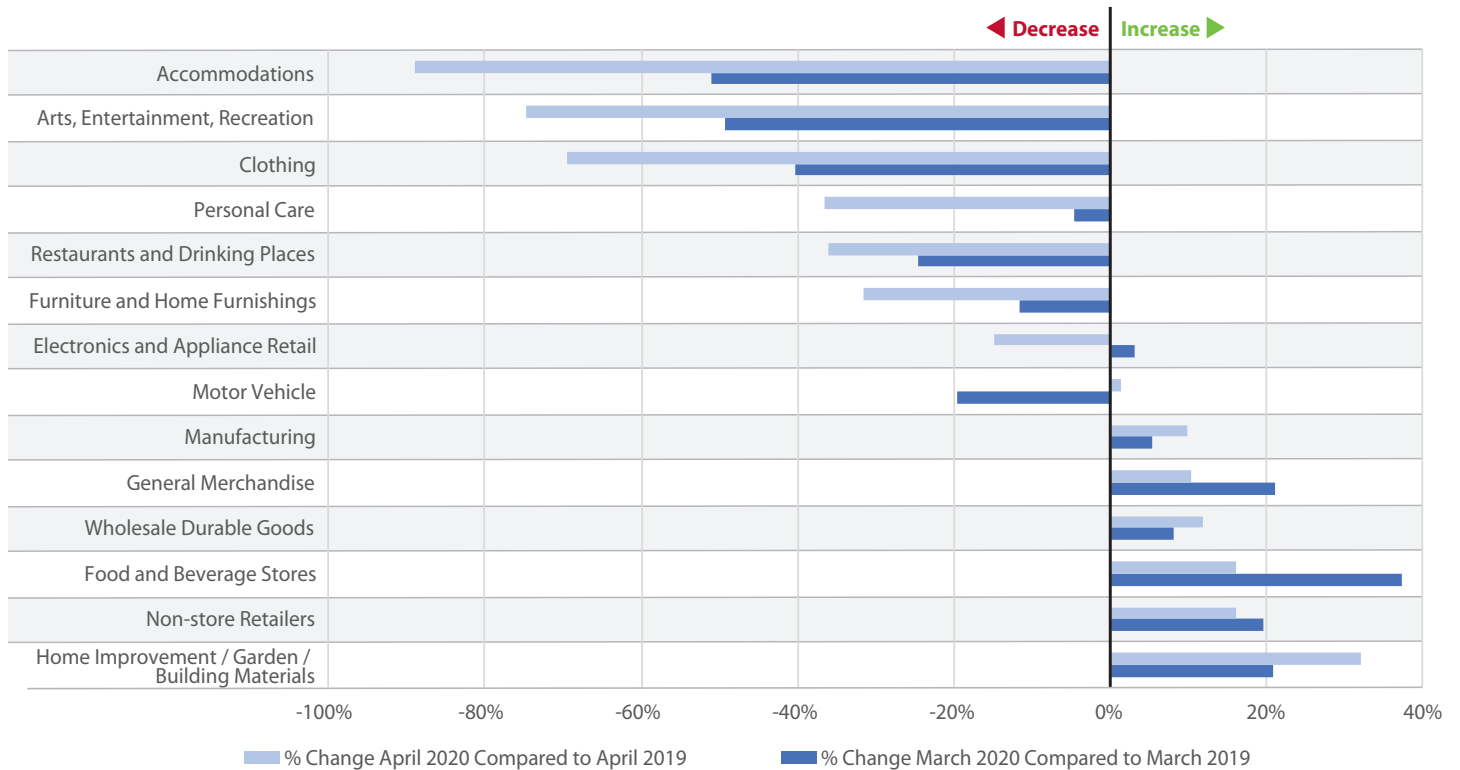
Although it may be difficult for the state to bond by the end of September, policymakers can send a signal by making initial decisions about bonding levels and communicating their intent.

Unemployment Claims and Available Jobs in Utah by Sector as of June 6, 2020

NAICS Description	All Continued Claims Week Ending June 6 as a percent of 2019 Employment	Job Attached Claimants	Laid Off Claimants	DWS Job Openings
Accommodation and Food Services	11.6%	12,882	2,021	1,559
Administrative and Support and Waste Management and Remediation Services	9.7%	6,341	2,857	1,375
Arts, Entertainment, and Recreation	8.6%	2,336	569	16
Mining, Quarrying, and Oil and Gas Extraction	7.9%	537	202	28
Real Estate and Rental and Leasing	7.6%	1,258	391	189
Transportation and Warehousing	7.5%	3,515	2,005	291
Other Services except Public Administration	6.6%	2,365	474	270
Manufacturing	5.3%	5,019	2,207	777
Retail Trade	5.1%	6,873	1,948	2,196
Information	4.7%	1,357	577	493
Wholesale Trade	4.7%	1,779	655	1,569
Professional, Scientific, and Technical Services	4.1%	3,293	1,168	1,568
Construction	3.7%	2,888	1,224	503
Management of Companies and Enterprises	2.9%	488	114	142
Health Care and Social Assistance	2.7%	3,704	1,094	1,224
Finance and Insurance	2.0%	851	497	926
Educational Services	1.7%	1,922	1,092	1,439
Agriculture, Forestry, Fishing and Hunting	1.6%	69	26	193
Public Administration	1.2%	642	323	360
Utilities	0.9%	38	15	7
Unclassified	—	2,920	915	6,568
Total	5.2%	61,077	20,374	21,693

Source: Utah Department of Workforce Services

Percent Change in Taxable Sales for Selected Sectors - March and April 2020



Source: Utah State Tax Commission

250-DAY HORIZON

In the 250-day horizon the state begins to pivot away from stimulus and recovery, to lay the groundwork for economic revitalization. The Economic Response Task Force recommends in the 250-day horizon that the state focus on the key foundations of economic growth – investment and productivity. At the core of these actions is Utah’s physical infrastructure and workforce. Investments in these two areas will provide the catalyst the state needs for long-term prosperity. We recommend a \$30-50M investment in Utah’s workforce and up to \$2B in accelerated bonding for infrastructure.

Infrastructure and Construction-Ready Projects

Infrastructure investments have the potential to be double- or even triple-bottom-line projects. They create jobs that meet the immediate economic needs of citizens today, while producing long-term assets that help drive future economic growth. In some cases, they may also provide a third win in positive social impact. The State of Utah bonded to ramp up large infrastructure projects during the Great Recession of 2008. These efforts helped Utah weather that economic storm better than many other states. We can learn from those past experiences as we endeavor to address our current set of challenges and new opportunities.

In the short term, construction and infrastructure projects are large employers and have large economic multiplier effects because they rely on a number of service providers, are high wage payers, and can include purchases of goods and materials from Utah producers.

Contractors in Utah have had ample work over the last five years, but some major projects will wind down over the span of the next two years. These major construction projects winding down create capacity in Utah’s construction industry to build new infrastructure. Note that for large projects, engineering and design can take 12+ months. We therefore recommend the state begin planning immediately.

In addition to the five guiding principles, we recommend the state prioritize projects where state resources leverage and amplify favorable financing terms in concert with matching local and federal funds, and help prepare Utah for the mega-trends referenced in *Utah Leads Together* Volume III. Elected officials in Utah may consider the investment options outlined below.

