



# FEDERAL COVID-19 RELIEF AND RECOVERY FUNDS IN NEW HAMPSHIRE

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GOTRUTH NEW HAMPSHIRE WEBINAR

APRIL 13, 2023

# FEDERAL AID RELATED TO THE COVID-19 PANDEMIC ENACTED MARCH 2020 - MARCH 2021

# MAJOR PANDEMIC-RELATED FEDERAL AID LEGISLATION

- Coronavirus Preparedness and Response Supplemental Appropriations Act (March 6, 2020; \$8 billion)
- Families First Coronavirus Response Act (March 18, 2020; \$192 billion plus ongoing Medicaid provisions)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (March 27, 2020; \$1.72 trillion)
- Paycheck Protection Program and Health Care Enhancement Act (April 24, 2020; \$483 billion)
- Consolidated Appropriations Act (December 27, 2020; approximately \$868 billion in COVID-19 relief plus \$1.82 trillion in funding for programs throughout the government)
- American Rescue Plan Act (March 11, 2021; \$1.86 trillion)

Sources: U.S. Congressional Budget Office publications of June 2020 (four March-April laws), January 2021 (CAA), and September 2021 (CAA and ARPA)

# FUNDING AND SUPPORT PROVIDED BY FEDERAL ASSISTANCE ENACTED IN 2020

- Assistance to individuals and families
  - Enhanced unemployment compensation benefit amounts
  - Extended unemployment compensation benefits to more recipients
  - Economic Impact Payments
  - Emergency Rental Assistance
  - Food assistance enhancements
- Grants to businesses
  - Paycheck Protection Program
  - Disaster loans for small businesses
- Aid to governments
  - Coronavirus Relief Fund (\$1.25 billion to New Hampshire)
  - Local public education aid
  - Higher education and other education aid
  - Other grants to state and local governments
- Relief funds for health care providers

# CORONAVIRUS RELIEF FUNDS FROM THE CARES ACT IN NEW HAMPSHIRE

- \$1.25 billion to New Hampshire, none directly to local governments
- Process for deploying was through the Governor's office under the State of Emergency, informed by recommendations from the Legislative Advisory Board and the Stakeholder Advisory Board
- Could not be used for previously-budgeted expenditures, effectively required funds to be spent on new programs or augmenting services
- Key uses:
  - Main Street Relief programs for businesses and self-employed: \$463.5 million
  - Health care and long-term care provider relief: \$115.7 million
  - Unemployment Compensation Fund contribution: \$50.0 million
  - Public school response supplemental funding: \$44.4 million
  - COVID-19 support funding to Department of Health and Human Services: \$41.6 million
  - Nonprofit emergency relief: \$41.3 million
  - County and municipal governments: \$38.6 million
  - Child care stabilization and recovery: \$38.4 million
- Timeline for use of these flexible funds has expired

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

## Summarized in Three Categories:

- Aid to individuals and families
- Aid to non-governmental and non-profit organizations
- Aid 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.



