Department of Legislative Services

Maryland General Assembly 2021 Session

FISCAL AND POLICY NOTE Third Reader - Revised

(Delegate D.E. Davis)

Economic Matters and Appropriations

House Bill 581

Finance

Labor and Employment - Employment Standards During an Emergency (Maryland Essential Workers' Protection Act)

This emergency bill establishes benefits and protections for essential workers during a catastrophic health emergency, and related responsibilities for each employer of an essential worker. The bill requires (1) the Maryland Department of Labor (MDL) to enforce the bill and adopt a specified emergency temporary standard to address the COVID-19 pandemic and (2) the Maryland Department of Health (MDH) to adopt a template health emergency preparedness plan. The bill applies prospectively and may not be applied or interpreted to require an essential employer to pay an essential worker for leave taken before the effective date of the bill. The bill's requirements related to an emergency temporary standard and the adoption of a template health emergency preparedness plan terminate six months from the date the COVID-19 state of emergency ends.

Fiscal Summary

State Effect: State expenditures (all funds) increase, potentially significantly, in FY 2021 and 2022 to provide safety equipment and other benefits to essential workers; costs for public health emergency leave, if provided, are at least partially offset by federal funding. General fund expenditures increase by *at least* \$407,400 in FY 2021 for MDL and MDH to implement and/or enforce the bill; annualized costs continue for at least one year for MDL, and certain ongoing costs continue beyond that timeframe as discussed below. Any potential impact for compliance and enforcement beyond FY 2022 is not reflected below.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
GF Revenue	-	-	\$0	\$0	\$0
GF Expenditure	\$407,400	\$399,000	\$30,000	\$30,000	\$30,000
GF/SF/FF Exp.	-	-	\$0	\$0	\$0
NonBud Exp.	-	-	\$0	\$0	\$0
Higher Ed Exp.	-	-	\$0	\$0	\$0
Net Effect	(-)	(-)	(\$30,000)	(\$30,000)	(\$30,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local government expenditures increase, potentially significantly, to provide safety equipment and other benefits required by the bill to essential workers. Revenues are not anticipated to be materially affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Meaningful.

Analysis

Bill Summary: Broadly, the bill establishes the following rights, benefits, responsibilities, and obligations related to essential workers, essential employers, and catastrophic health emergencies:

- An essential employer must provide safe working conditions during an emergency and, subject to availability, necessary amounts of safety equipment at no cost to essential workers, as specified.
- An essential employee has a right to refuse to perform an assigned task, as specified.
- An essential employer must take proactive steps to minimize the risk of transmission of the communicable disease that is the subject of the emergency, including paying for an essential employee to be tested for the disease under certain circumstances.
- An essential employer must provide an essential worker with public health emergency leave when federal or State funding is made available for that purpose, calculated based on an employee's average working hours, as specified.
- An essential employer may not knowingly misclassify an essential worker as an independent contractor or other classification to avoid any other benefits due to an essential worker during an emergency.
- MDL and specified offices within MDL (1) are generally responsible for enforcing the bill and must report to the General Assembly by January 1, 2022, concerning COVID-19 enforcement activities and (2) must adopt an emergency temporary standard, as specified.
- MDH must, in consultation with MDL and local health departments, develop a template health emergency preparedness plan for responding to catastrophic health emergencies.

A more detailed description of these rights, benefits, responsibilities, and obligations can be found below.

Definitions and Applicability

"Emergency" means a catastrophic health emergency, as defined in current law, that is the subject of an executive proclamation and is related to a communicable disease. "Essential worker" means an individual who performs a duty or work responsibility during an emergency that cannot be performed remotely or is required to be completed at the worksite and provides services that the essential employer determines to be essential or critical to its operations. "Essential employer" means a person that employs an essential worker and includes a unit of State or local government. The bill applies to essential employers in industries and sectors identified by the Governor or a federal or State agency as critical to remain in operation during the emergency.

Working Conditions

During an emergency, each essential employer must (1) provide working conditions that comply with applicable safety standards adopted by a federal or State agency; (2) subject to availability, provide necessary amounts of safety equipment recommended for usage during the emergency to essential workers at no cost; (3) adopt, maintain, and post written protocols to ensure an essential worker's access to information regarding the applicable safety standards in effect during the emergency; and (4) provide or implement any other measures or requirements set by the Governor or a federal or State agency to ensure the general health and safety of essential workers.

