



AMERICAN RESCUE PLAN ACT EXPENDITURES IN NEW HAMPSHIRE

PRESENTED BY PHIL SLETTEN, NHFPI RESEARCH DIRECTOR

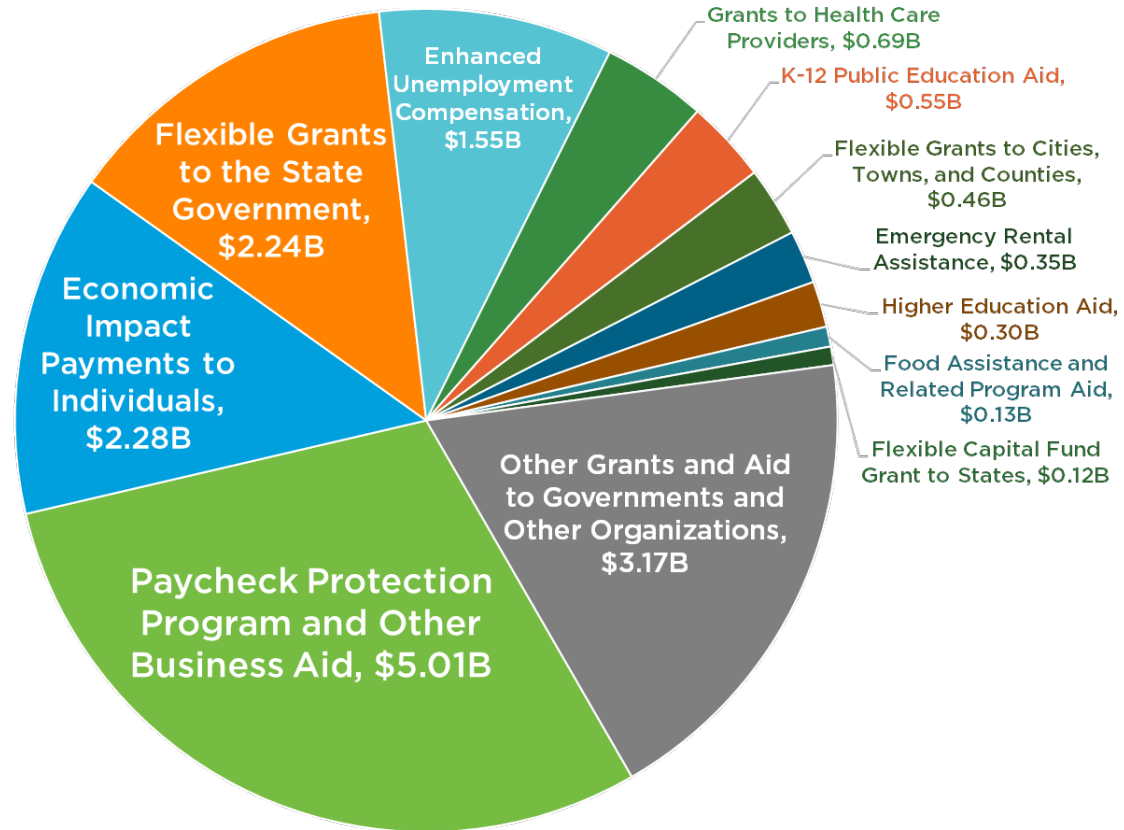
NEW HAMPSHIRE CHARITABLE FOUNDATION POLICY TEAM

MARCH 31, 2023

ABOUT \$17 BILLION IN PANDEMIC-RELATED FEDERAL AID TO NEW HAMPSHIRE

FEDERAL ASSISTANCE RELATED TO COVID-19 IN NEW HAMPSHIRE

Total of Nearly \$16.9 billion Through July 7, 2022



New Hampshire economy in 2019: \$87.3 billion

Source: U.S. Bureau of Economic Analysis, Gross State Product

Note: Sums may include small amounts of double-counting due to summation mismatches. Totals presented are derivations. Small amounts of aid to individuals are also included in the "Other Grants and Aid" section, including aid for funeral expenses.

Source: New Hampshire Office of Legislative Budget Assistant, Federal COVID-19 Funds, New Hampshire Allocations, July 7, 2022.

THE AMERICAN RESCUE PLAN ACT (ARPA) ASSISTANCE ENACTED IN MARCH 2021

Aid summarized in three categories:

- To individuals and families
- To non-governmental and non-profit organizations
- To governments

KEY ARPA AID: INDIVIDUALS AND FAMILIES

- Unemployment compensation expanded, added \$300 per week
- Economic Impact Payments, \$1,400 for individuals
- Supplemental Nutrition Assistance Program benefits increased by 15 percent through to end of September 2021
- Continuation of Pandemic EBT program for students out of school
- Expanded and fully-refundable Child Tax Credit in 2021
 - Advance payments on monthly basis (\$320.7M during 2021)
 - Estimated to have reached about 85 percent of New Hampshire children
 - National estimates suggest 2021 Credit reduced child poverty by about 43 percent
- Expanded Earned Income Tax Credit for certain adults in 2021
- Health coverage subsidies for individual marketplace purchasers
- Emergency rental assistance, \$152M to help New Hampshire renters (following \$200M from the December 2020 federal aid package)
- Support for child care aid grants for eligible individuals (\$30M)

Sources: NHFPI, Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services, March 26, 2021; U.S. Census Bureau, Poverty in the United States: 2021, September 2022; U.S. Department of the Treasury, By State: Advance Child Tax Credit Payments Distributed in December 2021, December 15, 2021.