Transportation

We recommend any new debt obligation incurred goes to new highway capacity construction, not maintenance. We further recommend funding to enhance UDOT’s existing telecommunications network. Priority should be given to those projects that are truly “construction ready,” which may include

Major Construction Projects Ending Within Two Years

Project	Anticipated Substantial Completion Date
"Lonestar" – Amazon Distribution Center in West Jordan City	June 2020
Pluralsight Headquarters, Draper City	August 2020
SLC Airport New Terminal, South Concourse Phase 1, Salt Lake City	September 2020
Facebook Data Center, Eagle Mountain City	March 2021
Vast Data Center, West Jordan City	March 2021
UVU Business School, Orem City	June 2021
Dixie State University Student Housing, St. George	June 2021
SLCC Jordan, West Jordan City	June 2021
University of Utah Stadium, Salt Lake City	July 2021
Utah State Correctional Facilities, Salt Lake City	October 2021
Proctor and Gamble, Box Elder County	January 2022
Various Corporate Offices and Campuses, Wasatch Front	February 2022
University of Utah Health Sciences, Salt Lake City	June 2022
Salt Lake County Convention Center Hotel, Salt Lake City	July 2022

Source: Partner organizations to the Economic Development Corporation of Utah.

projects that can commence in the next 18-24 months because they have already gone through the requisite engineering and environmental processes. Consideration should be given to traditional transportation projects, along with those projects that facilitate connections to our trails system and active transportation. Infrastructure for electric vehicles along our major transportation corridors should also be considered. We recommend the state evaluate projects statewide.

Transit

We recommend that the state and transit agencies prioritize projects that will increase throughput in their systems, improve air quality, and enhance tourism mobility.

Some specific categories of projects to consider include:

- Bus Rapid Transit projects
- Front Runner double tracking in high demand corridors
- Capital facilities that may speed up fleet transition from mostly diesel to diesel, natural gas, and electric

We further recommend the state monitor the outcomes of UTA's FrontRunner Strategic Business Plan process and evaluate partnership opportunities for investments in Phases I and IB.

Active Transportation/Outdoor Recreation

We recommend the state and local governments focus on outdoor recreation projects that will increase quality of life in urban communities and bring jobs to gateway communities. We recommend the state fund projects to bring recreation opportunities to within 10 miles of every resident's home across the state.

Some projects to consider include:

- Community trails
- State park improvements
- Gateway communities
- Canyon transportation projects
- State and local partnership projects

The existing Outdoor Recreation Match Grant Program has leveraged state funds. The 58 projects approved in 2020 have a 7-to-1 leverage ratio of local and private funding to state funding.

The state may also want to consider a high school and college sport tournament attraction strategy.

Water

We recommend that state and local governments evaluate water quality projects and water development projects where state and local resources can be leveraged and amplified by favorable financing terms and matching local, federal, and private funds.

For water quality, we recommend the state consider augmenting existing loan programs to finance additional wastewater treatment facilities and sewer facilities.

For water development projects, we recommend the state consider dam safety projects, as there are multiple projects throughout the state, on which engineering and construction could take place immediately.

For drinking water, we recommend the state consider using grants to buy down the cost of using federal funds.

Broadband

Utah should consider making short-term investments in closing the digital divide through a UETN network build out, ensuring household access to broadband for student learning, device purchases, and teacher training. Additionally, we recommend the state and local governments consider the following initiatives over the span of the next two years:

- A state broadband grant program to provide funds for last-mile access and connections to those households that remain unserved
- Public-private partnerships in rural areas to further broadband deployment to unserved areas
- Funding the broadband grant program on a longer-term recurring basis

Housing

Utah faced a serious housing shortage prior to the COVID-19 pandemic, estimated at 45,000 – 50,000 units. The pandemic has also demonstrated that multi-generational households, which are not always a symptom of a housing shortage but can be, are more susceptible to the negative health consequences of COVID-19. State leaders may want to consider a housing bond and other policies to increase Utah's housing supply. State leaders may also consider including energy efficiency upgrades as part of an overall housing strategy. The Economic Response Task Force recommends prioritizing Utah's housing gap to address this immediate need and make an enduring impact on the state.

Rapid Reskilling and Upskilling

The COVID-19 pandemic has severely impacted our local and national economies and exposed “the vulnerability of low-skilled, non-credentialed workers, with less-educated people losing work at three times the rate of those with college degrees” (Edstrategy.org). Retraining/upskilling, along with education and industry partnerships, will be vital to further economic activation and preparing the workforce to re-engage. Utah's higher education institutions, training providers, and businesses are poised to provide rapid training of in-demand skills needed to restore Utah's strong economic trajectory.

The Economic Response Task Force recommends four actions:

Action #1: Make strategic investments in short-term training programs designed to meet the immediate needs of key industries. Establish partnerships with employers to guarantee job interviews and apprenticeships for participating individuals. These short-term, job-focused investments enable Utahns to work and compete in a changing economy. Using federal CARES Act funding, or through other resources, tuition-free programs would focus on the following:

- Short duration (6-30 weeks)
- High-wage, high-demand skills
- Accessible instruction
- Stackable credentials
- Financial aid
- Apprenticeships
- Incentivize completion
- Programs may be certificate, credential or other recognition of completion

Action #2: Build out certificate programs at tech colleges, community colleges and universities. Certificate programs provide skills for all segments of the economy, but particularly those that benefit from short-term training that can stack into other degree opportunities.

Action #3: Provide a training voucher to Utahns who would like to attain post-high school certificates, credentials, and degrees. Eligible programs would be determined by the data collected by the Utah Department of Workforce Services. Programs that are in high-demand would be communicated to individuals who are in need of employment now or in the future.

Action #4: Provide vouchers for one-year graduate programs and bachelor degrees aligned with industry needs. Examples of high demand fields where degrees are offered include software development, information systems, finance, security operations, and educational technology. Graduate programs play a critical role in filling the positions that require additional training and a more specific skillset.

500-DAY HORIZON

Utah's economic revitalization plan focuses on actions that can be taken in the next 500 days to ensure prosperity for the state over the next 5,000 days.

The 500-day horizon begins with the recommended actions for the next 100- and 250-days and then builds upon our understanding of where the world economy is headed and preparing accordingly.

Where We've Been/Volume III Summary

In *Utah Leads Together* III, the Economic Response Task Force identified existing economic trends – such as e-commerce, automation, machine learning, and cybersecurity – and new economic shifts – such as shorter supply chains, remote work, and food security. We urged state leaders to capitalize on these accelerating and emerging trends.

Volume III also identified 10 strategic, and in some cases generational, investment options:

1. Outdoor recreation
2. Headquarters strategy
3. Advanced manufacturing and logistics network
4. Agriculture and food
5. Broadband
6. Point of the Mountain
7. Crossroads of the World
8. Air quality
9. Affordable housing
10. Rural Utah

Next Steps and Recommendations

The Economic Response Task Force recommends the state build upon these trends and 10 strategic investment options by taking five actions:

Action #1: Research and prioritize investment options in a way that maximizes societal benefit. State and local government have many channels to make this happen.

The Governor's Office of Economic Development, in partnership with the Economic Development Corporation of Utah, provides currently and can provide additional leadership for outdoor recreation, a headquarters strategy, and advanced manufacturing/logistics network.

In a similar way, the Utah Department of Agriculture and Department of Environmental Quality can provide leadership on food security and air quality.

