

Overview of Federal COVID–19 Assistance for Maryland – Updated 4/17/2020

The U.S. Congress has authorized substantial financial assistance to the states and local governments in response to the COVID-19 pandemic. As shown in **Exhibit 1**, the Department of Legislative Services (DLS) currently estimates the State, local governments, and higher education institutions in Maryland will receive an estimated \$5.6 billion in federal assistance. These amounts exclude funds where the allocation to state and local governments is not yet available.

Exhibit 1 **Federal COVID–19 Assistance to the** **State, Local Governments, and Higher Education Institutions** (\$ in Millions)

Coronavirus Relief Fund*	\$2,344.3
Disaster Relief Fund (Requires 25% State/Local Match)	800.0
Direct Federal Grants to Hospitals and Other Medical Care Providers **	742.2
Transit Grants	695.0
Enhanced Medicaid Matching Rate (through June; about \$140 million for each additional quarter)	275.0
Formula Grants to Local Education Agencies	207.8
Direct Federal Aid to Higher Education Institutions***	180.7
Discretionary Grants to Local Education Agencies and Higher Education Institutions	45.7
Child Care and Development Block Grant	45.5
Public Housing and Rental Assistance Grants	37.6
Energy Assistance	34.2
Community Development Block Grant (\$26.2 million to local governments)****	30.9
Homeless Assistance (\$22.8 million to local governments)*****	30.8
Grants from Centers for Disease Control and Prevention (minimum amount available to Maryland)	22.2
Justice Assistance Grants (\$6.6 million directly to local governments)	17.8
Community Health Centers	17.0
Senior Nutrition and Meals	15.8
Community Services Block Grant	13.5
Emergency Food Assistance	13.1
Administration of Unemployment Insurance Program	12.5
Head Start	8.2
Women, Infants, and Children (WIC)	8.0
Coronavirus Related Election Security	7.4
Total	\$5,565.2

*\$1,055 billion reserved for direct federal grants to local governments with populations in excess of 500,000.

**Amount reflects amounts allocated to Maryland providers as of April 17, 2020. The federal government has only allocated \$30 billion of the \$100 billion authorized by Congress. According to the Department of Budget and Management an estimated 6,000 Maryland providers have received funds.

**Does not include additional money set-aside for Historically Black Colleges and Universities and minority serving institutions.

***Another \$3 billion will be allocated to states and local governments based on a formula to be established by the Secretary of Housing and Urban Development..

****Another \$2 billion to be allocated to states and local governments based on a formula to be developed by the Secretary of Housing and Urban Development.

Congressional action will also provide direct assistance to Marylanders through recovery rebates of \$1,200 for adults and \$500 per dependent child (rebates phase down gradually for couples with incomes above \$150,000, heads of household with incomes above \$112,500, and individuals with incomes above \$75,000), extended and enhanced unemployment insurance benefits (including \$600 per week of federally funded supplemental insurance), and less restrictive eligibility criteria for Supplemental Nutrition Assistance Program (SNAP) benefits.

In addition, \$500 billion is available nationally for federal investments, loans, and loan guarantees that will support businesses and state and local governments, \$10 billion is available for emergency grants of up to \$10,000 for immediate relief of small business operating costs, and \$17 billion is available to the Small Business Administration (SBA) to cover six months of payments for small businesses with existing SBA loans.

The most significant components of the assistance to Maryland are summarized below:

- **\$2.344 billion from a Coronavirus Relief Fund for state and local governments.**

- Funds can be used for State and local costs incurred from March 1, 2020 to December 31, 2020 that are necessary expenditures related to COVID-19 and were not accounted for in the budget most recently approved as of the date of enactment of this section. **Funds may not be used to backfill lower than expected revenues.**
- To access funds, State and local governments will apply directly to the Treasury Department. No State or local match is required. The states and eligible counties have completed this step.
- **55% of the funds (\$1.3 billion) will go directly to State government to cover COVID-19 related State costs.**
- **Up to 45% (\$1.055 billion) is set-aside for direct federal assistance to local governments with populations that exceed 500,000 and is allocated based on a local government's share of the total State population.** Funds earmarked for local governments that are not claimed become available to the State.
- **Based on the federal allocation methodology, local governments in Maryland with populations over 500,000 are eligible to claim about \$691 million, or 65% of the set-aside amount. The county by county allocations are presented below:**

Montgomery County	\$183.4 million
Prince George's County	\$158.7 million
Baltimore County	\$144.4 million
Baltimore City	\$103.6 million
Anne Arundel County	\$101.1 million

- The Department of Budget and Management has announced that the State will distribute the remaining \$364 million of the set-aside for local governments to the other 19 counties. Funds will flow through local health departments but reimbursement can be requested by any county or municipal agency. DBM has committed to distributing 50% of each county’s allocation now and is requiring each county to submit a plan for spending the funds. The county by county allocation is presented below:

<u>County</u>	<u>\$ in Millions</u>
Allegany	\$12.3
Calvert	16.1
Caroline	5.8
Carrroll	29.4
Cecil	17.9
Charles	28.5
Dorchester	5.6
Frederick	45.3
Garrett	5.1
Harford	44.6
Howard	56.8
Kent	3.4
Queen Anne’s	8.8
St. Mary’s	19.8
Somerset	4.5
Talbot	6.5
Washington	26.4
Wicomico	18.1
Worcester	9.1

- **About \$800 million from a Disaster Relief Fund for the immediate needs of state and local governments to protect citizens and help them respond and recover from the effects of COVID-19.** Reimbursable activities may include medical response, personal protective equipment, National Guard deployment, coordination of logistics, safety measures, and community services. State and local governments are generally expected to provide a 25% match to federal spending.
- **\$695 million for transit operations.** Funds may be used to support operations, offset lost revenue, and purchase personal protective equipment.
- **\$437 million from an Education Stabilization Fund.**
 - **\$207.8 million for local education agencies.** 90% of funds will be distributed to local education agencies (LEAs) based on the distribution of Title I-A funds with up to 10% retained for emergency needs as determined by the State. Funds to LEAs can be used for coronavirus response activities, such as planning for and

coordinating during long-term school closures; purchasing educational technology; and supporting online learning for all students served by the LEA. **Appendix 1** shows the DLS estimate of the county by county allocation.

- **\$180.7 million for emergency relief for institutions of higher education including community colleges, public four year institutions, and independent institutions (including for profit institutions) to respond to COVID-19.** Funds are allocated by formula directly to institutions. These institutions must spend at least 50% of funds for emergency financial aid grants to students that can cover eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care. Remaining institutional funds may be used to defray expenses such as lost revenue and technology costs associated with the transition to distance education. **Appendix 2** shows the DLS estimate by institution.
- Additional amounts are available for historically black and minority serving institutions (Baltimore City Community College, Bowie State University, Coppin State University, Morgan State University, Prince George's Community College, and University of Maryland, Eastern Shore).
- **\$45.7 million for emergency support grants to local educational agencies and institutions of higher education that have been most significantly impacted by COVID-19.** These grants would be allocated by the Governor.
- **\$275 million through the remainder of State fiscal 2020 from the federal Medicaid match rate being increased by 6.2 percentage points. About \$140 million for each additional quarter of the enhanced match remains available.** The enhanced match means that for most Medicaid expenses the federal government will now cover 56.2% of costs rather than the usual 50.0%. The enhanced funding is only available from January 2020 through the end of the quarter when the federal public health emergency declaration terminates. The State may not disenroll people during this period, which will result in an increase in Medicaid enrollment and costs above levels assumed in the budget (as will the economic downturn).
- **\$45.5 million through the Child Care and Development Block Grant** to assist child care providers to maintain their business and support operations.
- **\$34.2 million for energy assistance to assist low-income households with energy bills and energy related repairs.**
- **\$30.9 million through the Community Development Block Grant** to respond to economic and housing impacts caused by COVID-19, including the expansion of community health facilities, child care centers, food banks, and senior services. \$26.2 million of this amount was allocated directly to local governments as shown in **Appendix 3**. An additional amount of funding will become available to Maryland but cannot be determined at this time as federal law allows the Secretary of Housing and Urban

Development to devise a new formula for allocating \$3 billion of the additional block grant funding.

- **\$30.8 million for emergency solutions grants to help people experiencing or at risk of homelessness.** About \$22.8 million will be distributed directly to local governments (about half of this money has been allocated to date; see **Appendix 3** for details). These funds can increase shelter capacity, allow communities to reconfigure shelter space to adhere to physical distancing guidelines, deliver medical care to people who acquire the virus or may be at higher risk, and provide short-term rental or utility payment assistance. An additional amount of funding will become available to Maryland but cannot be determined at this time as federal law allows the Secretary of Housing and Urban Development to devise a new formula for allocating \$2 billion of the enhanced funding.
- **\$22.2 million through the Centers for Disease Control for surveillance, testing, contact tracing, infection control, mitigation, and other activities.** This amount reflects Maryland's minimum guaranteed share. The State will likely receive a significantly larger amount.
- **\$17.8 million to support criminal justice operations, including \$6.6 million to be allocated directly to local governments.** Baltimore City will receive \$2.8 million of the local allocation. Other recipients include Baltimore County (\$1.0 million), Prince George's County (\$0.6 million), Anne Arundel County (\$0.5 million), Montgomery County (\$0.4 million), and 18 other local entities including 10 counties and 8 municipalities (\$1.3 million).
- **\$13.5 million for Community Services Block Grant to help local community-based organizations that provide a wide range of social services and emergency assistance for those with the highest need.**