An essential worker has a right to refuse to perform an assigned task, as provided under the bill and corollary regulations adopted by MDL, and is protected from discharge or other discrimination by the employer if a task is refused. As discussed further below, current regulations specify the conditions under which an employee may refuse to perform assigned tasks.

Procedures and Testing to Mitigate Communicable Disease Transmission

During an emergency, if *any* worker contracts the communicable disease that is the subject of the emergency at a worksite, the essential employer must take proactive steps to minimize the risk of transmission, including informing essential workers that they may have been exposed. Additionally, if an essential worker's health insurance coverage or other benefits do not cover the cost of testing for the communicable disease, the essential employer must pay for testing, unless the essential worker is able to obtain testing free of charge.

Any such positive test result must be reported to MDH, as specified, and MDH must publish the data in a format that is readily accessible to the general public. The Commissioner of Labor and Industry must adopt regulations as necessary to meet these requirements.

Public Health Emergency Leave

If the federal or State government provides funding that can be used for public health emergency leave, then each essential employer must provide an essential worker with public health emergency leave on the date the funding is made available. This leave is in addition to any other leave, including leave required by the Maryland Healthy Working Families Act (MHWFA)). If specified in a federal program, order, law, or regulation, the amount of leave provided must equal that requirement. Otherwise, a full-time essential worker who regularly works 40 hours or more per week must be provided with 112 hours of leave, and the bill specifies the calculations (generally based on average weekly working hours) for determining leave due to other essential workers.

Specifically with regard to the declaration of a state of emergency by the Governor related to the COVID-19 pandemic, each essential employer must provide public health emergency leave to each essential worker on the date that federal or State funding for the leave is made available to the employer.

Each essential employer must allow an essential worker to use public health emergency leave for specified purposes, including (1) to isolate without an order to do so because the essential worker has been diagnosed with the communicable disease that is the subject of the emergency or is experiencing associated symptoms; (2) to care for a family member who is isolating for the same reason; or (3) for related and specified public health and safety reasons.

This public health emergency leave requirement may not be construed to (1) require an essential employer to compensate an essential worker for unused leave when the essential worker leaves employment; (2) preempt, limit, or otherwise affect any other law that provides for similar leave benefits that are more generous than those required by the bill; (3) preempt, limit, or otherwise affect any workers' compensation benefits; (4) prohibit an essential employer from adopting and enforcing a policy that prohibits improper use of the leave; or (5) prohibit an essential employer from providing more leave than is required.

An essential employer may require an essential worker who uses the leave to document the need to do so, and if an essential worker fails to do so, the essential employer may refuse to pay for the leave. The Commissioner of Labor and Industry must adopt regulations regarding the forms of documentation that an essential employer may require.

Maryland Department of Labor – Enforcement and Reporting

The Commissioner of Labor and Industry must generally enforce the bill's requirements. The bill authorizes essential workers to seek enforcement of rights and file written complaints with the Commissioner as specified to ensure compliance with the bill. The bill establishes procedures that the Commissioner must follow to respond to complaints, depending on the right or benefit established by the bill. Among other things, depending on the right or benefit, the Commissioner is authorized to conduct investigations, implement mediation, order an essential employer to pay for public health emergency leave, and assess a civil penalty of up to \$1,000 for each essential worker for whom the employer is not in compliance with the bill. The Commissioner must adopt any required regulations as soon as practicable after the bill takes effect.

By January 1, 2022, Maryland Occupational Safety and Health (MOSH) must report to the General Assembly on enforcement actions related to COVID-19, including (1) the number of formal and informal complaints received; (2) the number of site inspections conducted; and (3) information related to any citations issued to employers.

Maryland Department of Labor – Emergency Standards

Within two weeks after the effective date of the bill, the Secretary of Labor must either (1) adopt the Emergency Temporary Standard related to COVID-19 issued by the federal Occupational Safety and Health Administration (OSHA) or (2) if OSHA has not issued a standard, adopt a State Emergency Temporary Standard that meets specified requirements. In either case, the standard adopted must expire at the earlier of the conclusion of the COVID-19 catastrophic health emergency or the adoption of a permanent aerosol transmissible disease standard by OSHA and the U.S. Secretary of Labor. If a federal Emergency Temporary Standard is adopted, it must remain in effect regardless of whether it becomes the subject of federal litigation.

