THE AMERICAN RESCUE PLAN ACT: IMPACTS IN NEW HAMPSHIRE

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COVERING EXPENSES STILL DIFFICULT FOR MANY NEW HAMPSHIRE HOUSEHOLDS

PERCENTAGE OF ADULTS LIVING IN HOUSEHOLDS WHERE IT HAS BEEN SOMEWHAT OR VERY DIFFICULT TO PAY FOR USUAL HOUSEHOLD EXPENSES DURING THE LAST SEVEN DAYS IN NEW HAMPSHIRE

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA)
American Rescue Plan Act (ARPA)

Period (Calendar Years 2020 and 2021)

Note: Margin of error bars represent 90 percent confidence intervals
PANDEMIC’S NEGATIVE IMPACTS GREATEST ON LOW-WAGE WORK

PERCENT CHANGE IN EMPLOYMENT IN NEW HAMPSHIRE

Notes: Change in employment rates (not seasonally adjusted) indexed to January 4-31, 2020. This series is based on payroll data from Paychex and Intuit, worker-level data on employment and earnings from Earnin, and timesheet data from Kronos.

HIGHER POVERTY RATES FOR SOME GROUPS

POVERTY LEVELS BY GROUP OR ATTRIBUTE IN NEW HAMPSHIRE, 2015-2019

POVERTY RATES FOR FAMILIES

BY FAMILY COMPOSITION AND CHARACTERISTIC IN NEW HAMPSHIRE, 2015-2019

For All Families For Single Female Headed Families

Poverty Level

Overall Family Poverty Level
Families with related children under 5 years
Families that own their home
Families that rent their home
Householder with less than high school degree
Householder with high school degree
Householder has some college or associate’s degree

Family Characteristic or Composition

Note: Margin of error bars represent 90 percent confidence intervals
Source: U.S. Census Bureau, American Community Survey Five-Year Estimates, 2015-2019
BLACK AND HISPANIC CHILDREN MORE LIKELY TO BE IN POVERTY THAN WHITE CHILDREN

ESTIMATED POVERTY RATES FOR NEW HAMPSHIRE RESIDENTS UNDER 18 YEARS OF AGE BY RACE AND ETHNICITY

Race or Ethnic Identity*

*Note: Races and ethnicities presented here are a subset of all races and ethnicities identified by the American Community Survey.

Source: U.S. Census Bureau, American Community Survey, 2015-2019
Individuals and families with the fewest resources going into the pandemic were the most likely to be directly affected.
OPPORTUNITY AREAS TO SUPPORT A MORE INCLUSIVE RECOVERY

• Affordable Housing
• Economic Security and Financial Stability
• Health Care
• Child Care and Caregiving
• Education and Job Training
• Broadband
CONSIDERATIONS IN THESE KEY AREAS

Affordable Housing

- Median gross rent for a two-bedroom apartment in 2021: $1,498
- In 2019, nearly half of renter households were cost burdened

Economic Security and Financial Stability

- Before the pandemic, low and median wages had declined and grown slower than inflation relative to before the Great Recession
- During the pandemic, uneven job and income losses during the pandemic have resulted in between about one in three and one in five New Hampshire adults reporting it was somewhat or very difficult to pay for usual household expenses

Health Care

- Estimated health care costs for a family of two adults and two children in New Hampshire were $7,701 per year

For more information, see the New Hampshire Housing Finance Authority’s Annual Residential Cost Survey; the U.S. Census Bureau American Community Survey; NHFPI’s September 4, 2020 Issue Brief “Challenges Facing New Hampshire’s Workers and Economy During the COVID-19 Crisis”; and Massachusetts Institute of Technology Living Wage Calculator
CONSIDERATIONS IN THESE KEY AREAS

Child Care and Caregiving

• Only 60 percent of the need for formalized childcare for children under 6 was met before the pandemic
• During the pandemic, limited childcare opportunities created challenges for parents returning to the labor force

Education and Job Training

• Ensuring Granite Staters impacted by job losses can re-enter the labor force safely with jobs that improve their economic security

Broadband

• Geographic disparities in access to critical internet services
• About 20 percent of Granite Staters did not have broadband internet services before the pandemic

For more information, see the NH Department of Health and Human Services commissioned report “Constraints on New Hampshire’s Workforce Recovery”; NH Woman’s Foundation 2020 Special Issue of the Gender Matters report titled The Impacts of COVID-19 on New Hampshire Women; NHFPI’s July 2, 2020 blog “Initiatives Aim to Increase Rural Access to Broadband Internet Services”; and the U.S. Census Bureau American Community Survey 2015-2019
ARPA AID TO INDIVIDUALS AND FAMILIES