Leadership guidance also comes from public-private partnerships and citizen commissions. The Housing Subcommittee of the Economic Response Task Force has

Finance Committee Recommendations/ Utah Rising

The Finance Committee of the Utah Economic Response Task Force has prepared a thoughtful idea document titled, "Utah Rising: Initiatives for a Broad & Rapid Economic Revival." This document complements the work of Utah Leads Together and offers dozens of ideas for policymaker consideration. These ideas extend over the breadth of the following categories:

- Agriculture and rural
- Tech grant program
- Business investment fund
- Employee recruitment
- Infrastructure
- Rental assistance
- Reopening of schools
- Tourism
- Health care
- Air quality
- Arts and culture
- Credit for small businesses

Appendix D includes a summary of several ideas by category.

prepared a strategy for affordable housing. The Point of the Mountain State Land Authority and Point of the Mountain Development Commission – which includes elected officials and members of the public – provide guidance on the generational investment slated for the intersection of Salt Lake and Utah counties.

Chambers of Commerce throughout the state and the Utah Industry Resource Committee (members listed on the back page of this document) provide valuable private sector input to this process. Local government should also play a significant role.

The governor's office – working closely with its staff offices of GOMB and GOED, as well as the Utah Legislature – should create a *Utah Leads Together* work plan to research and prioritize investment options.

Action #2: Sharpen focus on economic inclusion

The Economic Response Task Force recognizes all segments of society must do more to create a more inclusive, equitable, and just society. We recommend state leaders address the economic priorities of the COVID-19 Multi-Cultural Subcommittee and other equity and inclusion needs of our state and local communities. These priorities include the following:

- Increase efforts for economic sustainability among diverse businesses
- Create an equity and inclusion fund to address inequities
- Influence policy initiatives for inclusive practices

- Address Utah's urban/rural economic divide
- Make progress on the achievement gap in Utah's education system

As the state addresses these priorities, we recommend the state pay close attention to the digital divide faced by low-income households, food insecurity, and other challenges faced by many in the state. We not only lead together, we prosper together.

Action #3: Adopt a key sector strategy

The State of Utah has long focused on key sectors of the economy where we have a competitive advantage. The mega trends and new economic shifts referenced in *Utah Leads Together* Volume III offer an opportunity to refine our "key sector" strategy to ensure Utah positions itself for sustained relevance in the post-COVID-19 economy for those megatrends and shifts. Public and private decision-makers must pay attention to support of those future growth sectors in research and development, workforce, business expansion and recruitment, advocacy and regulator support, international partnership, and capital attraction.

Action #4: Reimagine Economic Development and Incentives

We recommend a re-examining of our state and local economic development and incentive programs such that those programs increasingly rely on market mechanisms and facilitate international business development, export-based businesses, growing global headquartered companies in Utah, and solving Utah-specific problems. Transition planning for Utah's next governor provides an ideal time for Utah to re-craft Utah's economic development strategy for the post-COVID-19 economy.

Action #5: Achieve higher trajectory of global leadership and growth.

Begin immediately to lay the groundwork for Utah to "level up" to an even higher trajectory of global leadership and growth by formulating and then executing policies that achieve the following:

- **Boost confidence** in international trade and investment by messaging that the short-term disruptions businesses are facing will fade, and even COVID-19 cannot change the fact that 95% of the global market is outside the United States.
- **Increase competitiveness** of Utah businesses by investing in infrastructure and programming that enable Utah businesses to develop fully optimized supply chains that balance resilience with efficiency.
- **Encourage portfolio resilience** as a state, communities, and businesses by securing diversified suppliers and maintaining spare capacity, inventory, and cash on hand.



International trade and investment now support nearly one in every four jobs in the state, with small businesses accounting for 85% of Utah's exporters. Last year, international sales added nearly \$5 billion in additional revenue for these small business exporters, and Utah's export growth rate has led the nation for the past two years.

Despite the pandemic's unprecedented global economic disruption—or perhaps because of the opportunities hidden within the crisis—we assert that Utah's path to economic recovery and revitalization runs through global markets, just as it did a decade ago.

Source: World Trade Center Utah

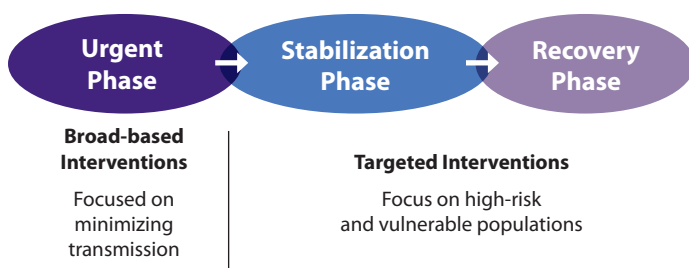
- **Enable an aggressive Utah business campaign** to capture foreign market share for Utah businesses and attract private capital to the state to fuel innovation, fund infrastructure, and solidify Utah's place as a global safe-haven for capital.
- **Resist the urge to seek security through protectionist sentiments and trade barriers** that cut against our legacy of global engagement and unduly increase costs for producers and consumers, thereby creating a drag on economic growth. As tribalism increases across the globe, Utah should advocate for global engagement and champion the economic and social benefits that come from free, fair, and balanced trade and investment.

The Task Force welcomes the opportunity to work with key stakeholders to "think big" on those strategic investment opportunities and other bold ideas that will help Utah recover to better.

NEW NORMAL GREEN

During the urgent phase of the pandemic, Utah pursued a strategy of minimizing transmission to buy time as it learned more about the virus, procured needed medical supplies, built testing and follow-up capacity, operationalized health data sharing, and created surge capacity at hospitals.

With these objective accomplished, in the stabilization phase the state's strategy shifted to carefully reactivate the economy while protecting high-risk populations. Some call this "protecting the hive." Under this strategy there will undoubtedly be additional transmission. But as people take personal responsibility to follow public health guidelines, lives are protected and overall societal wellbeing is improved.



As additional data continues to become available, the state can further focus its efforts on eliminating severe negative health outcomes from COVID-19, while returning to more normalcy in the rest of society.

The stabilization strategy focuses on:

- Protecting high-risk and under-served individuals
- Improving and supporting operations on the ground
- Accelerating economic reactivation
- Promoting broad-based adoption of practices that protect public health, such as wearing masks

These efforts are critical in light of the uncertainty of when a vaccine and effective therapeutics will be widely available, which further emphasizes the need to be extremely focused during the stabilization phase to effectively manage overall risk and integrate measures to ensure overall public health.

Protecting Utah's high-risk populations from COVID infection and corresponding adverse health outcomes is foundational to broad-based economic reactivation. As Utah "recovers to better" we must continue to exercise heightened recognition of public health guidelines as we diligently work to #ProtectTheHive. The results of these efforts will not only help to insulate vulnerable populations, but will also keep transmission to manageable levels, minimize non-COVID negative health impacts and support Utahns working, shopping and creating together moving forward.



A Mask for Every Utahn

A Mask for Every Utahn is a State of Utah initiative, in partnership with the Utah Manufacturers Association, to help Utahns who may not have a face mask and are returning to the workplace or going out in public. Masks are available for order at coronavirus.utah.gov/mask/.

Please, when you're in public places, wear a mask.

Doing so will help protect you and others as we work to keep Utah healthy and safe.