KEY ARPA AID: 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

KEY ARPA AID: 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 (about \$115M)
- 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

FLEXIBLE FEDERAL AID: CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

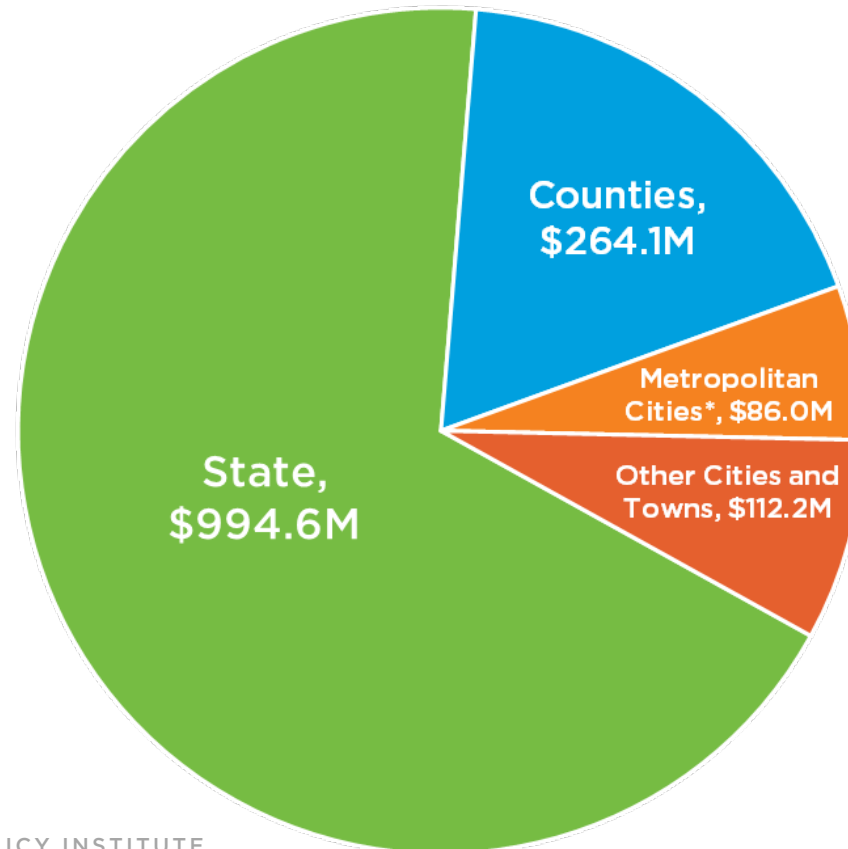
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

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

Funds must be obligated by December 31, 2024 and spent by December 31, 2026.

Source: U.S. Department of the Treasury



*"Metropolitan Cities" in New Hampshire include Dover, Manchester, Nashua, Portsmouth, and Rochester.

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

MANY GRANITE STATERS ELIGIBLE FOR SERVICES SUPPORTED BY THESE FUNDS

NEW HAMPSHIRE POPULATION BY IMPACTED INCOME GROUP, 2017-2021 ESTIMATES RELATIVE TO 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES (FPG)

New Hampshire County	Percent of Population Below 300 Percent FPG	People with Incomes Below 300 Percent FPG
Belknap	38%	23,900
Carroll	41%	20,000
Cheshire	38%	27,200
Coos	52%	15,300
Grafton	40%	33,600
Hillsborough	31%	129,900
Merrimack	34%	49,500
Rockingham	23%	72,600
Strafford	34%	41,200
Sullivan	42%	17,900
Statewide	32%	431,000

Sources: U.S. Census Bureau, American Community Survey, 2017-2021

- 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)
- School meal-eligible 2019 students included 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 23,000 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, 2017-2021

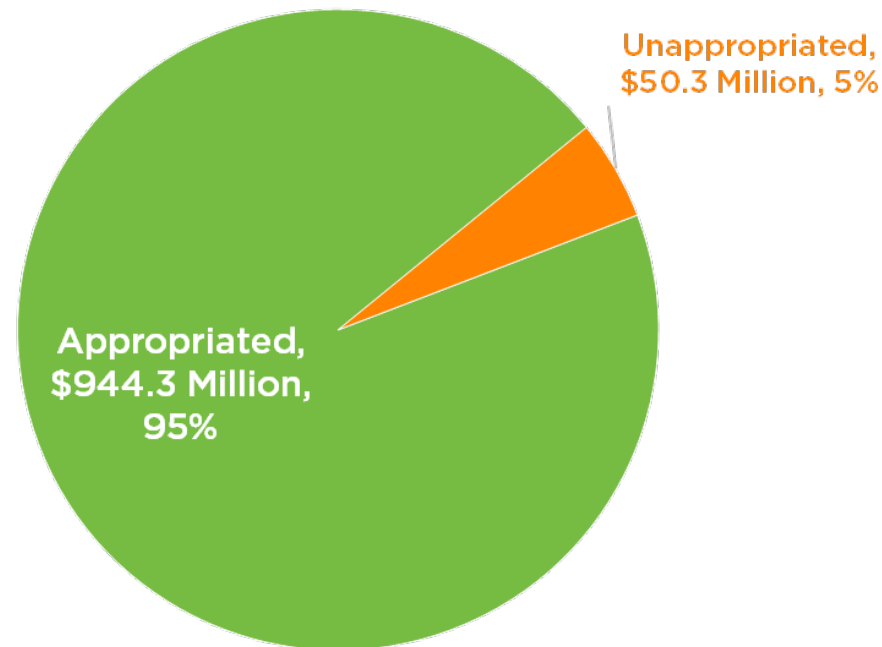
PROCESS FOR ACCEPTING AND DEPLOYING FEDERAL FUNDS IN NEW HAMPSHIRE

- A pre-existing process and legal framework for accepting federal funds outside budget processes used for pandemic-related funds
- Different process during the State of Emergency, when the Governor directed the flexible Coronavirus Relief Funds from the CARES Act
- Process for ARPA Coronavirus State Fiscal Recovery Funds:
 1. State agencies generate proposal for expenditures
 2. Joint Legislative Fiscal Committee and the Executive Council approvals are required for any transfer of funds over \$100,000, including federal grants
 3. Executive Council approval is also required to enter contracts of over \$10,000
 4. Spending authority lasts through the end of the State Budget biennium
- Reporting required to U.S. Treasury Department, but no specific application is required for the use of these flexible funds
- Tracking and certain administration of these funds conducted by the Governor's Office for Emergency Relief and Recovery (GOFERR)