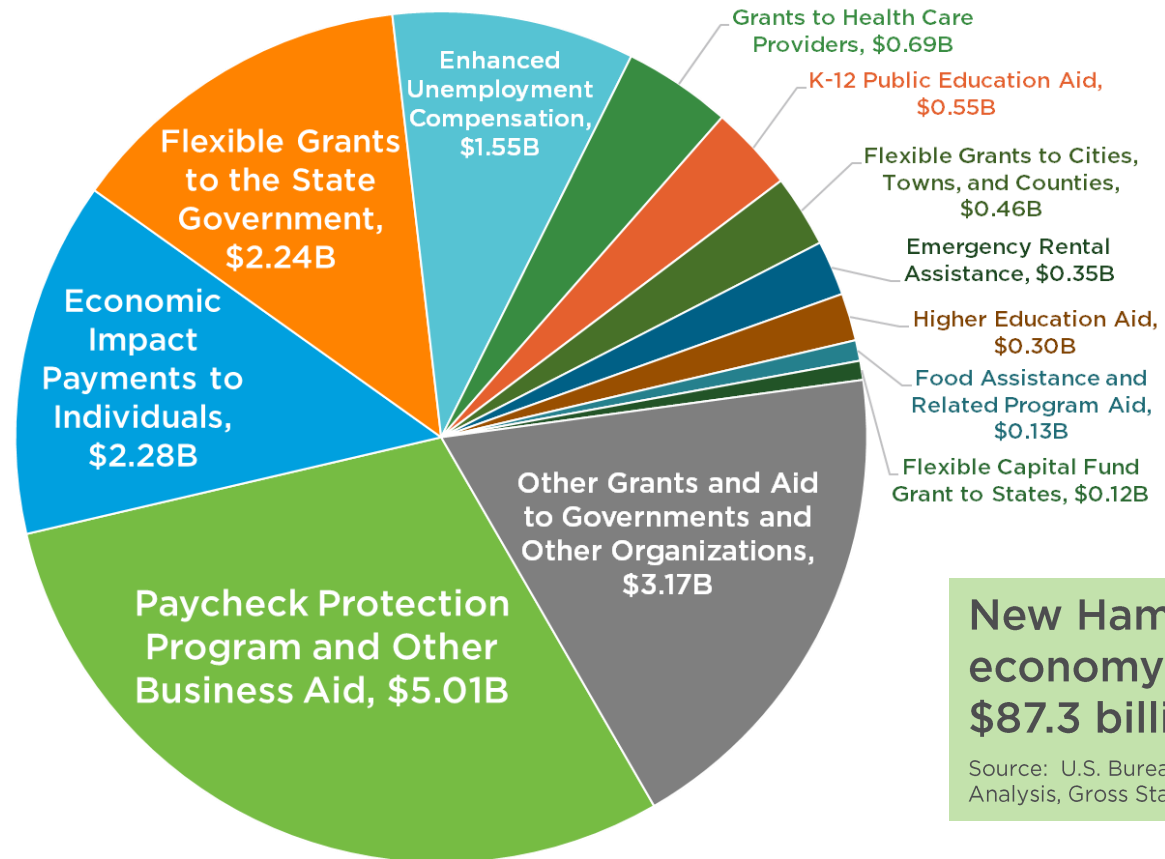
# KEY ARPA AID: GOVERNMENTS

- 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

# ABOUT \$17 BILLION 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.

# FLEXIBLE ARPA AID: CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

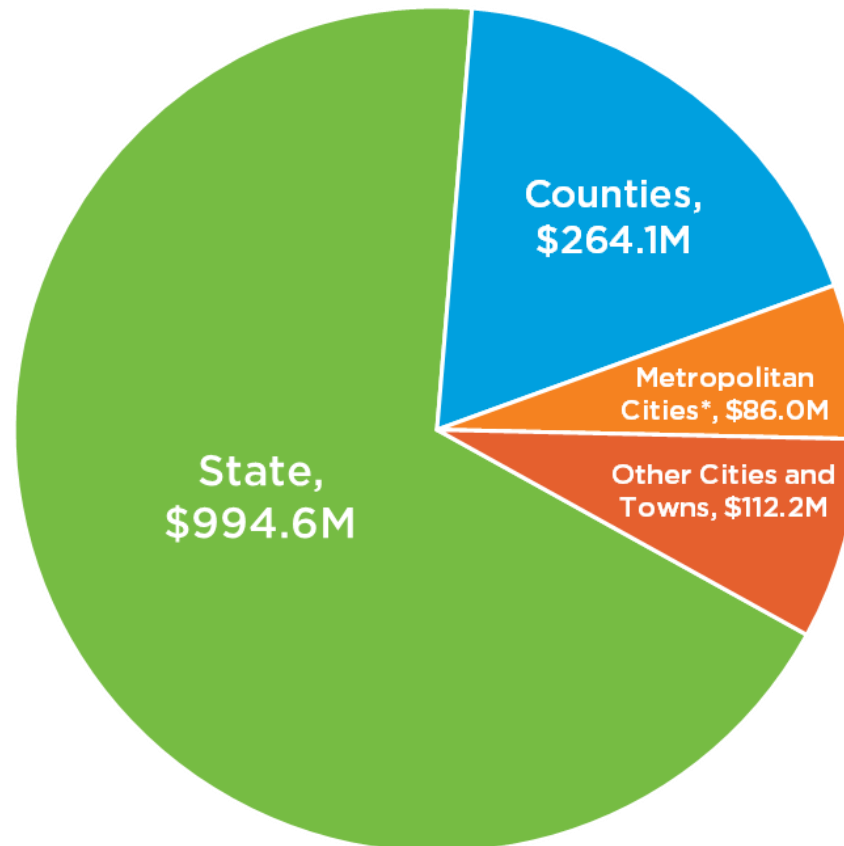
# CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS IN NEW HAMPSHIRE

## 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)<sup>1</sup>

## 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.”