Maryland Department of Health – Emergency Preparedness Plan Template

By August 1, 2021, MDH must, in consultation with MDL and local health departments, develop a template health emergency preparedness plan for responding to catastrophic health emergencies. The plan must be consistent with any applicable federal and State standards, incorporate input from employers, include a coordinated process for handling complaints related to unsafe working conditions due to a catastrophic health emergency, and include methods for raising public awareness about the process for filing a complaint about unsafe working conditions due to a catastrophic health emergency.

In addition, by October 1, 2021, MDH must, in consultation with MDL and local health departments, report to the General Assembly on recommendations for potential legislation to enhance the agencies' enforcement authority during a catastrophic health emergency.

Current Law: Various State and federal laws establish requirements for employers and rights and benefits for employees in the State and nation. The following sections include a short summary of some of the requirements and benefits as they relate to the bill, including federal laws enacted specifically to address labor issues during the COVID-19 pandemic. For additional information on the COVID-19 pandemic and federal legislation passed to address the pandemic, please see **Appendix – COVID-19**.

Workplace Safety Measures

At the federal level, the U.S. Centers for Disease Control and Prevention and OSHA within the U.S. Department of Labor have issued guidance on preparing workplaces for COVID-19. The Division of Labor and Industry within MDL administers the MOSH program.

The requirements of the MOSH program are codified by the MOSH Act. In general, these requirements parallel safety standards established by OSHA. MOSH is assisting employers and employees during the pandemic by developing targeted COVID-19 resource documents, answering technical questions, providing proper channels to file complaints regarding the Governor's executive orders related to COVID-19, utilizing inspections and investigating complaints to ensure compliance with regulations, and evaluating reports of worker deaths and initiating fatality inspections when warranted.

Sick and Safe Leave

MHWFA requires an employer with 15 or more employees to have a sick and safe leave policy under which an employee earns at least 1 hour of paid sick and safe leave, at the same rate as the employee normally earns, for every 30 hours an employee works. An employer with 14 or fewer employees, based on the average monthly number of employees during the preceding year, must at least have a sick and safe leave policy that provides an employee with at least 1 hour of unpaid sick and safe leave for every 30 hours an employee works.

An employee is eligible to use sick and safe leave under specified circumstances, including to care for or treat the employee's mental or physical illness, injury, or condition; to obtain preventive medical care for the employee or employee's family member; and to care for a family member with a mental or physical illness, injury, or condition. Several of the authorized reasons for taking leave align with potential usage needs during the pandemic. An employer may not require an employee to exhaust leave provided under MHWFA before taking leave granted under the Families First Coronavirus Response Act (FFCRA).

FFCRA helps combat the workplace effects of the pandemic by reimbursing, in the form of tax credits, private employers with fewer than 500 employees for the cost of providing employees with paid leave taken for specified reasons related to COVID-19. FFCRA also requires certain employers to provide their employees with paid sick leave under the Emergency Paid Sick Leave Act (EPSLA) and expanded family and medical leave under the Emergency Family and Medical Leave Expansion Act (EFMLEA) for specified reasons related to COVID-19.

Under EPSLA, employees of covered employers are eligible for two weeks (up to 80 hours) of paid sick leave for specified reasons related to COVID-19. EFMLEA requires specified employers to provide up to 10 weeks of paid and 2 weeks unpaid expanded family and medical leave. The leave is paid at a rate of two-thirds of the employee's regular rate of pay and is available if an employee has been employed for at least 30 calendar days and is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19. EFMLEA only provides leave for reasons related to COVID-19.

Catastrophic Health Emergencies

"Catastrophic health emergency" means a situation in which extensive loss of life or serious disability is threatened imminently because of exposure to a deadly agent (such as anthrax, ebola, plague, or other bacterial, fungal, rickettsial, or viral agents). If the Governor determines that a catastrophic health emergency exists, the Governor may issue a proclamation that indicates the nature of the emergency, the areas threatened, and the conditions that led to the emergency or made possible termination of the emergency. A proclamation expires after 30 days, but can be renewed for successive 30-day periods. During such an emergency, the Governor is granted broad executive power to address the emergency to prevent exposure and save lives.

