

## **Title: Testing the Keys to North Carolina’s Economic Recovery**

The ncIMPACT Initiative at the UNC School of Government (ncIMPACT) and NC Growth at the Kenan Institute for Private Enterprise (NC Growth) propose to assess the short-term impacts of local government actions that aim to help people to feel safe engaging in activities that improve the economy. Many local officials noted in a recent survey administered by ncIMPACT that their revenues and budgets will be severely impacted by COVID-19 particularly due to the dramatic declines in tourism, restaurants, and retail. The policymakers have reason to worry. The U.S. economy is expected to see a startling decline in the second quarter, with real gross domestic product growth falling by between 25 percent and 40 percent. The national unemployment rate, which rose to 14.7% in April could climb as high as 25 percent. Unofficial estimates based on unemployment claims put North Carolina’s current rate at 18 percent. In addition, the intake of sales and occupancy taxes, as well as fees for recreational activity, has plummeted.

Both NC Growth and ncIMPACT have been cataloging examples of local community responses to the economic crisis since the first stay-at-home orders were issued. This is an opportunity for coordination between, and a systematic expansion of, the two databases, along with a robust investigation of the effectiveness of the measures being implemented. Perhaps most importantly, we propose to add information on the extent of testing available, promoted and accessed in communities to determine the relative role of testing in the economic recovery of our state. The goal will be to understand what factors contribute to geographically uneven economic recovery outcomes in the second half of 2020.

ncIMPACT and NC Growth are committed to sharing the results of this research widely with local decision makers. We will produce a series of four data-driven webinars highlighting our research results. The webinars will be marketed to local government elected officials, managers, economic developers and public health officials. They will be offered at no cost. Each webinar will include researchers and representatives of case communities and will focus on evidence-based lessons learned.

EHRA Salary	\$50,408
SHRA Salary	\$2,750
Grad Student	\$10,000
Temps	\$10,000
Fringe Pool	\$16,842
Non-Personnel Expenses	\$5,000
Total	\$95,000