<sup>2</sup>
- 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.”<sup>2</sup>

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
<b>Statewide</b>	<b>32%</b>	<b>431,000</b>

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

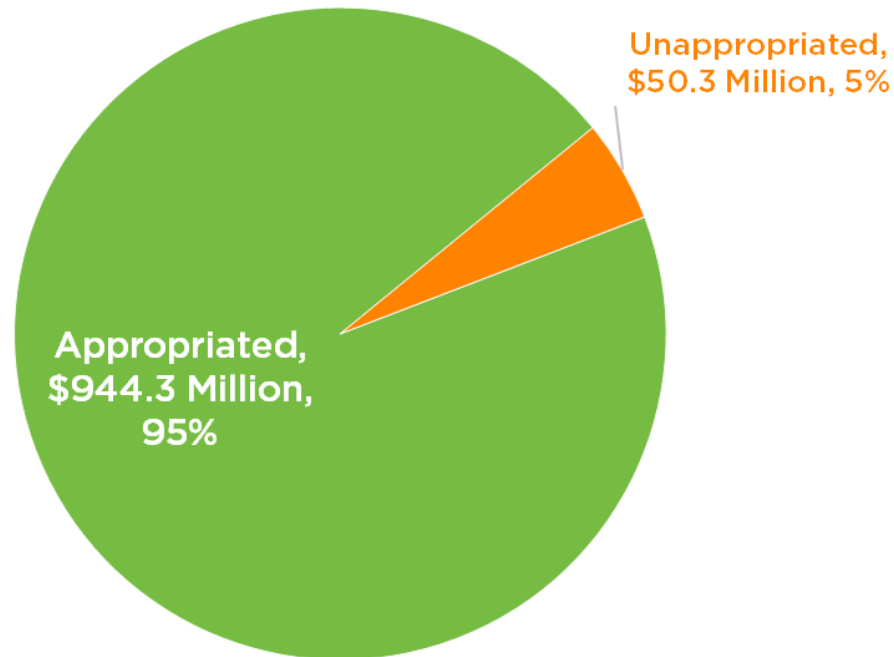
# PROCESS FOR ACCEPTING FEDERAL FUNDS IN NEW HAMPSHIRE

- A pre-existing process and legal framework for accepting federal funds outside the State Budget 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*