Right to Refuse

Generally, an employer may not discharge or otherwise discriminate against an employee because the employee (1) files a complaint under or related to labor laws, benefits, and obligations; (2) brings a related action or a proceeding or causes a related action or proceeding to be brought; (3) testifies or will testify in such an action or proceeding; or (4) exercises, for the employee or another, a right granted by labor law. The <u>Code of Maryland Regulations 09.12.20.05</u> governs when an employee is protected from this type

of employer retaliation when an assigned task is refused. Specifically, the protection applies when:

- an employee is confronted with a choice between not performing an assigned task or being subjected to serious injury or death arising from a hazardous condition at the workplace, has no reasonable alternative, and refuses in good faith to be exposed to the dangerous condition; and
- the condition causing the employee's apprehension of death or injury is of such a nature that a reasonable individual would conclude that there is a real danger of death or serious injury, there is insufficient time to rectify the situation, as specified, and the employee, if possible, has sought correction of the dangerous conditions from the employer and has been unable to obtain a correction.

Communicable Disease Reporting

The Secretary of Health must obtain accurate and complete reports on communicable diseases in the State and publish a monthly bulletin for health officers and other health professionals.

State/Local/Small Business Effect:

Costs for Essential Employers

All employers of essential workers, including the State, local governments, and small businesses, must provide additional benefits to those workers during an emergency and meet the bill's other requirements. Thus, all essential employers are likely to experience increased costs, which could be significant, during an emergency, including during the current and ongoing COVID-19 pandemic. The precise cost for each of the effects discussed below and total cost for any essential employer cannot be predicted, as it depends wholly on (1) the length of an emergency; (2) how the bill's requirements differ from the employer's existing practices; (3) how many of the employer's workers are considered essential workers; and (4) which industries and employees are deemed to be essential.

Even so, each subsection listed below has a description of the fiscal impact with illustrative examples when applicable and calculable. The examples are based on data provided by the Department of Budget and Management (DBM) on essential employees in the State Personnel Management System (SPMS), data provided by the Maryland Department of Transportation (MDOT) (whose staff are not in SPMS), and grocery store workers in the State. There are approximately:

- 16,700 essential workers (out of about 46,494 total employees) in SPMS;
- 6,870 essential workers (out of about 9,057 total employees) who work for MDOT; and

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• 55,900 grocery store workers in the State (as estimated by the U.S. Bureau of Labor Statistics in December 2020), all of whom are assumed to be essential during an emergency for purposes of this analysis.

As the additional benefits for essential workers and responsibilities for essential employers are required only during emergencies, such as the current and ongoing COVID-19 pandemic, it is assumed for purposes of this analysis that some additional costs terminate during fiscal 2022; assuming the COVID-19 emergency ends within that year and any, lingering enforcement proceedings and related costs are incurred by the end of fiscal 2022. Employers experience similar costs during any future emergency that prompts the bill's benefits and responsibilities to come into effect; however, any such incidence cannot be predicted.

Communicable Disease Testing: The bill requires each essential employer to pay the testing costs for an emergency-related communicable disease, if those expenses are not covered by the worker's health insurance. Essential employers may experience increased costs to do so; however, any such impact depends on the disease and whether free testing is available.

Safety Equipment: Expenditures by essential employers increase to purchase and provide safety equipment for essential workers during emergencies. Costs could vary significantly depending on the nature of the emergency, the type of equipment needed, whether employers already provide safety equipment, and the number of employees who need equipment. *For illustrative purposes*, DBM estimates the cost of a single-use N95 or KN95 face mask, to protect from aerosol infectious diseases such as COVID-19, at \$2.00 per mask. Providing only this type of equipment for essential workers in SPMS (*i.e.*, one mask per essential worker per workday) costs approximately \$2.2 million every three months for affected agencies (averaging \$8.7 million per year). Assuming the same cost for grocery stores in the State, those employers would experience costs of \$7.3 million every three months (averaging \$29.1 million per year). Additionally, MDOT advises that, during the COVID-19 pandemic, it has experienced monthly safety equipment costs of about \$551,000 (averaging \$1.65 million every three months and \$6.6 million per year).

Workplace Safety: Expenditures by essential employers may also increase to implement the workplace safety practices and programs to ensure safe working conditions for essential workers; however, the bill primarily requires essential employers to comply with applicable safety standards adopted by a federal or State agency. As such, any significant cost experienced by an employer may instead be due to those laws and standards and not the bill. For example, the U.S. Department of Labor recently issued workplace guidance to ensure the protection of workers from COVID-19. The guidance emphasizes the importance of face coverings and the importance of COVID-19 prevention programs that

engage workers and unions in the program development, and many employers are likely to follow this guidance absent the bill.

