



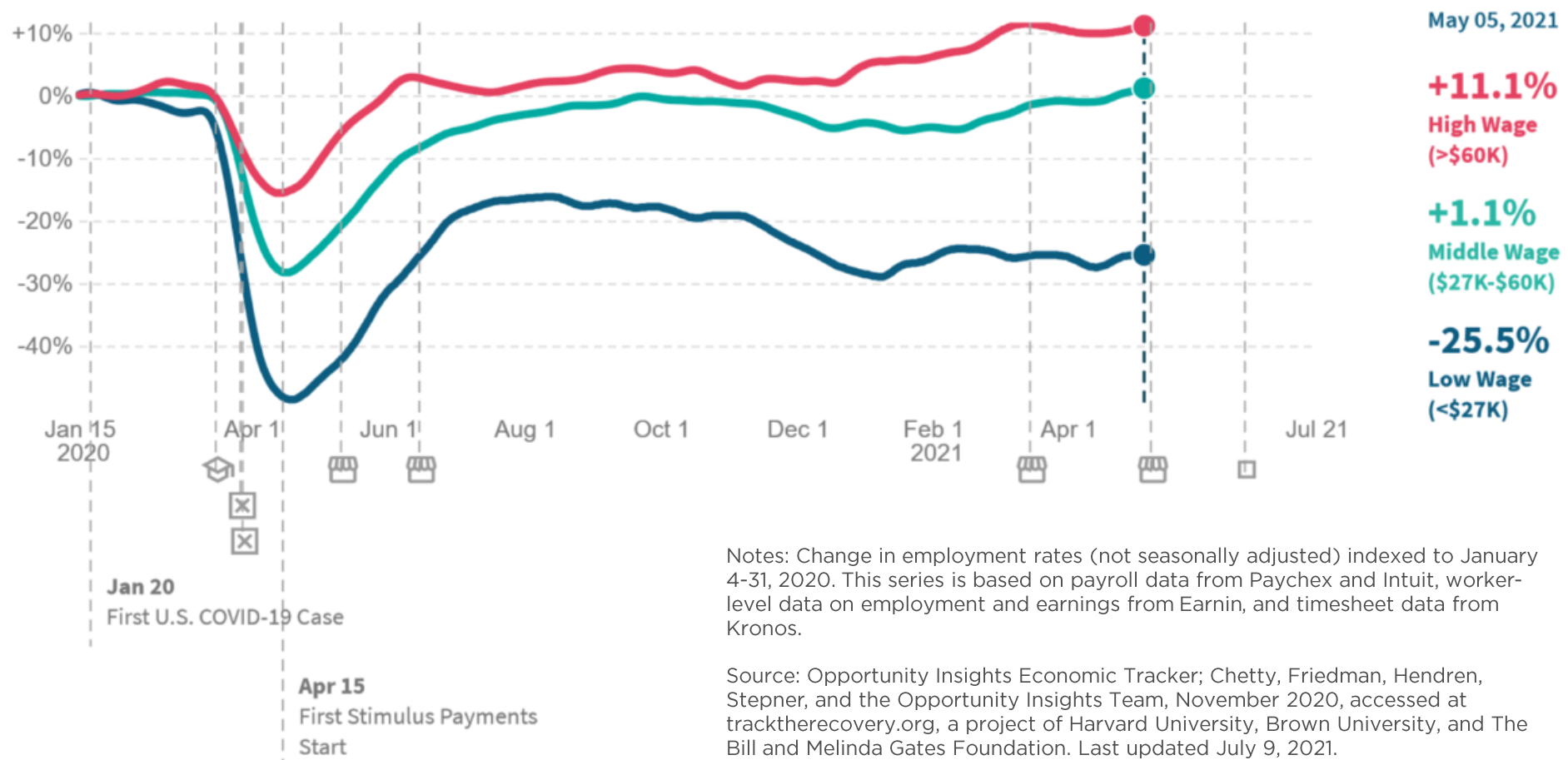
# THE AMERICAN RESCUE PLAN ACT AND ASSISTANCE TO GRANITE STATE HOUSEHOLDS

PRESENTED BY PHIL SLETTEN, SENIOR POLICY ANALYST

ARPA FISCAL RECOVERY FUNDS IN NH:  
VIRTUAL RESOURCES AND INFORMATION FAIR  
JULY 26, 2021

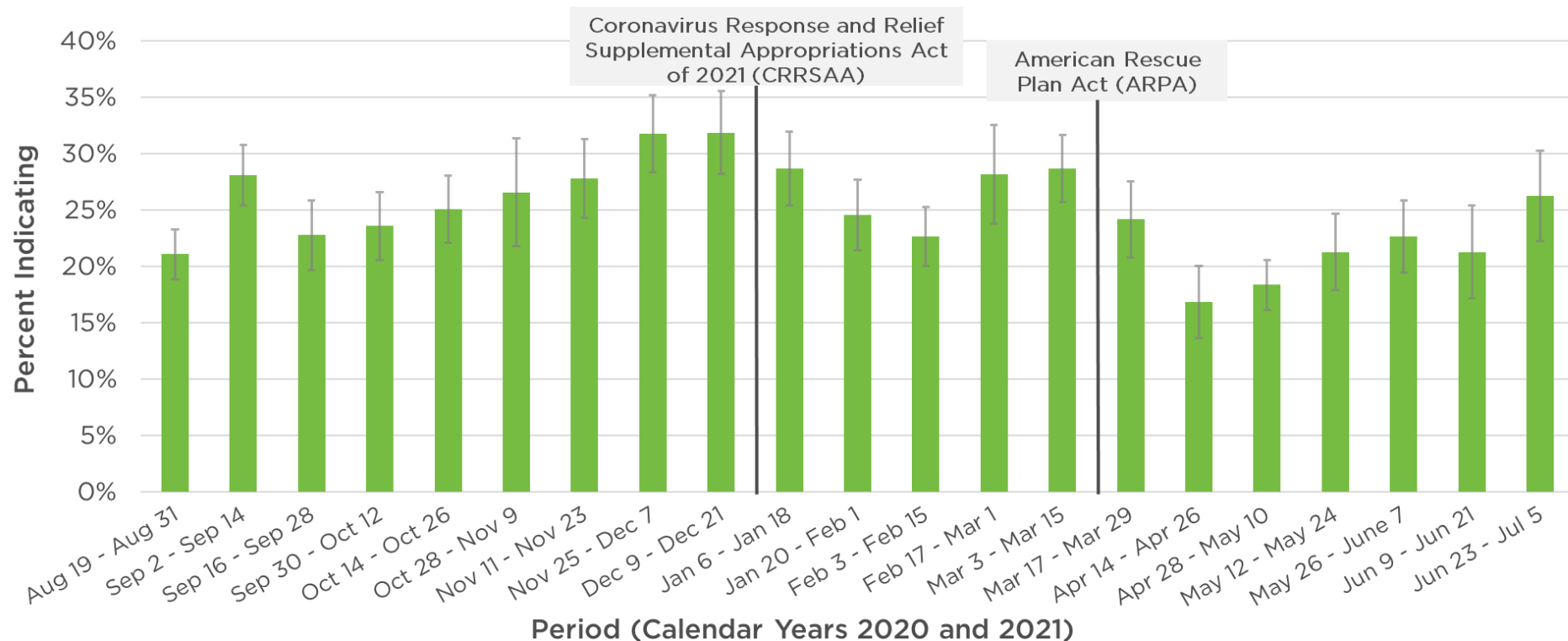
# PANDEMIC'S NEGATIVE IMPACTS GREATEST ON LOW-WAGE WORK

## PERCENT CHANGE IN EMPLOYMENT IN NEW HAMPSHIRE



# 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



Note: Margin of error bars represent 90 percent confidence intervals  
Source: U.S. Census Bureau, 2020-2021 Household Pulse Survey, accessed July 22, 2021

# DIRECT ARPA BENEFITS TO HOUSEHOLDS

- Provided Economic Impact Payments, generally \$1,400 per person for low- and middle-income households, one-time transfer
- Enhanced subsidies for health insurance on individual marketplace in 2021 and 2022, reducing premiums for people under 400% of the federal poverty guidelines (FPG), eliminating benchmark plan premiums under 150% FPG, capping premiums over 400% FPG
- Expanded unemployment compensation eligibility, additional \$300 per week benefits funded by the federal government through September 6, 2021 (ended earlier in New Hampshire)
- Increased Supplemental Nutrition Assistance Program (SNAP) benefits, a 15% boost, to continue through September 2021
- Increased Women, Infants, and Children Nutrition Program (WIC) benefits for fruits and vegetables (June-September in NH)

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; New Hampshire Department of Health and Human Services; U.S. Department of Health and Human Services; U.S. Department of the Treasury; Center on Budget and Policy Priorities; Kaiser Family Foundation