Key concepts of awareness and strategic interventions that will decrease COVID-19 spread, morbidity and mortality during the recovery and revitalization phase includes the following:

Poor Health Impacts Go Far Beyond COVID-19 Case Counts

The negative health effects of the COVID-19 pandemic reach far beyond the illness and mortality specific to the disease itself. For example, Intermountain Healthcare reports that over 200,000 hospital and medical group appointments were missed during the month of April, primarily from patient-initiated cancellations. Foregone care includes missed well-child visits and vaccinations, delayed cancer screenings and fewer inpatient hospital surgeries, among other treatments. Non-scheduled emergency room visits were also down on a year-over basis through much of the month as well.

The Centers for Disease Control and Prevention estimates that Utah has experienced up to 170 excess non-COVID deaths in recent months. With the state having experienced 139 COVID deaths to date, the CDC upper limit for non-COVID excess death count is cause for concern that Utah may have experienced more deaths related to the second order effects of COVID (e.g. exacerbated and/or unattended non-COVID physical, mental and behavioral health conditions) than from COVID itself.

Given this possibility, Utahns must immediately prioritize reconnecting with the health care system, maintaining regular medical visits, and staying on top of chronic conditions.

Keep Transmission Levels Manageable During Reactivation

While it is expected that greater community and workplace engagement will put upward pressure on transmission, targeted responses shielding high-risk populations are less effective when active infections are commonplace. Moreover, even the low hospitalization rates among general populations have the potential to overwhelm hospital capacity if the number of cases reaches a certain level in absolute terms. Consequently, it is imperative that our social and economic participation be responsible. By following safe hygiene practices, wearing masks, and physically distancing whenever possible, we can keep general COVID transmission rates at manageable levels and continue toward return to a “new normal”.

Acknowledge and Care for Vulnerable Populations:

Despite Utah’s position along the steep slope of the COVID-19 learning curve, it is well-documented that older individuals with multiple comorbidities are among those with the most significant risk for severe outcomes, including death. The hospitalization rate for COVID cases in Utah across all ages with no known comorbidities is less than 5%, while the hospitalization rate for COVID cases of all ages with one or more known comorbidities is over 16%. These risks increase with age and certain pre-existing conditions. For example, the hospitalization rate for people over age 65 who contract COVID-19 and have no known comorbidities is about 20%. The hospitalization rate approximately doubles to 42-44% for those over age 65 who contract COVID-19 and have two or more comorbidities or have cardiovascular disease, diabetes, or an immuno-compromising condition. Individuals in this same population who contract COVID-19 and have kidney disease experience an ever greater 67% hospitalization rate.

Other vulnerable individuals include underserved and

underrepresented populations who are negatively affected by multiple social determinants of health and, because of that, have limited resources and ability to cope with the effects of the pandemic. Adequately serving these vulnerable populations requires four main components:

- **Increasing testing and follow up** - Increasing adequate testing is key to understanding transmission rates. In addition, having resources to follow up with both positive and negative results builds trust and community buy-in and reduces stigma.
- **Using community health workers as trusted source and cultural brokers** - Using Community Health Workers (CHWs) helps to establish trust in affected communities. CHWs act as cultural brokers; they have existing relationships and knowledge of the context of disease that community members are dealing with.
- **Increasing wrap around services to support quarantine and isolation** – Because of the limited resources and ability to cope with the effects of the pandemic, wrap-around services (such as childcare, housing support, food security etc.) are critical to assisting vulnerable community members in following quarantine and isolation procedures, which is essential for all communities to follow.
- **Promote culturally appropriate and timely messaging** - Use community based organizations and trusted voices to promote culturally appropriate and timely messaging.

Workplace Safety and Response

Critical to protecting Utah’s health while reactivating the economy is creating safe workplaces. Safe workplaces protect customers and employees, and avoid workplace exposures

HOTLINE FOR THOSE WHO NEED SUPPORT

In an effort to better support high-risk individuals, the State of Utah’s Aging and Adult Services has broadened its resources normally offered to the elderly to any high-risk individual who needs help staying safely home during the pandemic. This hotline is primarily for those who live at home (not in a care facility) who do not have a support system to help them

follow high-risk guidance. Through the county-based Area Agencies on Aging, individuals will be provided meals, delivery of goods necessary for life (e.g. groceries, medical supplies, prescriptions), and transportation to medical appointments. They can also help with other challenges that may prevent an individual from safely staying at home such as AC repair.

**Individuals needing assistance can access this resource by calling 1-877-424-4640
or visiting [https:// coronavirus.utah.gov/protecting-high-risk-individuals/](https://coronavirus.utah.gov/protecting-high-risk-individuals/)**

that could later spill over into the community. The best way for businesses to stay open during this pandemic is to have an effective plan to prevent spread of disease, and to know how to respond if an employee tests positive. Businesses can utilize guidance outlined at: <https://coronavirus.utah.gov/business/workplace-resources/>. This guidance is set up to make it easier to write a plan to protect your business and encourages an intuitive framework sequenced by:

- 1 Protect your operations,
- 2 Protect your worksite,
- 3 Protect your employees,
- 4 Keeping your business open if an employee is exposed to or tests positive for COVID-19.

Early analysis by the Utah Department of Health finds that 77% of Utah's experienced super spreading events have been sourced to workplaces, with the largest share of these infections occurring among establishments in the manufacturing, wholesale trade, and construction industries. Outbreak events stemming from these industries have also disproportionately affected Hispanic or Latino populations in particular, with nearly two-thirds of these types of outbreak events affecting individuals identifying as Hispanic or Latino. This finding reiterates the importance of business adoption of safe operating practices in order to protect high-risk populations and provides a starting point for examining systemic risks for transmission within certain business activities and for formulating corresponding interventions.

International, National, and Utah Economic Outlook

This Time is Different

The recession brought on by spread of COVID-19 is unlike any other in modern U.S. history. The speed of the decline in both output and employment was excruciatingly steep, but the recovery will be notable as well. To be sure, the global, national and Utah economies will feel the effects of this recession long after public health concerns dissipate. Still—provided the virus can be managed appropriately and a vaccine becomes widely available as expected—a strong recovery is expected to take hold in the second half of 2020 and continue into 2021.