- Expanded Child Tax Credit for 2021 (net increase of $286,796,822)
- Earned Income Tax Credit expanded for certain adults in 2021 (additional $43M in New Hampshire, but needs to be claimed by recipients)
- Economic Impact Payments, generally $1,400 per person for low- and middle-income households (about $1.46B to New Hampshire)
- Unemployment compensation eligibility expansion (ended early on June 19, 2021)
- Supplemental Nutrition Assistance Program benefits increase, a 15 percent boost, extended to September 30, 2021
- Enhanced subsidies for health insurance on individual marketplace
- Emergency rental assistance ($152M to New Hampshire)
- Child Care and Development Funds ($30M to New Hampshire), for low-income and essential worker families

Sources: Nasken Center report from August 2, 2021 titled; NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; New Hampshire Office of the Legislative Budget Assistant; U.S. Department of Health and Human Services; U.S. Department of the Treasury
ARPA AID DIRECTED TO NON-GOVERNMENTAL ORGANIZATIONS

• Child Care Stabilization Grants for centers with less revenue, higher costs during pandemic ($48M to New Hampshire)
• Higher Education Emergency Relief Fund, focus on student assistance ($165M to New Hampshire schools)
• Emergency Assistance to Non-Public Schools (combined $7M to New Hampshire schools)
• Aid to health centers funded through the U.S. Health Resources and Services Administration for several purposes
• Expanded Paycheck Protection Program eligibility
• Tax credits for smaller employer paid sick, family leave costs
• Aid focused on restaurants and closed venues

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Department of Health and Human Services; U.S. Department of Education; U.S. Department of the Treasury; NH Office of Legislative Budget Assistant
ARPA AID TO GOVERNMENTS

• Elementary and Secondary School Emergency Relief, reopening schools and addressing pandemic learning loss ($350M to New Hampshire K-12 schools)
• Temporary Assistance to Needy Families one-time allocation ($4M to New Hampshire)
• Enhanced federal funding for home and community-based services through Medicaid ($44M to New Hampshire)
• Capital Projects Fund, critical investments in broadband, capital assets ($122M to New Hampshire)
• State Small Business Credit Initiative ($56M to New Hampshire)
• Coronavirus State and Local Fiscal Recovery Funds ($1,457M to New Hampshire)

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Department of Health and Human Services; U.S. Department of Education; U.S. Department of the Treasury; NH Office of Legislative Budget Assistant; NH Department of Health and Human Services
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

NEW HAMPSHIRE’S ALLOCATIONS OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Source: U.S. Department of the Treasury, Coronavirus State and Local Fiscal Recovery Funds, accessed May 23, 2021

- State, $994.56 M
- Counties, $264.11 M
- Metropolitan Cities*, $85.98 M
- Other Cities and Towns, $112.21 M

“Metropolitan Cities” in New Hampshire include Dover, Manchester, Nashua, Portsmouth, and Rochester.
PERMITTED AND EXAMPLE USES

- Considerable flexibility, community engagement urged
- Support pandemic response, vital public services and jobs
- Address health disparities exacerbated by COVID-19, including behavioral and mental health services, substance misuse aid
- Respond to economic impacts with aid to workers, households, families, small businesses, nonprofits, and impacted industries
- Conduct outreach and helping people access services
- Premium pay, including retrospective pay, for essential workers
- Certain housing services, lead paint remediation
- Broadband infrastructure, wide array of water, sewer infrastructure
- Help to most impacted, foster long-term health, economic benefits
- Address systemic health, economic challenges causing unequal impacts

KEY POINTS

• ARPA provides significant funds to New Hampshire for targeted investments, assistance to individuals, recovery rather than relief
• Total assistance to New Hampshire of several billion dollars
• Coronavirus State and Local Fiscal Recovery Funds: $1.457 billion to New Hampshire State and local governments
• Many key provisions time-limited, including both flexible aid and assistance to individuals
• Opportunities for collaboration between cities and towns, counties, and the state
• From the Interim Final Rule: “Treasury encourages recipients to consider funding uses that foster a strong, inclusive, and equitable recovery, especially uses with long-term benefits for health and economic outcomes.”
ADDITIONAL NHFPPI ARPA RESOURCES


See more resources at nhfpi.org
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