For illustrative purposes, MDOT advises that, during the COVID-19 pandemic, it has experienced an average cost of about \$575,200 per month (averaging \$1.7 million every three months and \$6.9 million per year) for enhanced cleaning and disinfecting and for modifying its facilities to ensure worker safety.

Paid Public Health Emergency Leave: The bill requires paid public health emergency leave to be provided to essential workers only if the federal or State government provides funding to provide the leave. Even so, essential employers may experience additional costs if the funding provided does not cover the full salaries of the essential workers taking leave. For example, a program implemented by the State or federal government may pay only for a portion of an essential worker's leave, and since the bill does not specify a level of funding that must be provided to require employers to provide the leave, in a such a case, employers would experience additional costs.

Since MHWFA already requires employers with 15 or more employees to provide paid sick and safe leave to workers, expenditures generally only increase for an essential employer to provide health leave if (1) the worker uses more paid leave than the worker otherwise would have, absent the bill or (2) the employer has 14 or fewer employees and, therefore, does not provide paid health leave for workers. Additionally, costs may be greater for employers (including public safety employers) that require 24/7 coverage due to having to pay for overtime and/or temporary employees to cover shifts for employees taking leave.

Right to Refuse: The bill specifies that an essential worker has the right to refuse to perform an assigned task and is protected from discharge or other discrimination if the worker exercises this right. However, since the bill does not grant any new right, and generally just clarifies that existing laws and regulations governing the right to refuse an assigned task apply to essential employees during an emergency, this requirement is not anticipated to materially affect essential employer costs.

Other Implementation Costs

Maryland Department of Labor – Enforcement: The bill creates additional responsibilities for MDL, which is responsible for enforcing the bill's requirements during emergencies. MDL cannot carry out enforcement activities with its existing staff and resources and, therefore, requires additional staff during any future emergency to do so. Additionally, MDL needs additional staff immediately to carry out enforcement activities during the current and ongoing COVID-19 pandemic. For purposes of this analysis, it is assumed that the bill takes effect on May 1, 2021.

Thus, general fund expenditures for MDL increase by \$107,382 in fiscal 2021. The estimate reflects the cost of hiring seven temporary contractual staff (including four investigators, one administrative staff, one legal staff, and one hygienist) to implement and enforce the bill. This estimate assumes a moderate level of enforcement activities for MDL, and MDL may need additional staff if a significant number of complaints are received after the implementation of the bill.

FY 2021 MDL Enforcement Expenditures	\$107,382
Operating Expenses	9,604
Start-up Expenditures	35,630
Salaries and Fringe Benefits	\$62,148
Contractual Positions	7.0

Costs are assumed to continue throughout fiscal 2022 as well, with full salaries with annual increases and employee turnover and ongoing operating expenses. As MDL's responsibilities and enforcement activities take place during emergencies – such as the current and ongoing COVID-19 pandemic, it is assumed for purposes of this analysis that the additional staff, and the associated costs, are likely no longer necessary beginning in fiscal 2023. MDL is likely to need similar additional contractual staff during any future prolonged emergency that prompts the bill's benefits and responsibilities to come into effect; however, any such incidence cannot be predicted.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

Maryland Department of Health: While MDH is required to collect accurate and complete reports on communicable diseases in the State, there are no processes or systems in place to allow employers to provide the information to MDH, as the information they collect generally comes from medical labs and facilities. MDH advises that it plans to implement the bill by developing a web-based database that would both allow employers to submit the required information for use by health analysts for analysis and required reports. The estimated cost to develop and implement the system is \$300,000 (which is assumed, for purposes of this analysis, to take place in fiscal 2021 so MDH can begin collecting information on the current and ongoing COVID-19 pandemic) with ongoing annual maintenance costs of an estimated \$30,000.

Additionally, depending on the amount of data submitted by employers during an emergency, MDH may require staffing assistance (either through temporary contractual staff or a third-party contract) to help collect and maintain the data and conduct any required analysis. For example, a disease affecting tens of thousands or hundreds of

thousands of essential workers would likely result in a large number of questions from employers for MDH and other potential data-input problems. Given MDH's other responsibilities to the State, especially during a catastrophic health emergency, it is unlikely that MDH would have the staff or resources necessary to handle these responsibilities. Any such impact cannot be reliably predicted (including for the current emergency since the vaccine rollout is currently in progress) and, thus, any such potential impact is not included in this analysis.