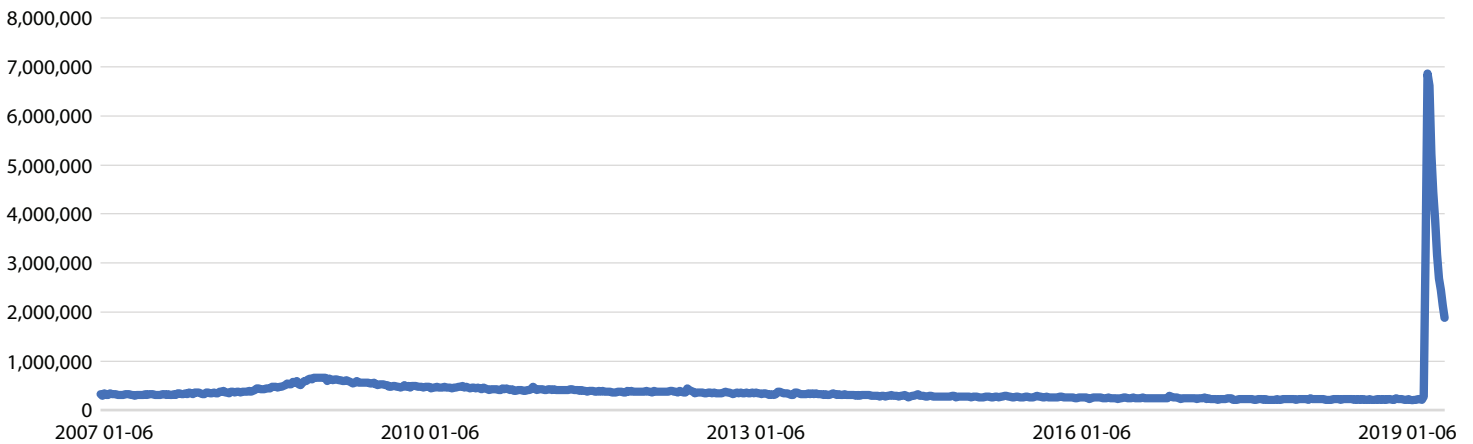
Not only is this recession different, but the health crisis that precipitated it also carries some unique characteristics and create heavy burden on society. Importantly, this burden is not equally shared—it falls disproportionately on low income workers and minorities. COVID-19 has shown a cruel ability to deal the most concentrated impact to many of those who are

most vulnerable in communities across the globe and Utah is no different.

Nationally, one in five adults working in February were laid off or furloughed. From another angle, roughly 40% of those making less than \$40,000 per year lost their job during the same period.¹ On the health side, minority and low-income populations suffer disproportionately from underlying health conditions that put them more at risk. Furthermore, these communities often lack access to medical services and may find it harder to quarantine at home.

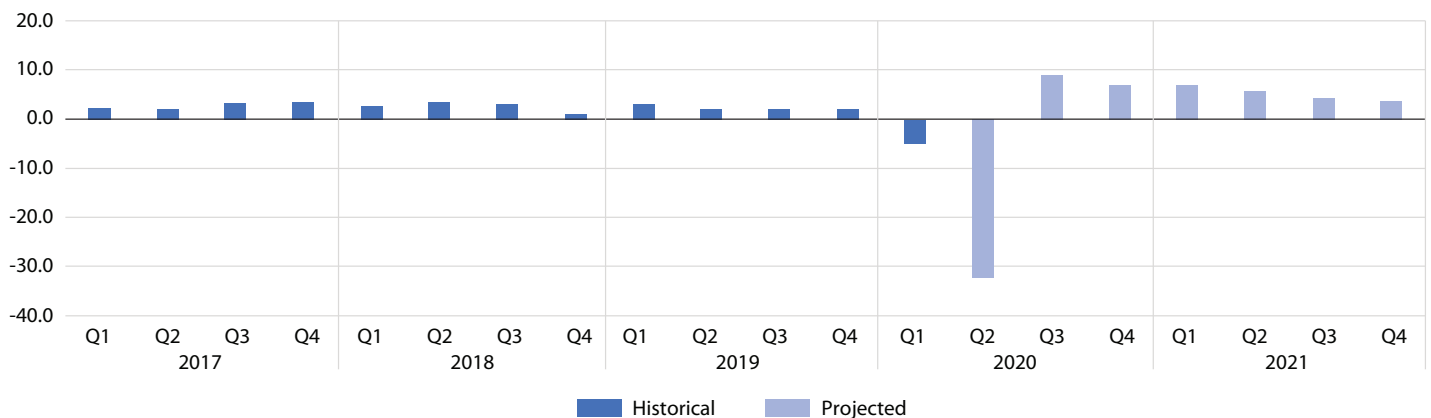
Despite making up less than 20% of the state’s population, the Utah Latino community constitutes over 40% of Utah’s confirmed cases of COVID-19. We also know that the largest share of these cases originated in the workplace. These data points should inform policymakers in how best to respond and where to focus the allocation of resources.

US Initial Jobless Claims 2006-2020



Source: U.S. Bureau of Labor Statistics

US GDP Quarterly History & Forecast



Source: U.S. Bureau of Economic Analysis and CBRE

Current Situation and Outlook

The U.S. lost over 1.3 million jobs in March and nearly 21 million in April. These sharp job losses were followed by a gain of 2.5 million jobs in May. Such wild swings can be attributed to the nature of the public health response and employers anticipating some degree of recovery in the near-term. Nationally, 73% of those unemployed reported themselves as temporarily unemployed.

Jobless claims in the state of Utah show a similar percentage of workers temporarily laid off. Furthermore, it should be noted that job losses in Utah were less severe than much of the U.S., with Utah's largest metros faring comparatively well to major metros in the country in terms of year-over-year jobs lost. Utah's continued unemployment claims as of early June are among the lowest in the nation, although these percentages vary by county within the state. Continued unemployment claims continue to gradually decline as Utahns return to work.

Meanwhile on the national level, GDP contracted by 5.1% during the first quarter of 2020 and the average Wall Street forecast expects Q2 2020 to show a massive contraction of -32.3% on an annualized basis, the sharpest quarterly contraction in history. This is expected to be followed by a strong rebound in Q3 and Q4 with GDP increasing by 9.0% and 6.9% (annualized), respectively. All told, U.S. GDP is expected to contract by 6.6% in 2020 and grow by 5.0% in 2021.² The state's recovery is likely to follow a similar pattern and achieve full recovery in pre-COVID GDP levels for Utah's metros in 2021.³

Recovery vs. Renaissance

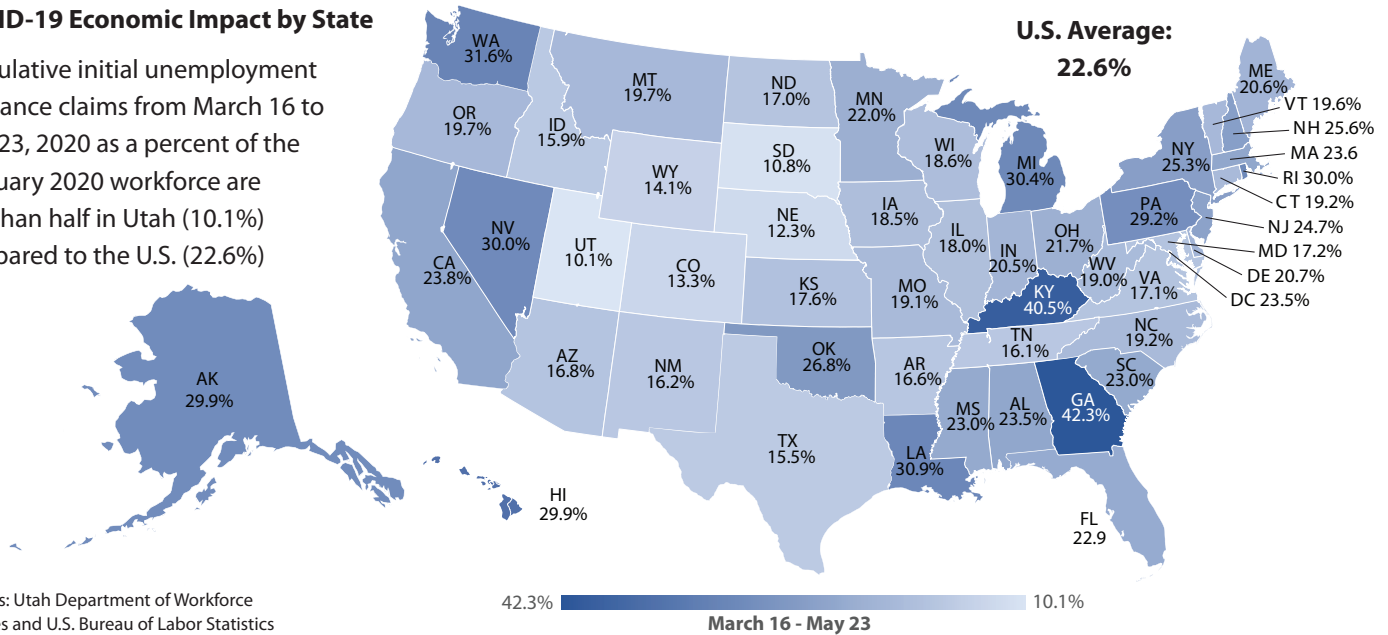
Although the economic recovery is expected to commence in the second half of 2020, lasting effects from the recession will remain for some time. Furthermore, COVID-19 has shined a bright light on socio-economic disparities in the U.S. These disparities came into even greater focus after the killing of George Floyd.