SLIGHTLY OVER \$50M CORONAVIRUS STATE FISCAL RECOVERY FUNDS UNBUDGETED

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

As of March 29, 2023

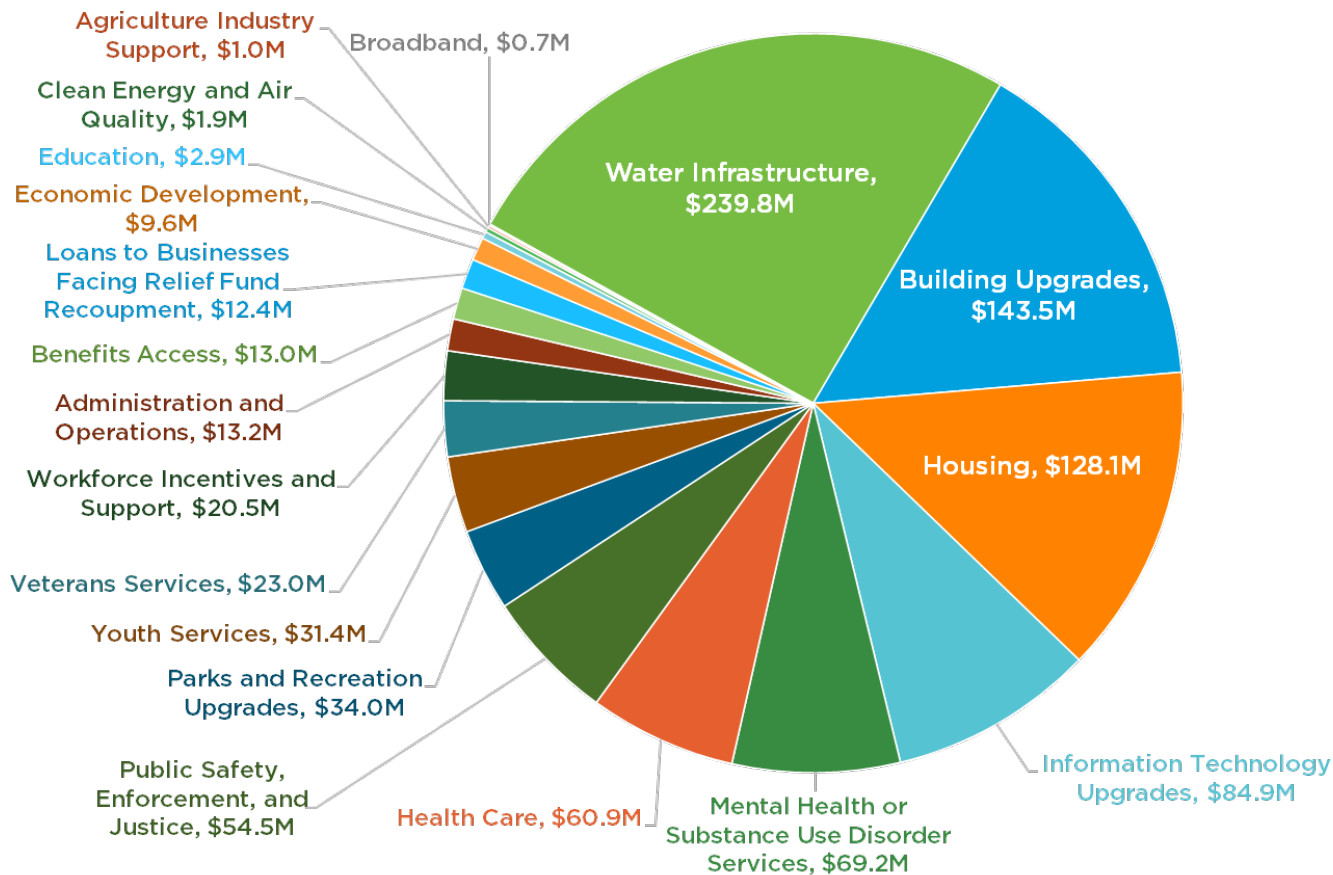


Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021-March 2023

CORONAVIRUS STATE FISCAL RECOVERY FUND NEW HAMPSHIRE APPROPRIATIONS

NEW HAMPSHIRE'S CORONAVIRUS STATE FISCAL RECOVERY FUND ALLOCATIONS, AS OF MARCH 29, 2023

Does Not Include Federal Funds Allocated From Other Sources