MDH advises that it has already developed a template health emergency preparedness plan, and can modify it as necessary to meet the bill's requirements using existing budgeted resources.

Revenues

Any revenues due to assessment of penalties against employers for noncompliance with the bill are assumed to be minimal and are assumed to accrue to the general fund.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 486 (Senator Augustine, *et al.*) - Finance.

Information Source(s): Department of Budget and Management; Maryland Department of Transportation; Judiciary (Administrative Office of the Courts); University System of Maryland; Department of Juvenile Services; Maryland Department of Labor; Department of Public Safety and Correctional Services; Department of State Police; Maryland Health Benefit Exchange; Maryland Department of Health; Maryland Insurance Administration; Maryland Environmental Service; Public Service Commission; Anne Arundel, Frederick, and Montgomery counties; Maryland Association of Counties; Maryland Municipal League; Washington Suburban Sanitary Commission; U.S. Department of Labor; Department of Labor; Department of Legislative Services

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Appendix – COVID-19

In December 2019, a novel strain of coronavirus known as severe acute respiratory syndrome coronavirus 2 emerged in Wuhan, China. Coronavirus disease (COVID-19) is an infectious disease caused by this virus. As the number of cases spread globally by March 2020, the World Health Organization declared COVID-19 a pandemic.

Testing, Cases, and Deaths in Maryland

Maryland's first three confirmed cases of COVID-19 were recorded on March 6, 2020, with the first two deaths occurring March 16, 2020. As of January 27, 2021, Maryland reported a total of 346,559 confirmed cases, 31,468 individuals ever hospitalized, and 6,821 confirmed deaths. The jurisdictions with the highest number of cases have been Prince George's, Montgomery, and Baltimore counties and Baltimore City. Statewide, 8.4% of cases (28,954) and 45.9% of COVID-19 deaths (3,130) occurred in congregate living settings (*i.e.*, nursing homes, assisted living, and group homes). Updated data on COVID-19 in Maryland is available on the Maryland Department of Health (MDH) dashboard: <u>https://coronavirus.maryland.gov</u>.

Vaccines

In December 2020, the U.S. Food and Drug Administration approved both Pfizer-BioNTech and Moderna's COVID-19 vaccines for emergency use. Due to limited quantities, distribution began with priority groups as determined by states. Maryland began distribution in January 2021 with Phase 1A, which includes health care workers, residents and staff of nursing homes, first responders, public safety, corrections staff, and front-line Judiciary staff. Phase 1B began January 18, 2021, and includes residents of assisted living facilities and other congregate settings, adults age 75 and older, staff of K-12 schools and child care facilities, high-risk incarcerated individuals, and those involved in continuity of government. As of January 27, 2020, the State is in Phase 1C, which includes adults aged 65 and older, additional public safety and public health workers, and essential workers in food/agriculture, manufacturing, public transit, and the postal service. Phase 2 will include individuals aged 16 to 64 at increased risk of severe illness, incarcerated adults, and remaining essential workers. Phase 3 will include the general public. As of January 27, 2021, 852,625 doses of the vaccine have been distributed, and 419,579 doses have been administered (363,282 first doses and 56,297 second doses). Updated data is available on the MDH dashboard: coronavirus.maryland.gov/#Vaccine.

Declaration of a State of Emergency and Initial Executive Orders

On March 5, 2020, Governor Lawrence J. Hogan, Jr. declared a state of emergency and the existence of a catastrophic health emergency to deploy resources and implement the emergency powers of the Governor to control and prevent the spread of COVID-19. The declaration, which has been renewed several times (most recently January 21, 2021), initiated a series of executive actions, including moving the Maryland Emergency Management Agency to its highest activation level, activating the National Guard, and closing all public schools. The Governor then ordered the closure of in-house dining at bars and restaurants and banned mass gatherings of more than 50 people. This action was followed by a more extensive stay-at-home order on March 30, 2020, requiring closure of all nonessential businesses. This order remained in effect until May 15, 2020.

Emergency Legislation

Chapters 13 and 14 of 2020 (the COVID-19 Public Health Emergency Protection Act of 2020) authorized the Governor, for the duration of the emergency, to take actions relating to health insurance, Medicaid, retailer profits, employer actions, and personnel at State health care facilities as a result of the state of emergency and catastrophic health emergency. The Acts also authorize the Secretary of Labor to determine certain individuals eligible for unemployment insurance (UI) benefits due to COVID-19. The Acts terminate April 30, 2021.