Society faces a moral imperative to elevate all citizens. One great lesson from the spread of COVID-19 is that we are dependent on each other for our own health and welfare. We are better off when shared prosperity can be achieved. If the racial wealth cap in America could be closed, the U.S. economy would be 4-6% larger by 2028.⁴

Although the entire globe has been uniquely challenged by this pandemic and its effects on economies, COVID-19 is also offering an opportunity. That opportunity is to understand more fully the challenges of the most vulnerable in society and our interconnected welfare. If these opportunities can be seized and solutions implemented, it is possible that communities could experience not just an economic recovery, but a renaissance in communities around the globe.

COVID-19 Economic Impact by State

Cumulative initial unemployment insurance claims from March 16 to May 23, 2020 as a percent of the February 2020 workforce are less than half in Utah (10.1%) compared to the U.S. (22.6%)

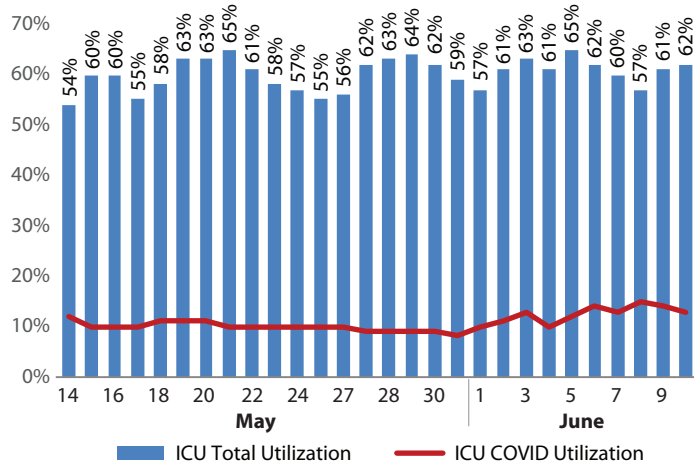


Sources: Utah Department of Workforce Services and U.S. Bureau of Labor Statistics

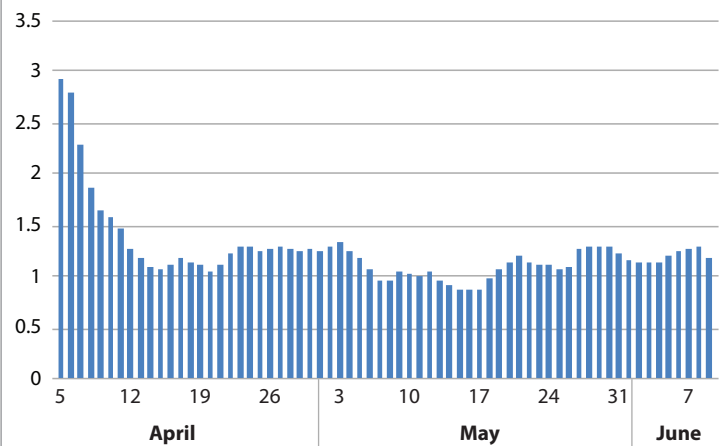
1 Board of Governors of The Federal Reserve System. Report on the Economic Well-Being of U.S. Households. May 2020.
 2 Wall Street Journal. Economist Q&A Forecast Edition. May 2020.
 3 Oxford Economics. North American Metro Service. June 2020.
 4 McKinsey & Company. The economic impact of closing the racial wealth gap. August 2019.

Four Core Metrics Guiding Decisions

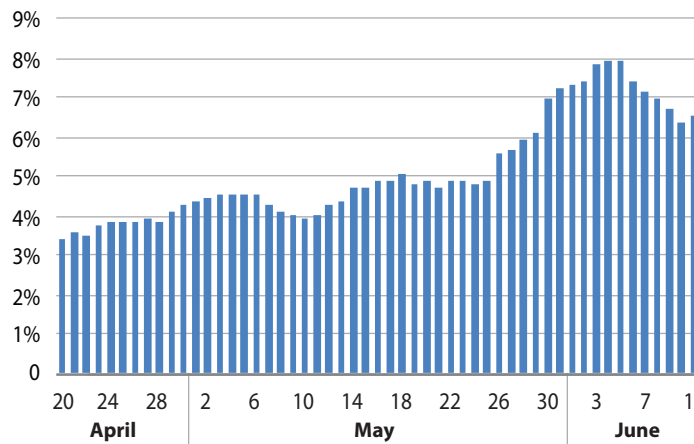
Gov. Herbert and the Public Health and Economic Emergency Commission utilize four core metrics to guide the safe reactivation of the Utah economy. These measures, along with a variety of supporting data points, guide state and local decisions about the appropriate level of health guidance. These measures and data as of June 17, 2020 include the following.



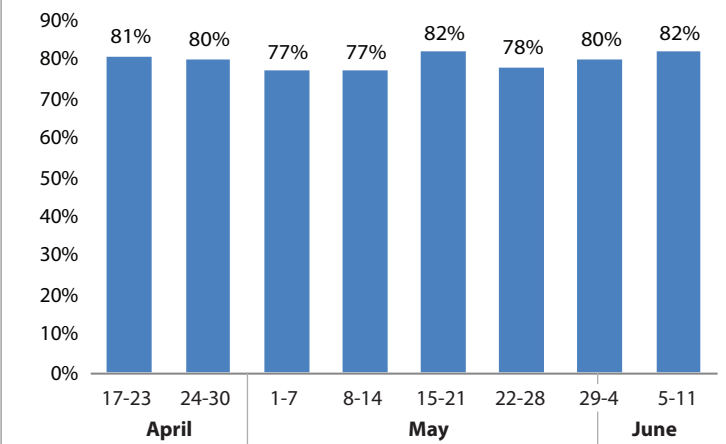
Hospital Capacity – This is a measure of Intensive Care Unit (ICU) utilization so that COVID-19 patients do not overwhelm hospital capacity. While total ICU utilization has approximated 61% in recent weeks, COVID ICU hospitalizations comprise less than 15% of ICU occupancy.