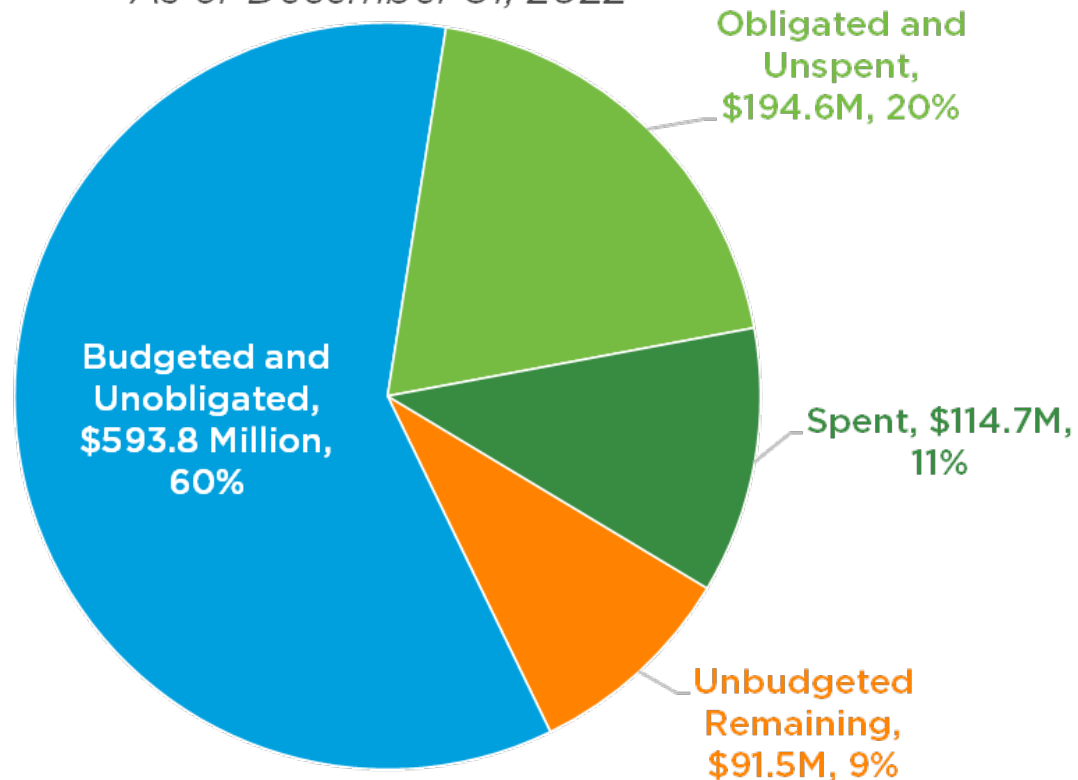


Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021 - March 2023

AS OF DECEMBER 31, 2022, LESS THAN 12 PERCENT SPENT, 20 PERCENT OBLIGATED

AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE FISCAL RECOVERY FUND EXPENDITURES IN NEW HAMPSHIRE

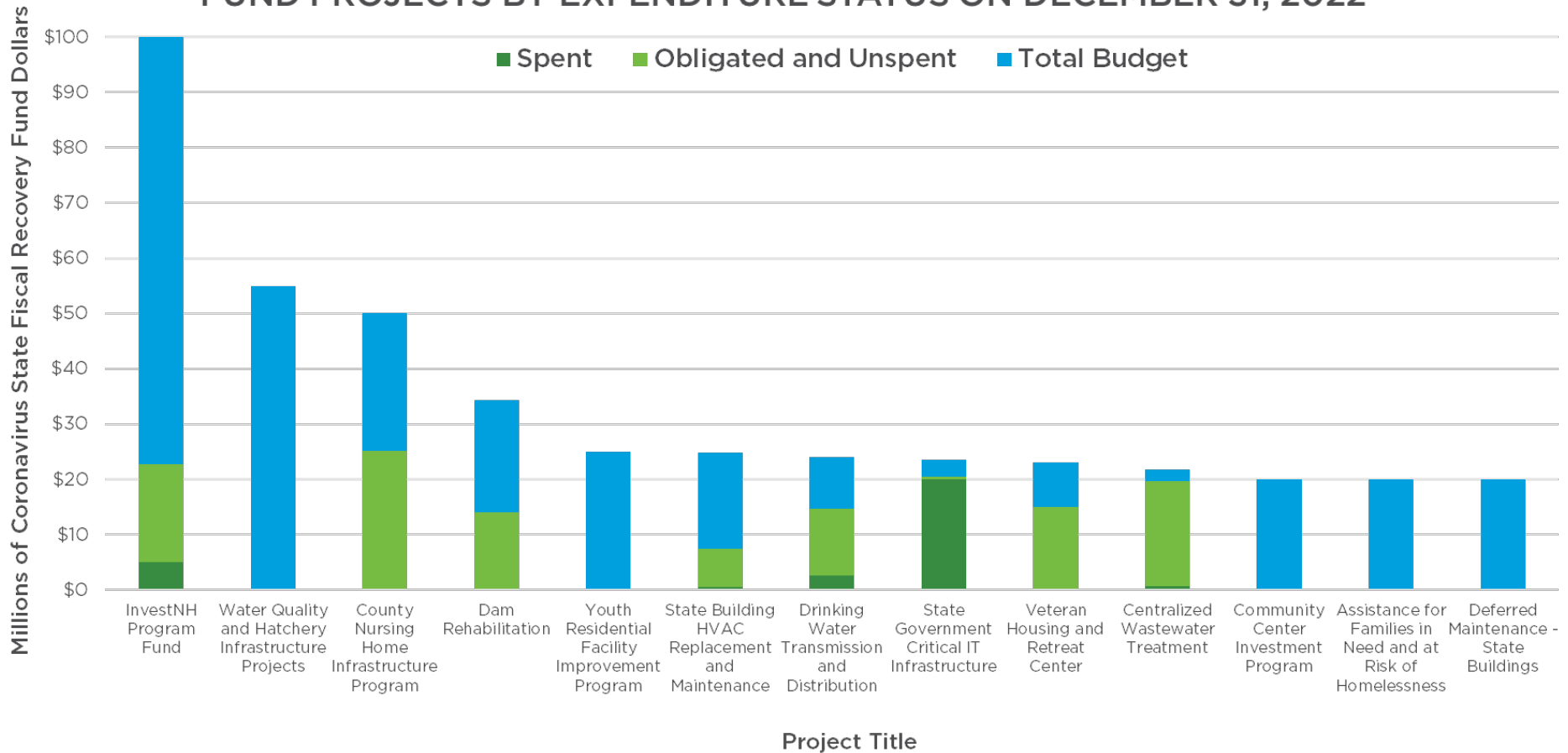
As of December 31, 2022



Source: U.S. Treasury Department