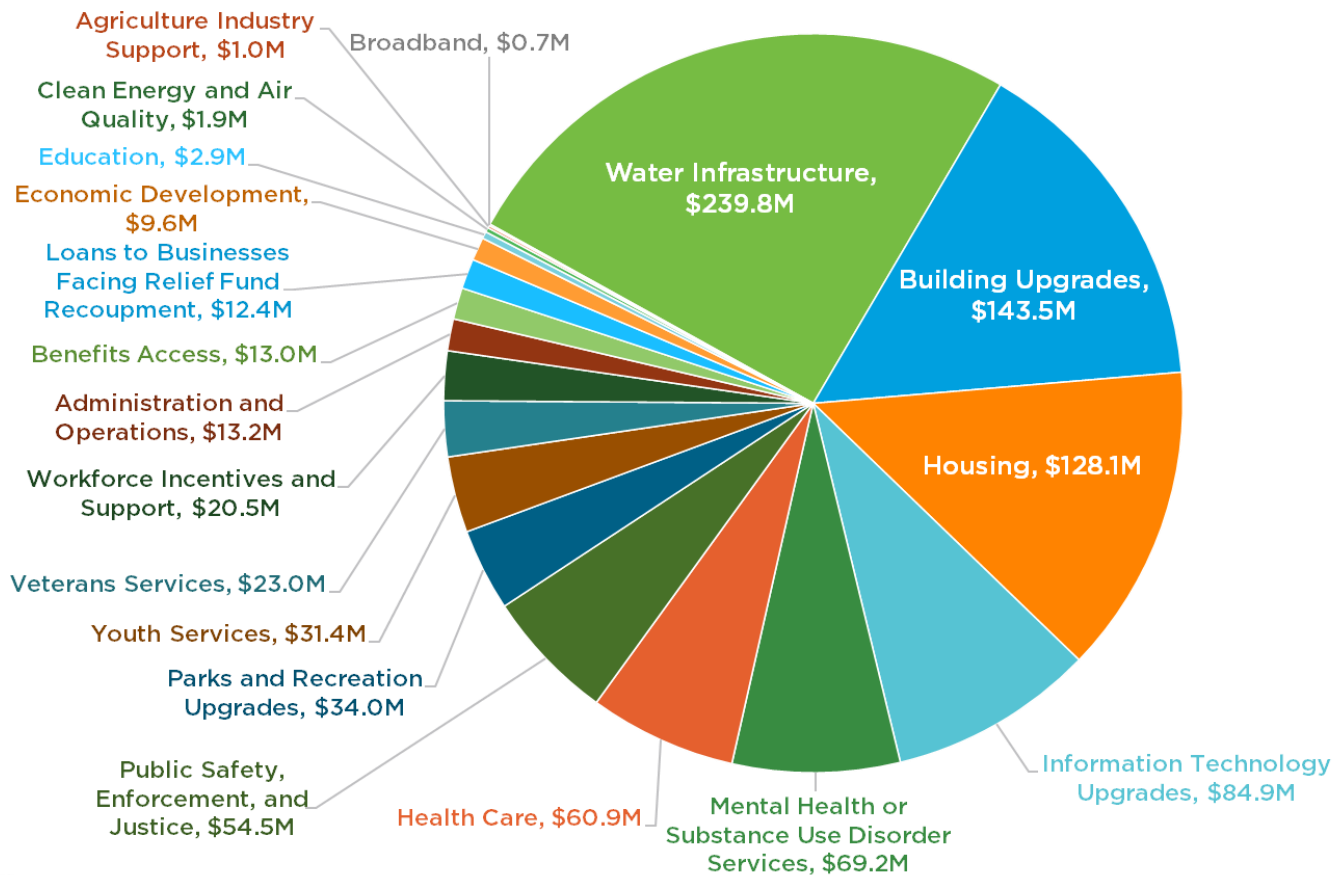




# CORONAVIRUS STATE FISCAL RECOVERY FUND NEW HAMPSHIRE APPROPRIATIONS

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

*Does Not Include Federal Funds Allocated From Other Sources*

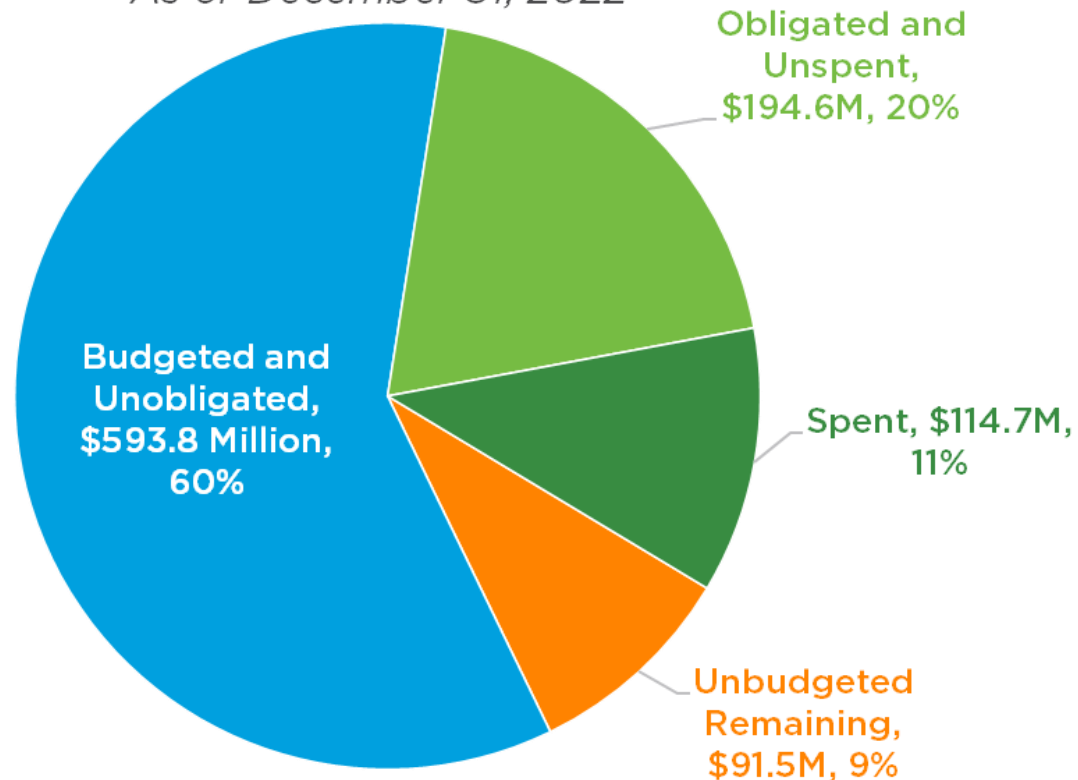


Source: NHFPI analysis of Joint Legislative Fiscal Committee and Executive Council approvals, May 2021 - March 2023