Transmission Rate – This is a measure of how many people contract the virus from each person who has the virus. The measure divides new hospital admissions by one reproductive cycle of the virus. Utah’s transmission rate has been at 1.0 to 1.5 for over 21 consecutive days.



Detect the Undetected – This is a measure of testing and tracing and is monitored by tracking and the 7-day average positivity rate. Utah has experienced an uptick in positive test rates in recent weeks, which can be influenced by outbreak events and is consistent with slightly elevated transmission rates.



Exposure Source – This is an indicator of the points of exposure. Utah has been at or above 77% of exposure traced to known contacts over the past 10 weeks.

Source: Governor’s Office of Management and Budget

U.S. Monetary and Fiscal Response

At the national level, the Federal Reserve has taken immediate and aggressive monetary policy actions to encourage economic activity, preserve liquidity, and protect the financial system. The U.S. government has enacted significant fiscal policies to assist individuals, businesses, and state and local governments.

Federal Reserve Monetary Response

- February 28:** Chairman Powell reassured markets that the Fed “will use its tools and act as appropriate to support the economy”
- March 3:** FOMC cut FFR 50 bps to 1.00-1.25%; unanimous decision
- March 9:** NY Fed increased overnight repo offering from \$100B to \$150B and increased two-week term repo operation from \$20B to \$45B
- March 11:** NY Fed increased overnight repo offering from \$150B to \$175B and added three one-month term repo operations at \$50B
- March 12:** NY Fed switched reserve management purchases from T-bills to all Treasury securities, introduced weekly one-month and three-month term repo operations at \$500B each
- March 15:** FOMC meeting
 - Cut FFR 100 bps to zero lower bound (0.00-0.25%); Mester dissented
 - Restarted Quantitative Easing (QE); increased Treasury and mortgage-backed securities (MBS) holdings by at least \$500B and \$200B
 - Cut primary credit rate (discount window) 150 bps to 0.25%
 - Depository institutions may borrow from discount window for 90 days, repayable & renewable by the borrower on a daily basis
 - Reduced reserve requirement ratios to 0.00%
 - Reduced rate on standing U.S. dollar liquidity swaps from OIS+50 bps to OIS+25 bps (BoC, BoE, BoJ, ECB, SNB)
- March 16:** Regulatory agencies encouraged banks to use discount window
- March 17:** Regulatory agencies encouraged banking organizations to use capital & liquidity buffers
- March 17:** FRB established Commercial Paper Funding Facility (CPFF)
- March 17:** FRB established Primary Dealer Credit Facility (PDCF)
- March 18:** FRB established Money Market Mutual Fund Liquidity Facility (MMLF)
- March 19:** Fed expanded U.S. dollar liquidity swap arrangements to nine additional central banks
- March 20:** Fed, BoC, BoE, BoJ & ECB further enhance swap lines by increasing frequency of 7-day maturity operations from weekly to daily
- March 20:** FRB expanded MMLF
- March 22:** Regulatory agencies encouraged financial institutions to work with borrowers and provided information regarding loan modifications
- March 23:**
 - FOMC announced open-ended purchase of Treasuries and MBS and expanded purchases to include agency commercial MBS
 - Established Primary Market Corporate Credit Facility (PMCCF) and Secondary Market Corporate Credit Facility (SMCCF)
 - Established Term Asset-Backed Securities Loan Facility (TALF)
 - Expanded MMLF to wider range of securities
 - Expanded the CPFF to more securities and reduced facility pricing
- March 23:** FRB announced technical change around a firm’s Total Loss Absorbing Capacity (TLAC) to facilitate the use of firms’ buffers
- March 26:** Regulatory agencies encourage banks, saving associations & credit unions to offer small-dollar loans to consumers & small businesses
- March 26:** Fed offers reporting relief to small financial institutions
- March 27:** Regulatory agencies permitted early adoption of standardized approach for measuring counterparty credit risk (SA-CCR) and allowed banks to mitigate effects of current expected credit loss (CECL)
- March 31:** Fed established temporary FIMA Repo Facility
- April 1:** FRB announced exclusion of U.S. Treasury securities and deposits at Fed Reserve Banks from the supplementary leverage ratio rule
- April 6:** Regulatory agencies changed community bank leverage ratio
- April 9:** Fed announced \$2.3T in loans to support the economy
 - Established Main Street Loan Facility (MSELF & MSNLF)
 - Bolstered Paycheck Protection Program Liquidity Facility (PPPLF)
 - Expanded PMCCF, SMCCF and TALF
 - Established Municipal Liquidity Facility (MLF)
- April 11:** Regulatory agencies issued interim final rule to temporarily defer real estate-related appraisals and evaluations
- April 16:** Fed announced its PPPLF is fully operational
- April 17:** FRB announced a rule change to bolster effectiveness of Small Business Administration’s (SBA) PPP
- April 23:** FRB announced it will make information regarding its programs publicly available on a monthly basis
- April 23:** FRB announced temporary actions aimed at increasing the availability of intraday credit extended by Federal Reserve Banks
- April 23:** Fed announced it is working to expand access to its PPPLF for additional SBA-qualified lenders as soon as possible
- April 24:** FRB announced an interim final rule to amend Regulation D to delete the six-per-month limit on convenient transfers from the “saving deposit” definition
- April 27:** FRB announced an expansion of the MLF to counties with a population of at least 500,000 residents (down from 2M) and cities with at least 250,000 residents (down from 1M)
- April 30:** FRB announced an expansion of the Main Street Lending Program by adding a third loan option, lowering the minimum loan size for certain loans to \$500,000 and expanding business eligibility
- April 30:** Fed expanded access to its PPPLF to additional lenders and expanded the collateral that can be pledged
- May 15:** Regulators temporarily change supplementary leverage ratio rule to provide flexibility to certain depository institutions
- June 8:** FRB expanded its Main Street Lending Program to allow for more small and medium sized businesses to receive support

Source: Wells Fargo Securities

Fiscal Response: \$2.8T + as of May 20, 2020

Phase 1: Coronavirus Preparedness and Response Supplemental Appropriations Act

\$8.3B | <0.1% of GDP

(Including \$1.6B dedicated to international efforts)

Status: Passed. Became Law on March 6, 2020.
Targeting: Vaccines, R&D

Phase 2: Families First Coronavirus Response Act

\$192B | ~0.9% of GDP

Status: Passed. Became Law on March 18, 2020.
Targeting: Free testing, sick leave, unemployment insurance, Medicaid

Phase 3: Coronavirus Aid, Relief & Economic Security Act (CARES)

\$2.2T | ~10% of GDP

Status: Passed. Became Law on March 27, 2020.
Targeting: Individuals, highly impacted industries, state and local governments

Phase 4: Paycheck Protection Program and Health Care Enhancement Act

\$484B | ~2% of GDP
\$310B | Round 2 PPP funding

Status: Passed. Became Law on April 24, 2020.
Targeting: More money to small businesses & hospitals