LARGEST PROJECTS VARY IN FUNDING USE, MAY REFLECT DELAYED REPORTING

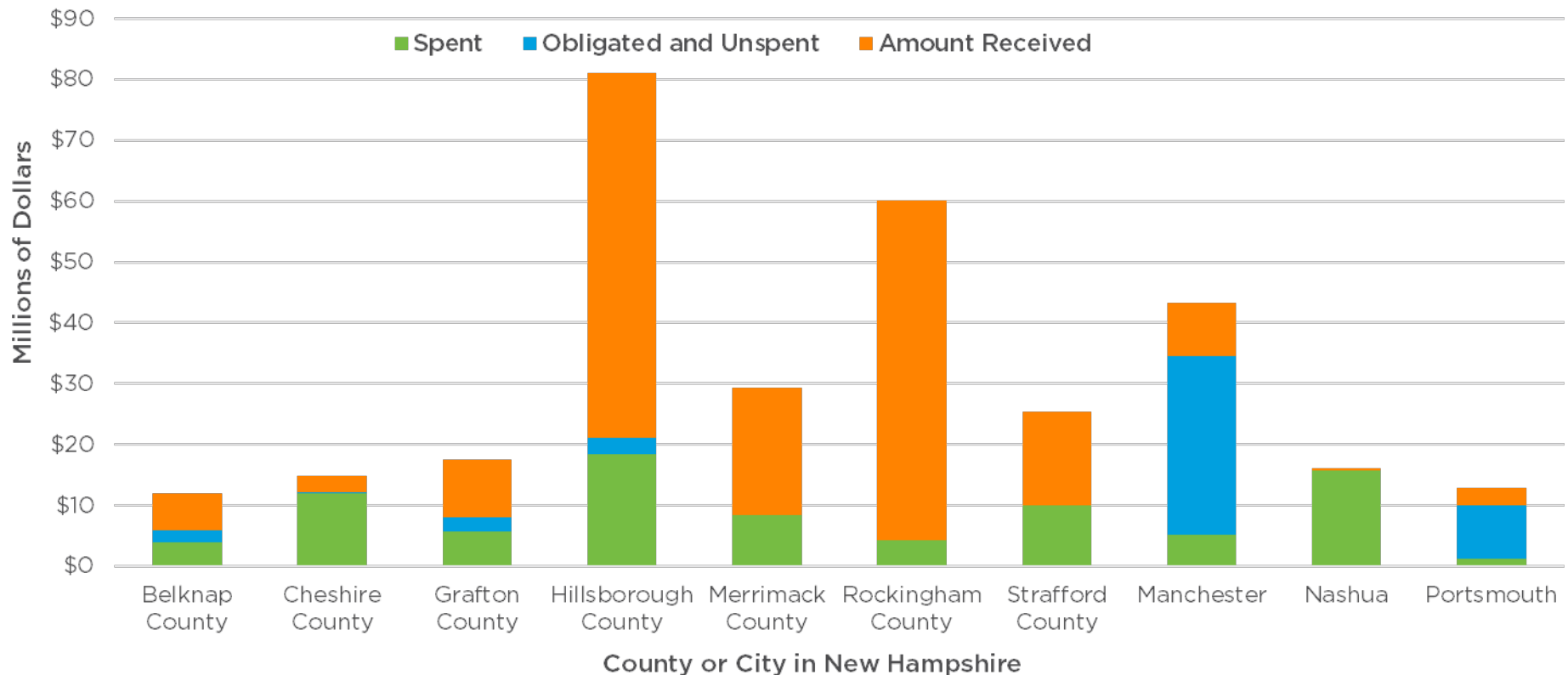
NEW HAMPSHIRE'S LARGEST CORONAVIRUS STATE FISCAL RECOVERY FUND PROJECTS BY EXPENDITURE STATUS ON DECEMBER 31, 2022



LOCAL GOVERNMENT EXPENDITURE RATES VARY WITHIN THE STATE

USE OF CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS BY REPORTING NEW HAMPSHIRE COMMUNITY

Counties and Cities with Over \$10 Million in Received Funds, Data as of December 31, 2022