# 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

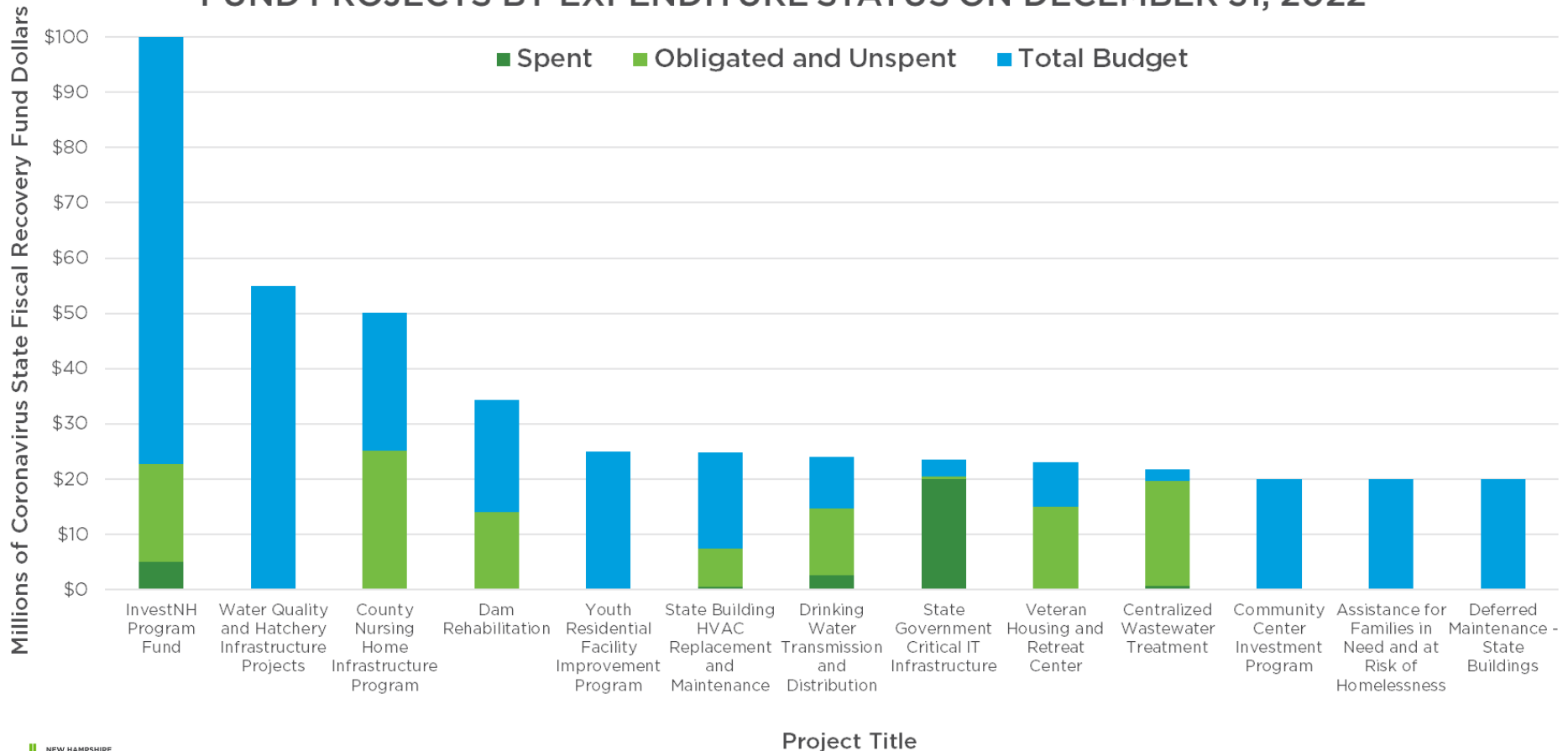
*As of December 31, 2022*



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

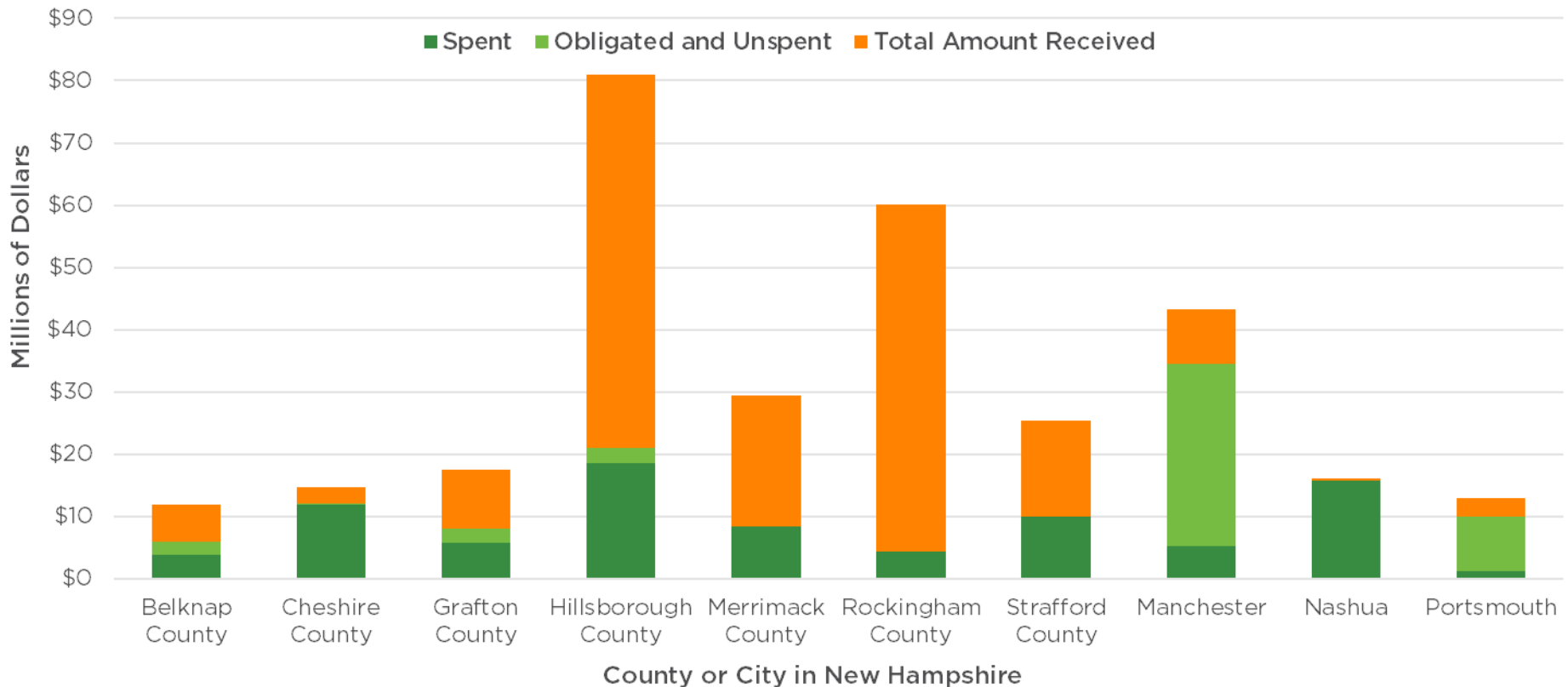


Source: U.S. Treasury Department

# 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

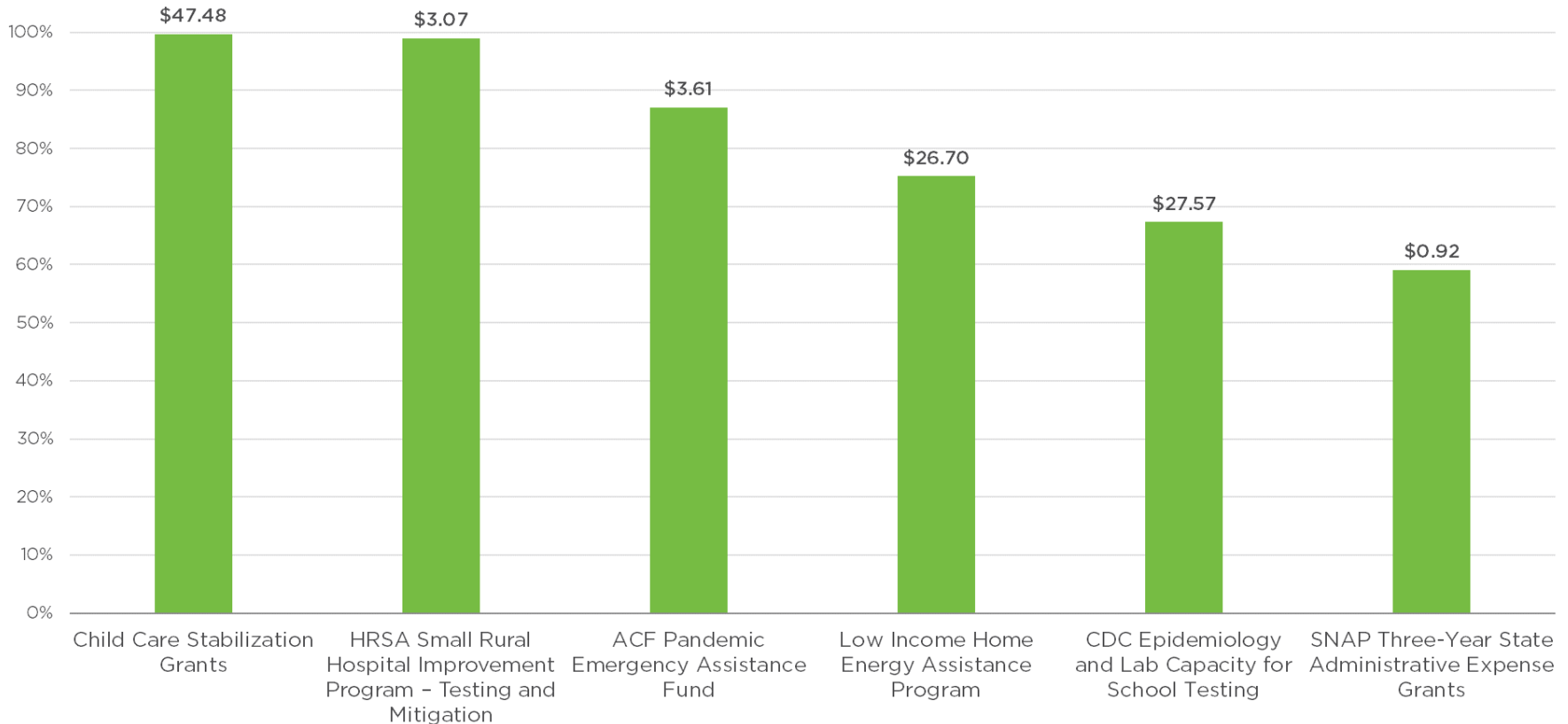
# SPECIFIC FUNDS SPENT AT VARYING RATES

- Funds separate from flexible ARPA and CARES Act dollars, more narrowly focused on specific services and needs
- Available data from the New Hampshire Department of Health and Human Services presented includes expenditures of funds through September 30, 2022
- Data last updated in October 2022 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
- Reporting requirements from federal government vary, as a variety of different federal and state agencies are administering these funds
- Not a comprehensive analysis of expenditures

