LEVERAGING COVID-19 RELIEF FUNDS TO SUPPORT AN EQUITABLE AND INCLUSIVE RECOVERY
LEVERAGING COVID-19 RELIEF FUNDS TO SUPPORT AN EQUITABLE AND INCLUSIVE RECOVERY

VIRTUAL EVENT

JUNE 9, 2022
KEY AMERICAN RESCUE PLAN ACT (ARPA) AID TO STATE AND LOCAL GOVERNMENTS

• Many funds from ARPA and other federal acts directed at helping individuals and organizations with purpose-specific aid
• Elementary and Secondary School Emergency Relief funds designed to help with reopening schools and addressing pandemic learning loss ($350.6M to New Hampshire K-12 schools)
• Higher Education Emergency Relief Fund ($163.3M)
• Child Care and Development Block Grant ($29.7M) and Child Care Stabilization Grants ($47.7M)
• Emergency Rental Assistance ($152.0M) and Homeowner Assistance Fund ($50.0M)
• Coronavirus State and Local Fiscal Recovery Funds ($1,456.9M to New Hampshire State and Local Governments)

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; New Hampshire Office of Legislative Budget Assistant
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 16, 2021

- State, $994.6M, 68.3%
- Counties, $264.1M, 18.1%
- Cities and Towns, $198.2M, 13.6%
TWO-THIRDS OF CORONAVIRUS STATE FISCAL RECOVERY FUNDS ALLOCATED

AMERICAN RESCUE PLAN ACT
CORONAVIRUS STATE FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

As of June 1, 2022

- Appropriated, $665.9M, 67%
- Unappropriated, $328.7M, 33%

Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021-June 1, 2022
CORONAVIRUS STATE FISCAL RECOVERY FUND NEW HAMPSHIRE APPROPRIATIONS

NEW HAMPSHIRE’S CORONAVIRUS STATE FISCAL RECOVERY FUND ALLOCATIONS, AS OF JUNE 1, 2022

- Water Infrastructure, $240.0M, 36.0%
- Housing, $103.1M, 15.5%
- Mental Health or Substance Use Disorder Services, $45.4M, 6.8%
- Information Technology Upgrades, $44.3M, 6.6%
- Health Care, $41.2M, 6.2%
- Building Upgrades, $38.4M, 5.8%
- Public Safety, Enforcement, and Justice, $32.8M, 4.9%
- Youth Services, $31.4M, 4.7%
- Parks and Recreation Upgrades, $23.7M, 3.6%
- Veterans Services, $23.0M, 3.5%
- Workforce Incentives and Support, $16.6M, 2.5%
- Administration and Operations, $12.5M, 1.9%
- Economic Development, $5.7M, 0.9%
- Clean Energy and Air Quality, $1.9M, 0.3%
- Broadband, $0.7, 0.1%
- Benefits Access, $2.2M, 0.3%

Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021-June 1, 2022
FISCAL RECOVERY FUNDS PERMITTED USES

Relatively flexible funds designed to:

- Respond to the public health and economic impacts of the pandemic
- Provide premium pay for essential workers
- Replace lost public sector revenue
- Invest in water, sewer, and broadband infrastructure
- Provide services to “impacted” households or communities (generally, below 300 percent of the Federal Poverty Guidelines, or experiencing certain conditions or hardships or qualifying for existing programs)¹

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.”²
- 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.”²

¹ U.S. Department of the Treasury, Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule, January 2022
² U.S. Department of the Treasury, Interim Final Rule, May 10, 2021
CERTAIN RACIAL AND ETHNIC GROUPS HAVE MUCH HIGHER POVERTY RATES

INDIVIDUAL POVERTY RATES BY SELECTED GROUP
2016-2020 ESTIMATES, NEW HAMPSHIRE

Poverty Thresholds, 2020 Annual Income:

- Single Adult Under 65 Years Old: $13,465
- One Adult Under 65 with One Child: $17,839
- Two Adults with One Child: $20,832
- Two Adults with Two Children: $26,246

Notes: Margin of error bars represent 90 percent confidence intervals, Hispanic origin included in non-white races
Source: U.S. Census Bureau, American Community Survey Five-Year Estimates, 2016-2020

NEW HAMPSHIRE FISCAL POLICY INSTITUTE
MANY GRANITE STATEERS ELIGIBLE FOR SERVICES SUPPORTED BY THESE FUNDS

NEW HAMPSHIRE POPULATION BY IMPACTED INCOME GROUP, 2016-2020 ESTIMATES RELATIVE TO 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES (FPG)