# DIRECT ARPA BENEFITS TO HOUSEHOLDS

- Expanded Earned Income Tax Credit for certain adults in 2021
- Expanded and enhanced Child Tax Credit, fully-refundable, with monthly delivery of half of benefit, for 2021 only
- Funded rent, utility assistance for certain households with low incomes (\$115.4 million to State of NH, \$21.0 million to Hillsborough County, \$15.6 million to Rockingham County)
- Created Homeowner Assistance Fund (\$50.0 million to NH)
- Boosted Child Care and Development Block Grant, may be used on childcare subsidies, eligibility changes (\$29.7 million to NH)
- Added funding for Low-Income Household Water Assistance Program, a recently-created program, and the Low-Income Home Energy Assistance Program

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; New Hampshire Department of Health and Human Services; U.S. Department of Health and Human Services; U.S. Department of the Treasury; Center on Budget and Policy Priorities; U.S. Federal Reserve System Early Care and Education Work Group

# KEY POLICIES BOOST WEAK ECONOMIES

## RETURNS ON INVESTMENT FROM CERTAIN POLICIES

Fiscal Stimulus Multipliers, First Quarter of 2009

Estimates of One-Year Change in Size of the Economy (Gross Domestic Product) for \$1.00 Change in Selected Federal Expenditure or Tax Changes	
Selected Policy Change Analyzed	Economic Growth Per \$1 Invested
Temporary Increase in Supplemental Nutrition Assistance Program Benefits	\$1.74
Temporary Federal Financing of Work-Share Programs	\$1.69
Extension of Unemployment Insurance Benefits	\$1.61
Increase in Infrastructure Spending	\$1.57
General Aid to State Governments	\$1.41
Child Tax Credit*	\$1.38
Payroll Tax Holiday for Employees	\$1.27
Earned Income Tax Credit*	\$1.24
Low Income Home Energy Assistance Program	\$1.13
Payroll Tax Holiday for Employers	\$1.05
Temporary Across-The-Board Tax Cut	\$1.02
Making Permanent Existing Reductions in Dividend and Capital Gains Taxes	\$0.39
Permanent Reduction in Corporate Tax Rate	\$0.32

\*Note: Evaluated relative to the parameters of the federal 2009 American Recovery and Reinvestment Act

Source: Moody's Analytics, published by the Center on Budget and Policy Priorities, *The Financial Crisis: Lessons for the Next One*, October 15, 2015.

# OUTREACH PERMITTED USE OF FISCAL RECOVERY FUNDS

**Interim Final Rule for Coronavirus State and Local Fiscal Recovery Funds identifies permissible expenses for key outreach services:**

- Public benefits navigators to assist community members in applying for available public benefits services
- Services and outreach to promote access to physical and behavioral primary health care and preventative medicine
- Community health workers to access health and other services

## **U.S. Treasury Department:**

- “...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.”
- Fiscal Recovery Funds can help address “...systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color.”

Source: U.S. Department of the Treasury, Interim Final Rule, May 10, 2021

# OUTREACH AND NAVIGATORS MAY BENEFIT LOCAL RESIDENTS, ECONOMY

- Connecting residents with services for which they are already eligible may bring more resources to local economy
- Many benefits are temporary, may be complex
- Risks of underuse of Child Tax Credit for those who do not file taxes, Earned Income Tax Credit for those newly eligible; Child Tax Credit may benefit 85 percent of New Hampshire children, and Earned Income Tax Credit expansion could bring as much as \$43 million to state residents
- U.S. Census Bureau income statistics suggest up to 17,000 children eligible for SNAP not enrolled in 2019, or up to \$37.9 million in forgone benefits if each child is in an average-benefit SNAP recipient household
- Medicaid enrollment has increased, requirement changes at end of federal Public Health Emergency
- Long-term benefits when residents can enroll in programs when needed

Sources: NHFPI, The Supplemental Nutrition Assistance Program: An Overview of Potential Under Enrollment in New Hampshire, July 15, 2021; NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; Center on Budget and Policy Priorities (preliminary, unpublished EITC analysis); Kaiser Family Foundation

# ADDITIONAL NHFPI RESOURCES

- Federal Guidance Details Uses of Flexible Aid for State and Local Governments – May 25, 2021: <http://nhfpi.org/blog/federal-guidance-details-uses-of-flexible-aid-for-state-and-local-governments/>
- Webinar: Federal Aid and the Recovery from the COVID-19 Crisis – May 19, 2021: <http://nhfpi.org/resource/federal-aid-and-the-recovery-from-the-covid-19-crisis/>
- Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services – March 26, 2021: <http://nhfpi.org/blog/federal-american-rescue-plan-act-directs-aid-to-lower-income-children-unemployed-workers-and-public-services/>
- Resource Inequities Across Counties – February 24, 2021: <http://nhfpi.org/resource/resource-inequities-across-counties/>

**See more resources at [nhfpi.org](http://nhfpi.org).**



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