Appendix 1
Allocation of Education Stabilization Fund by Local Education Agency
90% Allocated Using Title I-A and 10% is Retained for Distribution by Governor
(\$ in Millions)

	90% Allocation
Allegany	\$2.666
Anne Arundel	11.197
Baltimore City	46.646
Baltimore	23.860
Calvert	1.198
Caroline	1.725
Carroll	2.256
Cecil	2.672
Charles	3.592
Dorchester	1.876
Frederick	4.384
Garrett	832
Harford	5.010
Howard	2.955
Kent	537
Montgomery	23.633
Prince George's	32.577
Queen Anne's	750
St. Mary's	2.975
Somerset	1,450
Talbot	1.131
Washington	6.112
Wicomico	5.195
Worcester	1.822
Total	\$187.051

Appendix 2
Allocation of Education Stabilization Funds
by Higher Education Institution

	<u>Amount</u>
Community Colleges	
Allegany College	\$1,494,165
Anne Arundel Community College	4,315,345
BCCC	2,876,155
Carroll Community College	1,104,882
Cecil College	1,115,623
Chesapeake College	917,533
College of Southern Maryland	2,579,022
CCBC	9,349,870
Frederick Community College	1,851,890
Garrett College	504,992
Hagerstown Community College	2,358,314
Harford Community College	2,343,664
Howard Community College	4,800,099
Montgomery College	10,995,749
Prince George's Community College	6,421,788
Wor-Wic Community College	<u>1,860,894</u>
Total Community Colleges	\$54,889,985
Public 4-years	
Bowie State U.	\$6,596,246
Coppin State U.	2,727,906
Frostburg State U.	3,925,040
Salisbury U.	5,959,457
Towson U.	17,335,851
U. of Baltimore	2,325,946
U. of Maryland, Baltimore	2,077,903
U. of Maryland Baltimore County	9,315,657
U. of Maryland, College Park	21,490,713
U. of Maryland Eastern Shore	3,542,365
U. of Maryland Global Campus	5,210,563
Morgan State U.	9,263,592
St. Mary's College of MD	<u>1,173,755</u>
Total Public 4-years	\$90,944,994
MICUA Institutions	
Capitol Technology U.	\$288,665
Goucher College	1,575,324
Johns Hopkins U.	6,266,940
Loyola U. MD	2,612,460
Hood College	1,265,284

MICA	1,318,621
McDaniel College	1,629,536
Mount Saint Mary's College	1,678,019
Notre Dame of MD	969,449
St. John's College	398,355
Stevenson U	2,499,743
Washington Adventist U	805,558
Washington College	1,047,397
Total MICUA	\$22,355,351

Other Privates & For-profits

All-State Career	\$5,309,772
Aspen Beauty Academy - Laurel	121,302
Aveda Institute - MD	174,174
Award Beauty School	327,046
Bais Hamedrash & Mesivta of Baltimore	124,132
Baltimore Studio of Hair Design	179,166
Blades School of Hair Design	113,715
Cortiva Institute	809,235
Del-MarVa Beauty Academy	108,845
Faith Theological Seminary	53,194
Hair Academy II	345,610
Hair Academy Inc. - New Carrollton	685,979
Hair Expression Academy (Rockville & Jessup)	470,791
Holistic Massage Training Institute	36,599
Lincoln College of Tech - Columbia	1,149,547
Maple Springs Baptist Bible College	5,620
MD Beauty Academy of Essex (also includes Westminster)	186,678
MD University of Integrative Health	91,890
Montgomery Beauty School	265,117
Ner Israel Rabbinical College	229,867
North American Trade Schools	1,004,497
Omega Studio's School of Applied Recording Arts & Sciences	53,482
Robert Paul Academy of Cosmetology Arts & Sciences	64,827
The Temple Annapolis A Paul Mitchell Partner School	528,840
Women's Institute of Torah Seminary	61,745
Yeshiva College of the Nations Capital	19,734
Total Others	\$12,521,404

TOTAL-- ALL SEGMENTS	\$180,711,734
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Appendix 3
Federal Allocation of Community Development Block Grant and Homeless Assistance Funding to Local Governments (as of April 17, 2020)

Recipient	Community Development Block Grant	Emergency Solutions Grant (homelessness)
Annapolis	\$156,651	\$0
Baltimore City	\$13,101,766	\$6,571,738
Bowie	\$116,863	\$0
Cumberland	\$476,251	\$0
Frederick (City)	\$243,423	\$0
Gaithersburg	\$265,900	\$0
Hagerstown	\$472,845	\$0
Salisbury	\$227,905	\$0
Anne Arundel County	\$1,248,258	\$611,269
Baltimore County	\$2,465,172	\$1,230,869
Harford County	\$641,116	\$0
Howard County	\$770,356	\$0
Montgomery County	\$2,955,102	\$1,438,797
Prince George's County	\$3,036,958	\$1,523,903
State of Maryland	\$4,691,887	\$4,031,452