Source: U.S. Treasury Department

ADDITIONAL FUNDS FROM THE AMERICAN RESCUE PLAN ACT

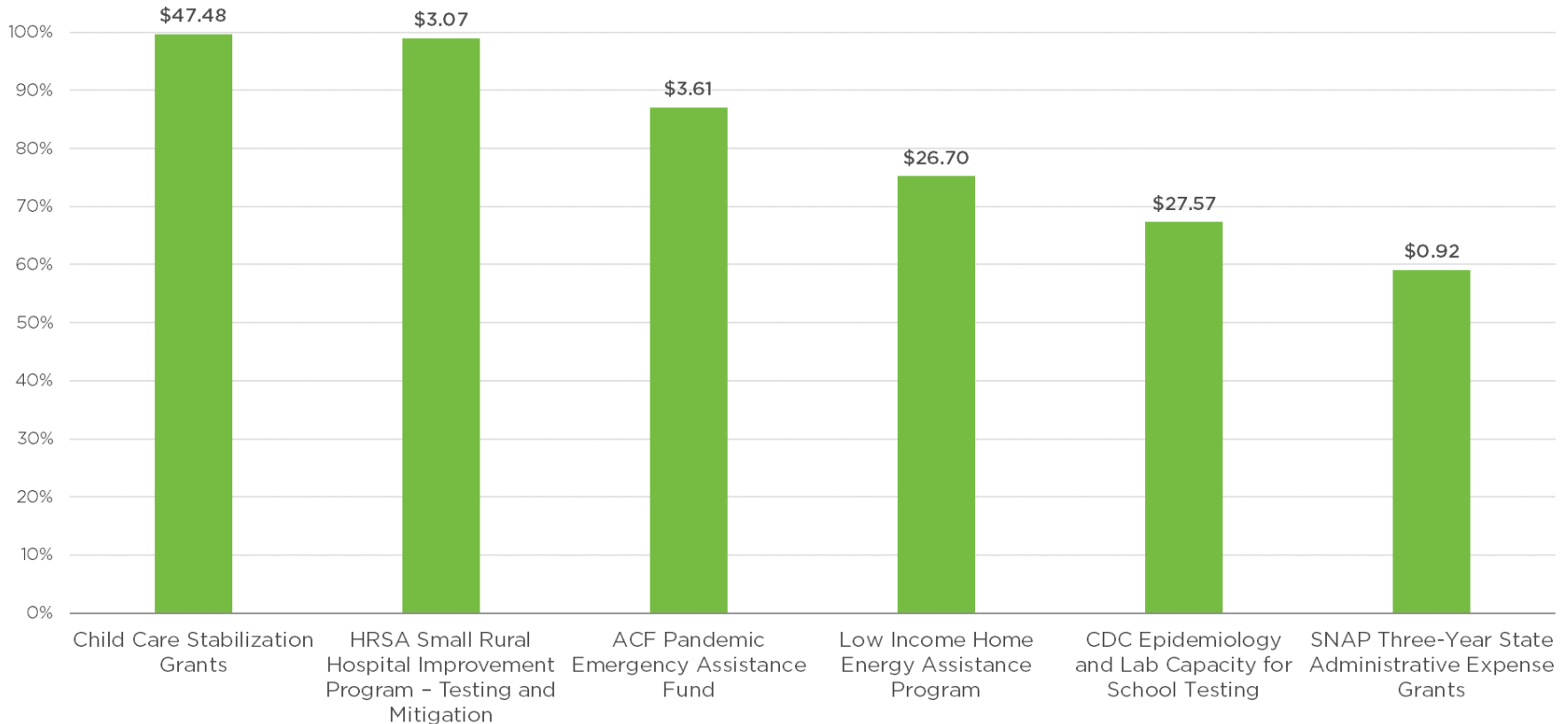
FUNDS FOR THE HEALTH CARE WORKFORCE, KEY POPULATIONS, CHILD CARE

- Examined 33 funds in total for this research, including CSFRF
- Data from the New Hampshire Department of Health and Human Services included expenditures of funds through September 30, 2022
- Information also collected from the New Hampshire Housing Finance Authority, the Department of Energy, the Department of Education, and the Governor's Office for Emergency Relief and Recovery
- Focused on funds with over \$1 million in available resources, with some exceptions
- Not all funds had information available or expenditures reported

CERTAIN FUNDS NEARLY EXHAUSTED

FEDERAL FUND EXPENDITURES AS A PERCENTAGE OF TOTAL FUNDS APPROPRIATED, WITH TOTAL EXPENDITURES SO FAR BASED ON AVAILABLE DATA

Expenditures as a Percentage of Budget as of September 30, 2022 for NH DHHS Funds, Labels Show Dollar Expenditures Thus Far in Millions



Selected Federal ARPA Funds to New Hampshire

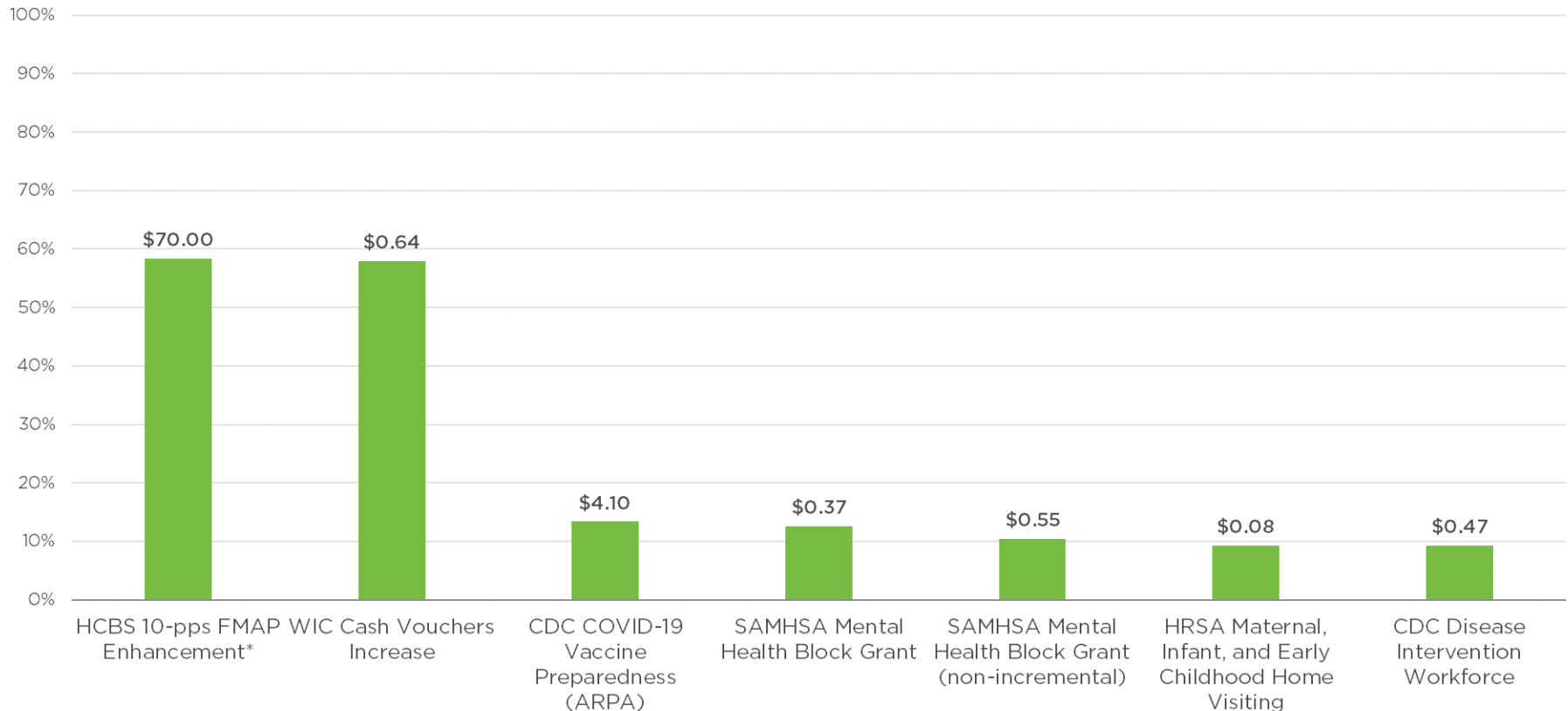
*Note: Data updated from the information in the November 4, 2022 compilation or based on most recent estimates available. HCBS FMAP data unofficial and provided October 26, 2022. Department of Energy heat and water assistance data as of October 31, 2022.