# 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

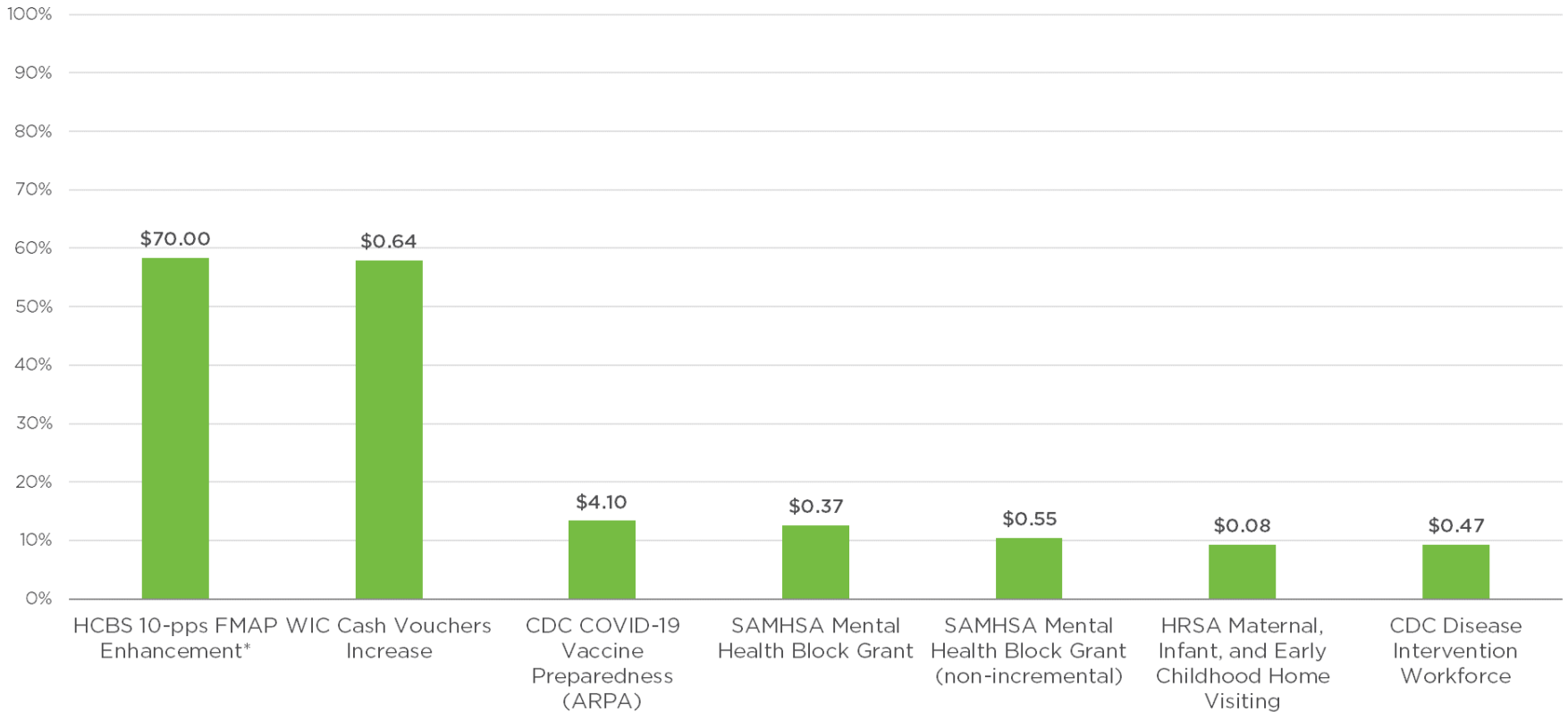
\*Note: Data updated from the information in the November 4, 2022 compilation or based on most recent estimates available. HCBS FMAP data unofficial and provided October 26, 2022. Department of Energy heat and water assistance data as of October 31, 2022.

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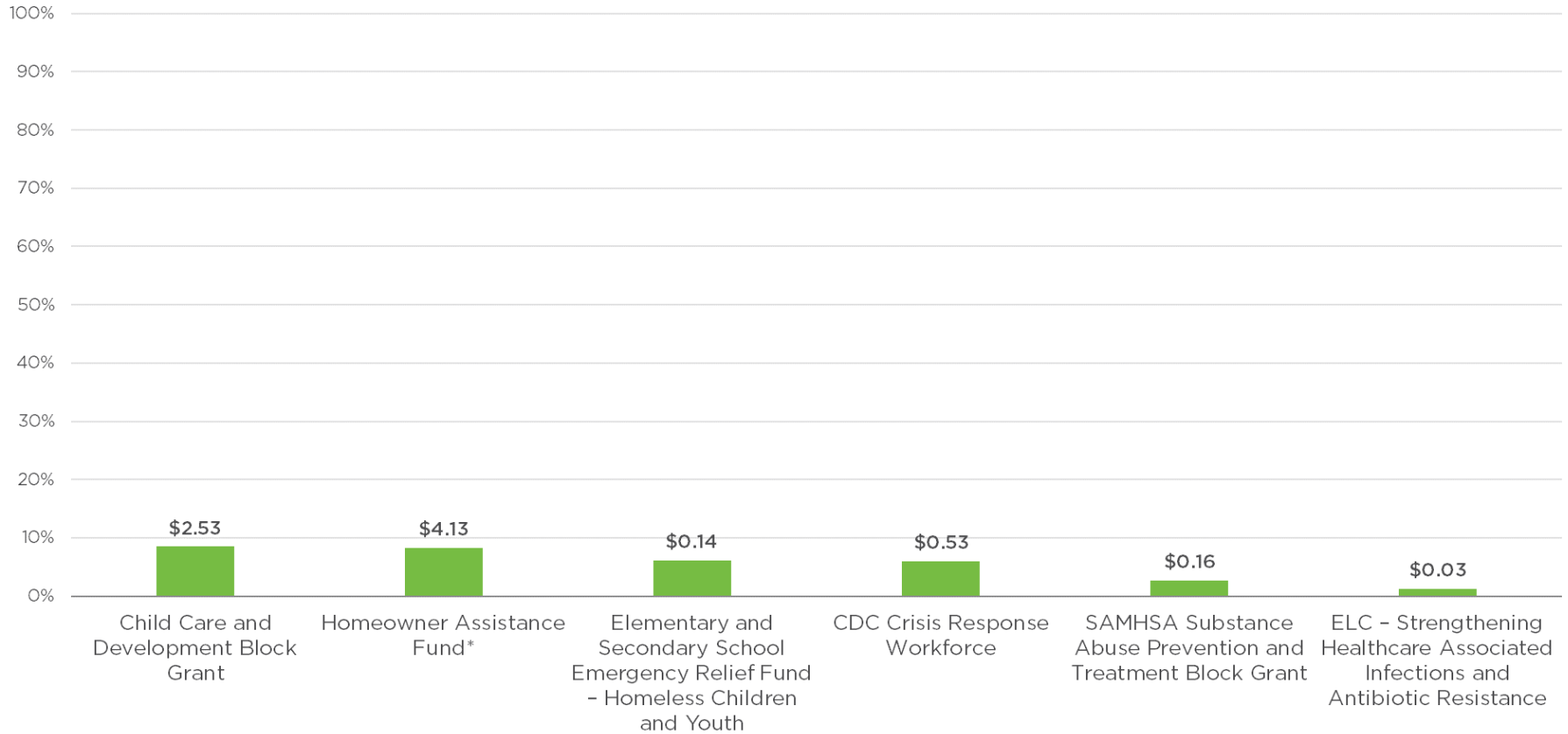
Sources: New Hampshire Departments of Health and Human Services, Energy, and Education; Governor's Office for Emergency Relief and Recovery; New Hampshire Housing Finance Authority