Source: Wells Fargo Securities

Utah COVID-19 Federal Aid Allocations as of June, 2020; \$ thousands

Federal Agency	Fund Name	Estimated Amount (\$ thousands)
Treasury	Coronavirus Relief Fund - State of Utah	\$934,766
	Coronavirus Relief Fund - Salt Lake County	\$203,604
	Coronavirus Relief Fund - Utah County	\$111,630
Department of Education	Governor's Emergency Education Relief Fund	\$29,190
	K-12 Emergency Relief Fund	\$67,822
	Higher Education	\$149,042
Administration for Children and Families	Child Care and Development Block Grant	\$40,415
	Community Services Block Grant	\$1,341
	Low Income Home Energy Assistance Program	\$6,279
	Family Violence Prevention	\$412
	Child Welfare Services	\$632
	Runaway and Homeless Youth (RHY) : Basic Centers	\$108
	RHY: Transitional Living for Homeless Youth	\$103
	Head Start	\$4,427
Administration for Community Living	Supportive Services	\$1,300
	Congregate and Home-Delivered Meals	\$4,681
	Family Caregivers	\$623
	Protection of Vulnerable Older Americans	\$130
	Aging and Disability Resource Centers	\$450
	Centers for Independent Living	\$941
Centers for Disease Control and Prevention	CDC Grant (awards to date under P.L. 116-123)	\$6,441
	Minimum CDC Grant (CARES)	\$7,157
	CDC Testing Funds	\$87,419
Health Resources and Service Administration	Poison Control Centers	\$42
	Ryan White HIV/AIDS	\$286
	Community Health Center	\$16,370
	Rural Health Clinics - COVID-19 testing	\$643
	Telehealth Resource Centers	\$829
	Small Rural Hospital Improvement Program	\$1,771
	Geriatrics Workforce Enhancement Program	\$91
	Area Health Education Centers Program	\$95
	Registered Nurses in Primary Care Training Program	\$79
Substance Abuse and Mental Health Services Administration	Emergency Grants to Address Mental and Substance Use Disorder	\$2,000
Office of the Secretary (HHS)	Provider Relief Funds (awards to date)	\$185,292
	Provider Relief Funds Rural (awards to date)	\$82,862
	Provider Relief Funds Skilled Nursing Facilities (awards to date)	\$37,355
	Hospital Preparedness (awards to date)	\$2,607

Federal Agency	Fund Name	Estimated Amount (\$ thousands)
Labor	UI Base (in P.L. 116-127)	\$4,905
	UI Supplemental (in P.L. 116-127)	\$4,905
	Short-Term Compensation	\$979
Justice	Justice Assistance Grants - State	\$5,466
	Justice Assistance Grants - Local	\$2,649
U.S. Department of Agriculture	Emergency Food Assistance Program Commodities	\$5,853
	Supplemental Nutrition Program for Women, Infants, and Children (in P.L. 116-127)	\$3,142
Commerce	Manufacturing Extension	\$575
Homeland Security	Emergency Performance Management Grant	\$1,330
	Emergency Food and Shelter Program	\$1,422
Housing and Urban Development	Community Development Block Grant (CDBG) - Local	\$9,498
	CDBG - State (awards to date)	\$8,546
	Homeless Assistance/ ESG - Local	\$7,119
	Homeless Assistance/ ESG - State	\$14,113
	Public Housing Operating	\$633
	Tenant-Based Rental Assistance (awards to date)	\$1,480
	Supportive Housing for Persons with Disabilities (Sec. 811)	\$782
	Housing Opportunities for Persons with AIDS	\$124
Transportation	Urbanized Area Formula	\$197,208
	Nonurbanized Area	\$22,313
	Grants-in-Aid for Airports	\$93,363
Independent Agencies	Election Security	\$4,322
	Institute of Museum and Library Services	\$290
	National Endowment for the Arts	\$443
	National Endowment for the Humanities	\$443
Non-Grant Funding	Paycheck Protection Program (through 6/6)	5,204,939
	Economic Injury Disaster Loans (as of 5/17)	712,631
	Economic Injury Disaster Loans Advance (as of 5/7)	78,562
	Municipal Liquidity Facility (max. eligible notes)	2,677,400
	Coronavirus Food Assistance Program	13,941
	Federal Pandemic Unemployment Compensation	380,883
Medicaid	FFCRA Medicaid Provisions	83,622
Individual Stimulus Aid	Economic Impact Payments as of May 22	2,494,199
All Federal Aid to Utah	Total (excluding Municipal Liquidity Facility)	\$11,349,913
	Percent of Utah GDP	6.02%

*Awards to date

Source: Federal Funds Information for States and Internal Revenue Service

Utah Economic Response Task Force Finance Committee Recommendations

The Finance Committee of the Utah Economic Response Task Force prepared a thoughtful idea document titled, "Utah Rising: Initiatives for a Broad & Rapid Economic Revival." This document complements the work of *Utah Leads Together* and offers policymakers a menu of ideas (82 in total). Some ideas are large, some are modest, and some are small. Some are short term, others are long term. All of the ideas are worthy of additional discussions. To give readers a flavor for the recommendations, we've included below one idea from each of the policy areas. The full report can be viewed at slchamber.com.

Agriculture and Rural

Provide state grants for broadband infrastructure to provide last-mile access to underserved communities and households.

Tech Grant Program

Provide funding for internships at Utah startup companies.

Business Investment Fund

Develop a public awareness campaign targeting small businesses regarding the role of Small Business Development Centers in supporting access to capital and other vital advisory services.

Employee Recruitment

Capitalize on Utah's life quality to attract urban tech industry professionals who can relocate to Utah while continuing to work for their technology companies.

Infrastructure

Support federal-level efforts to provide construction funding.

Rental Assistance

The Utah Legislature could direct funding to the Olene Walker Housing Loan Fund program for residential loans, which the Utah Department of Workforce Services or the loan fund itself could distribute for mortgage and rental assistance.

Reopening Schools

Seven ideas to keep students safe.

Tourism

Identify tourism infrastructure that should be expanded, upgraded or created, such as development on the east side of Zions National Park.

Health Care

Identify Utah companies that can shorten the supply chains for medical supplies and ramp up opportunities for Utah companies to serve as the supplier of the future for items that otherwise depend on far-flung, vulnerable supply chains.

Air Quality

Upgrade building codes with a focus on state-of-the-art efficiency measures that reduce emissions from homes and other buildings.

Arts and Culture

Ensure that nonprofits that are deemed too large for the SBA loans can still get assistance. Some cultural organizations have been left out of some resources because they have more than 500 employees (i.e., Thanksgiving Point, Utah Symphony | Utah Opera, Hale Centre Theatre).

Small Businesses

Scale up capacity of Utah Small Business Development Centers.

Source: Utah Rising: Initiatives for a Broad & Rapid Economic Revival, Utah Economic Response Task Force, Finance Committee

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 Utah Apartment Association
 Utah Arts
 Utah Asphalt Pavement Association

Utah Association of Certified Public Accountants
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 Utah Association of Health Underwriters (UAHU)
 Utah Bankers Association
 Utah Beauty Schools Owners Association
 Utah Beer Wholesalers
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 Utah Food Industry Association
 Utah Food/Retail Association
 Utah Gas Station and Convenience Store Retailers (UMPRA)
 Utah Home Builders Association
 Utah Independent Agents
 Utah Independent Agents
 Utah League of Cities and Towns
 Utah Manufacturers Association
 Utah Manufacturing Extension Partnership

Utah Medical Association
 Utah Medical Equipment Dealers
 Utah Mining Association
 Utah Nonprofits Association
 Utah Outdoor Association
 Utah Petroleum Association
 Utah Pharmacy Association
 Utah Podiatric medical Association
 Utah Realtors Association
 Utah Restaurant Association
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