Sources: New Hampshire Departments of Health and Human Services, Energy, and Education; Governor's Office for Emergency Relief and Recovery; New Hampshire Housing Finance Authority

SUBSTANTIAL DROP-OFF IN EXPENDITURES

FEDERAL FUND EXPENDITURES AS A PERCENTAGE OF TOTAL FUNDS APPROPRIATED,
WITH TOTAL EXPENDITURES SO FAR BASED ON AVAILABLE DATA

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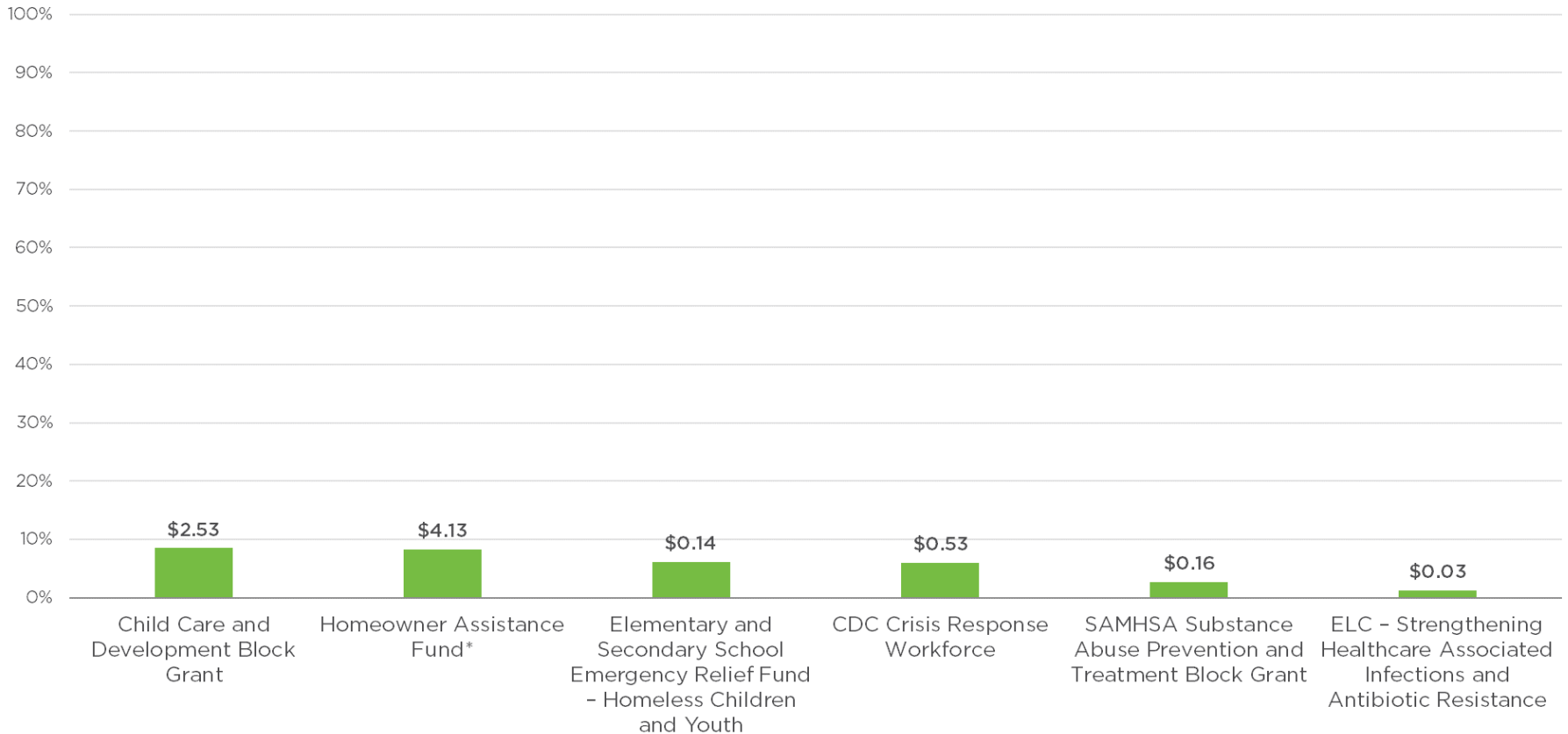
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Sources: New Hampshire Departments of Health and Human Services, Energy, and Education; Governor's Office for Emergency Relief and Recovery; New Hampshire Housing Finance Authority