# WORKFORCE, CHILD CARE FUNDS REMAINED

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

Expenditures as a Percentage of Budget as of September 30, 2022 for  
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## Selected Federal ARPA Funds to New Hampshire

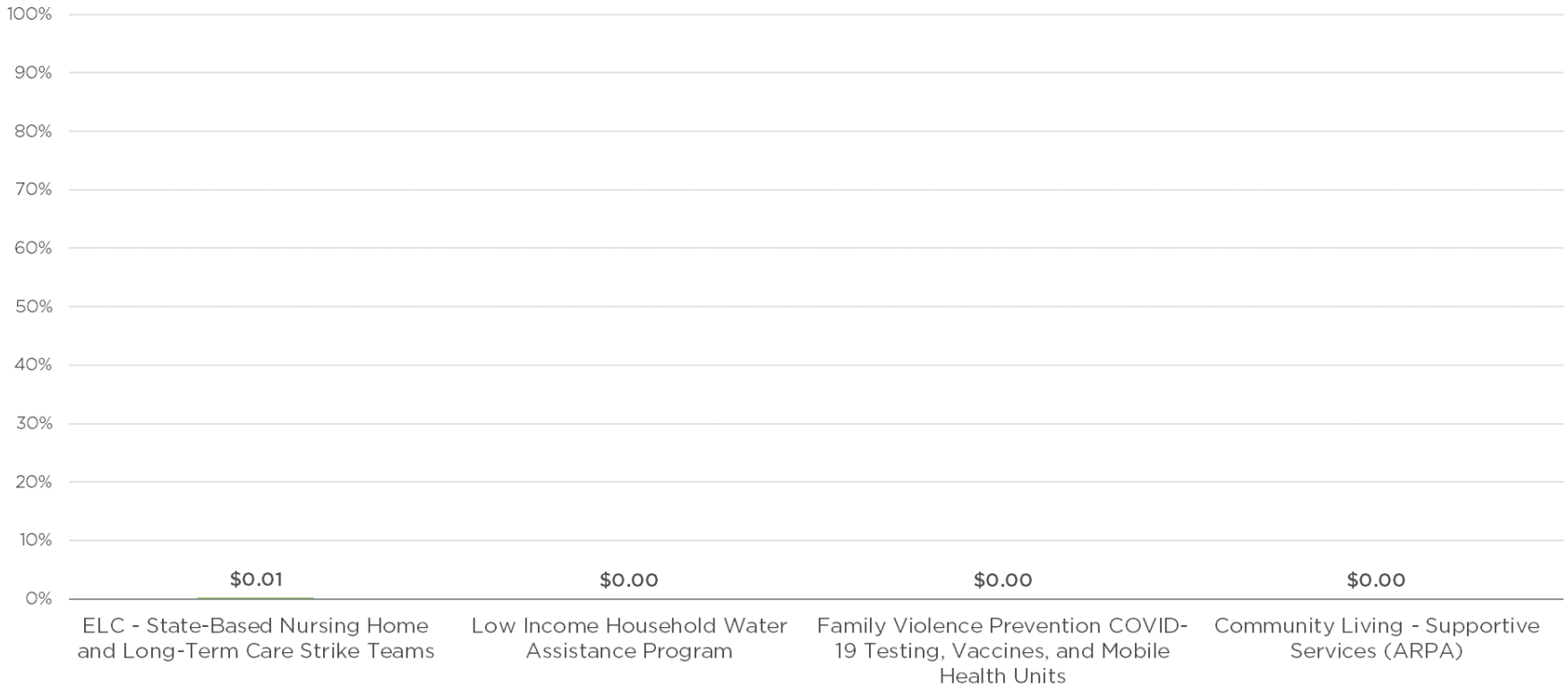
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# SOME FUNDS HAD NO SPENDING RECORD

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

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



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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 FUNDING IN VARIOUS FORMS

Four additional new major federal statutes:

- Infrastructure Investment and Jobs Act
- Bipartisan Safer Communities Act
- Inflation Reduction Act
- Consolidated Appropriations Act of 2023

Source: National Conference of State Legislatures

# KEY TAKEAWAYS

- Significant, historic federal aid provided key resources to support New Hampshire's people, economy, and public services through the pandemic
- ARPA included significant aid to the State government, including both flexible funds and funds targeted at certain services, with relatively long timelines for use
- Fund expenditure rates have varied, and only small portions of certain funds had been spent as of September 2022
- Additional resources and reallocated funds may be available in the future, including surplus State revenues
- Many resources have been deployed, but some remain to support health and an equitable and inclusive economy

# 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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