<table>
<thead>
<tr>
<th>New Hampshire County</th>
<th>Percent of Population Below 300 Percent FPG</th>
<th>People with Incomes Below 300 Percent FPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belknap</td>
<td>40%</td>
<td>24,300</td>
</tr>
<tr>
<td>Carroll</td>
<td>41%</td>
<td>19,600</td>
</tr>
<tr>
<td>Cheshire</td>
<td>39%</td>
<td>27,900</td>
</tr>
<tr>
<td>Coos</td>
<td>53%</td>
<td>15,600</td>
</tr>
<tr>
<td>Grafton</td>
<td>42%</td>
<td>35,000</td>
</tr>
<tr>
<td>Hillsborough</td>
<td>32%</td>
<td>130,600</td>
</tr>
<tr>
<td>Merrimack</td>
<td>34%</td>
<td>48,700</td>
</tr>
<tr>
<td>Rockingham</td>
<td>24%</td>
<td>73,000</td>
</tr>
<tr>
<td>Strafford</td>
<td>35%</td>
<td>42,100</td>
</tr>
<tr>
<td>Sullivan</td>
<td>43%</td>
<td>18,300</td>
</tr>
<tr>
<td>Statewide</td>
<td>33%</td>
<td>435,200</td>
</tr>
</tbody>
</table>

Sources: U.S. Census Bureau, American Community Survey, 2016-2020; U.S. Treasury Department

- One-quarter of children enrolled in New Hampshire public schools in October 2019 eligible for free or reduced-price meals (generally, 185 percent FPG eligibility)
- Includes 58 percent of children identifying as Black, 54 percent of Hispanic children, and 33 percent of Multiracial children
- About one out of every four single-female headed households with children in poverty
- Approximately 22,000 adults age 65 or older within 125 percent FPG

Sources: NHFPI, Greater Investments Key for Students Facing Inequities Across New Hampshire, August 25, 2021; U.S. Census Bureau, American Community Survey, 2016-2020
FREQUENT CHILD CARE DISRUPTIONS, PRIOR RESEARCH SHOWS UNMET NEEDS

• Analysis found only about 60 percent of New Hampshire’s child care needs were being addressed by capacity before the pandemic.

• Child care demand and capacity both significantly reduced in mid-2020, but October 2020 data suggested only 50 percent of estimated needs were met.

• Child care commonly cited as reason for not working, Census Bureau survey data.

CHILD CARE DISRUPTIONS FOR YOUNG CHILDREN
Percentage of New Hampshire Adults in Households Where Children Under 5 Were Unable to Attend Child Care Arrangements in the Last 4 Weeks

- Experienced Child Care Disruptions: 36%
- Did Not Indicate Experiencing Disruptions, or Had No Response: 64%


HOUSING BECOMING LESS AFFORDABLE

**HOUSE AND CONDO PRICES**

*Median New Hampshire Sale Prices, Twelve Month Rolling Averages*

- Statewide median home sale price increased about 80 percent in five years (March 2017-March 2022)\(^1\)
- Increase in prices, decline in supply accelerated since the start of the pandemic
- Home purchasing market likely leaves more residents in the rental market
- New Hampshire renters have lower median household incomes than homeowners\(^2\)
  - Renter-occupied units: $45,500
  - Owner-occupied units: $95,000

1. NHFPI, Worsening Housing Shortage Reduces Access to Affordable Homes in New Hampshire, May 4, 2022
2. U.S. Census Bureau, American Community Survey, 2016-2020

*Source: New Hampshire Association of Realtors, March and April 2022*
MEDIAN RENTAL COSTS INCREASING, FEWER APARTMENTS AVAILABLE FOR RENT

MEDIAN MONTHLY RENTAL COSTS AND VACANCY RATES

New Hampshire Statewide Data, Two Bedroom Apartments

- Rental Vacancy Rate
- Median Monthly Rent and Utility Cost

Year

- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018
- 2019
- 2020
- 2021

Source: New Hampshire Housing Finance Authority

NEW HAMPSHIRE FISCAL POLICY INSTITUTE

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LOWER INCOME RENTERS COST-BURDENED

RENT AND UTILITIES PAYMENTS AS A PERCENTAGE OF INCOME FOR LOWER-INCOME NEW HAMPSHIRE RENTERS

Percentage of Income Paid by Renter Households with Less Than $35,000 Per Year of Income (39 Percent of All Renters), 2016-2020

- Paying 30 Percent to 50 Percent: 29%
- Paying More Than 50 Percent: 47%
- Paying Less Than 30 Percent: 17%
- Not Computed: 7%

Source: U.S. Census Bureau, American Community Survey, 2016-2020
BOLSTERING SUPPORTS FOR WORKERS KEY TO FULL EMPLOYMENT RECOVERY

NEW HAMPSHIRE RESIDENTS EMPLOYED AND UNEMPLOYED WHILE ACTIVELY SEEKING WORK

Month and Calendar Year

PANEL DISCUSSION SPEAKERS

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PANEL DISCUSSION

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