WORKFORCE, CHILD CARE FUNDS REMAINED

FEDERAL FUND EXPENDITURES AS A PERCENTAGE OF TOTAL FUNDS APPROPRIATED,
WITH TOTAL EXPENDITURES SO FAR BASED ON AVAILABLE DATA

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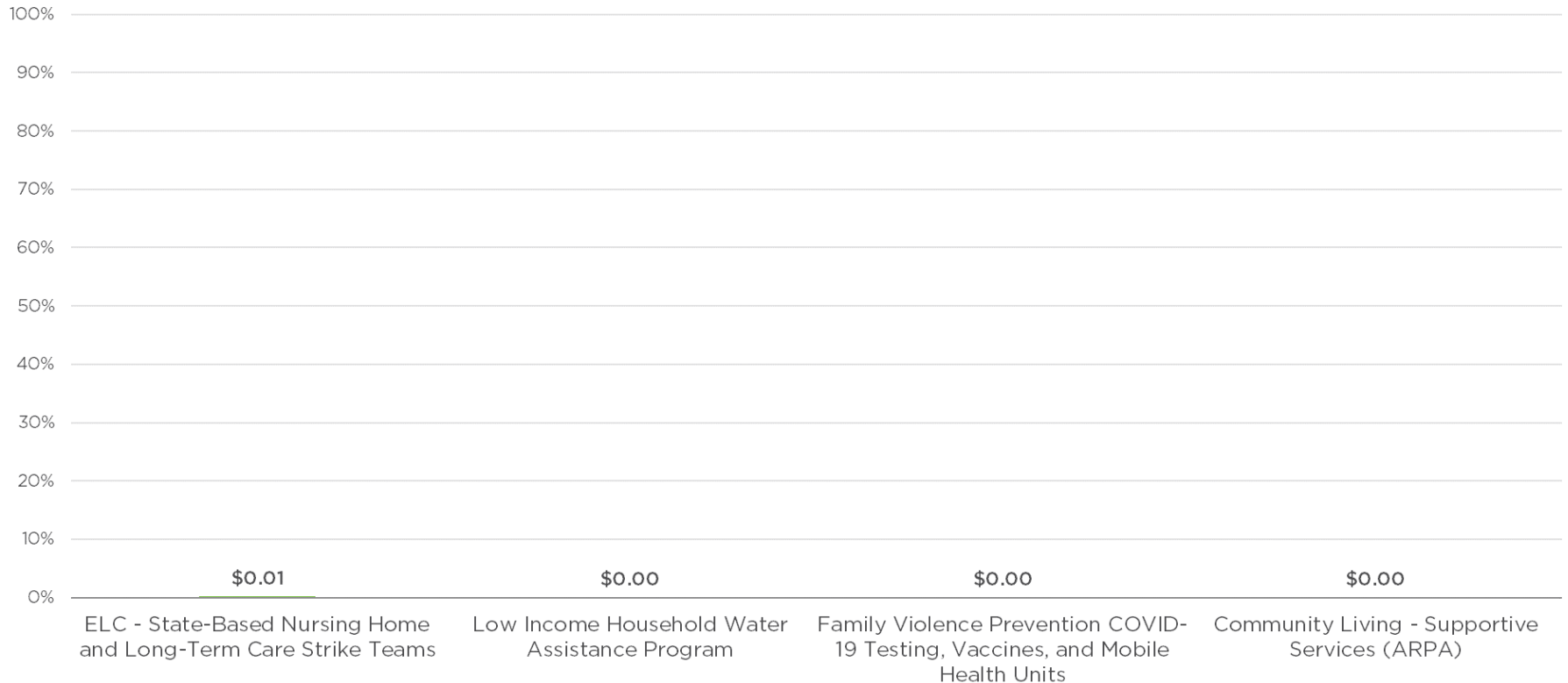
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Sources: New Hampshire Departments of Health and Human Services, Energy, and Education; Governor's Office for Emergency Relief and Recovery; New Hampshire Housing Finance Authority

SOME FUNDS HAD NO SPENDING RECORD

FEDERAL FUND EXPENDITURES AS A PERCENTAGE OF TOTAL FUNDS APPROPRIATED,
WITH TOTAL EXPENDITURES SO FAR BASED ON AVAILABLE DATA

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Sources: New Hampshire Departments of Health and Human Services, Energy, and Education; Governor's Office for Emergency Relief and Recovery; New Hampshire Housing Finance Authority

KEY POTENTIAL OPPORTUNITIES TO REDEPLOY FUNDS FOR OTHER USES

- Coronavirus State Fiscal Recovery Funds authorized through the regular Joint Legislative Fiscal Committee and Executive Council process for federal funds
- As a result, all Coronavirus State Fiscal Recovery Fund programs that do not appear in the State Budget or elsewhere in State law would have to be reauthorized to continue those programs
- State program authorization expiration date: June 30, 2023
- Federal deadline for obligation of funds: December 31, 2024
- Potential opportunities to redeploy unspent funds, change program structures, or otherwise provide chances for learning and program evaluation
- Any other funds not included in the State Budget would have to be reauthorized as well

ADDITIONAL NHFPI RESOURCES

- Resource Page: The American Rescue Plan Act and New Hampshire: Recent and Updated Resources
<https://nhfpi.org/resource/the-american-rescue-plan-act-and-new-hampshire-recent-and-updated-resources/>
- Presentation: Federal Pandemic-Related Funding in New Hampshire: Impacts, Opportunities, and Benefits - December 6, 2022
<https://nhfpi.org/resource/federal-pandemic-related-funding-in-new-hampshire-impacts-opportunities-and-benefits/>
- Issue Brief: The Governor's Budget Proposal for State Fiscal Years 2024 and 2025 - March 27, 2023
<https://nhfpi.org/resource/the-governors-budget-proposal-for-state-fiscal-years-2024-and-2025/>
- Resource Page: Budget
<https://nhfpi.org/topic/budget/>



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