Subsequent Executive Orders and Advisories

Since March 2020, the Governor has issued numerous executive orders relating to COVID-19, including (1) closing Maryland ports and harbors to passenger vessels; (2) expanding child care access; (3) expanding the scope of practice for health care practitioners, activating the Maryland Responds Medical Reserve Corps, controlling and restricting elective medical procedures, closing adult day care centers, and providing additional health care regulatory flexibility; (4) augmenting emergency medical services; (5) prohibiting price gouging; (6) fast tracking lab testing processes; (7) authorizing expanded telehealth services; (8) delegating authority to local health officials to control and close unsafe facilities; (9) extending certain licenses, permits, and registrations; (10) authorizing remote notarizations; (11) prohibiting evictions of tenants suffering substantial loss of income due to COVID-19, additionally prohibiting certain repossessions, restricting initiation of residential mortgage foreclosures, and prohibiting commercial evictions; (12) regulating certain businesses and facilities and generally requiring the use of face coverings; (13) establishing alternate health care sites and authorizing regulation of patient care space in health care facilities; and (14) implementing alterative correctional detention and supervision.

Federal Legislation Regarding COVID-19

Five federal emergency bills have been enacted to address the COVID-19 pandemic:

- the **Coronavirus Preparedness and Response Supplemental Appropriations Act**, which provided \$8.3 billion in emergency funds for federal agencies (including \$950 million through the U.S. Centers for Disease Control and Prevention for state and local response);
- the **Families First Coronavirus Response Act**, which addressed emergency family and medical leave and paid sick leave, specified insurance coverage of COVID-19 testing, and provided additional funding for nutrition assistance programs and unemployment benefits;
- the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included a Coronavirus Relief Fund for state and local governments; an Education Stabilization Fund for states, school districts, and institutions of higher education; a Disaster Relief Fund for state and local governments; additional funding for public health agencies to prevent, prepare for, and respond to COVID-19; funding for transit systems; an expansion and extension of eligibility for UI benefits, and additional temporary unemployment compensation of \$600 per week; \$349 billion for the establishment of the Paycheck Protection Program (PPP); a \$500 billion lending fund for businesses, cities, and states; and Economic Impact Payments to American households of up to \$1,200 per adult and \$500 per child;
- the **Paycheck Protection Program and Health Care Enhancement Act**, which provided an additional \$310 billion to PPP, \$75 billion for health care providers, \$60 billion for small business disaster loans, and \$25 billion for increased testing capacity; and
- the Consolidated Appropriations Act, 2021, and Other Extensions Act, which included \$908 billion in relief, including another \$284 billion for PPP, \$82 billion for schools, \$45 billion for transportation, \$25 billion in emergency assistance to renters, \$20 billion for vaccine distribution, \$13 billion for a major expansion in Supplemental Nutrition Assistance benefits, \$13 billion for agriculture and rural programs, \$10 billion for child care assistance, extended federal unemployment benefits of up to \$300 per week, extended the federal moratorium on evictions through January 31, 2021, and provided a second stimulus payment of up to \$600 per person.

Federal Funding for Maryland to Address COVID-19

The CARES Act and the Families First Coronavirus Response Act provided Maryland with a significant amount of federal aid. More than \$6 billion in assistance has been made available to the State and local governments, including an enhanced federal matching rate for Medicaid. More than \$900 million was directly provided to local governments. The largest and most flexible portion of CARES Act funding is the Coronavirus Relief Fund, which totals \$2.3 billion, \$691 million of which was allocated directly to Baltimore City and Anne Arundel, Baltimore, Montgomery, and Prince George's counties.

CARES Act funding also included \$800 million for the Disaster Recovery Fund; \$696 million for transit grants; \$575 million in enhanced Medicaid matching funds (through December 2020); \$239 million in CDC grants; \$108 million for airports; \$74 million for community development block grants; \$50 million for homelessness assistance; \$46 million for grants for local education agencies and higher education institutions; \$46 million for child care and development block grants; \$36 million for public housing and rental assistance grants; \$24 million for community health centers; \$20 million for senior nutrition; \$19 million for energy assistance; \$18 million for justice assistance grants; \$17 million for administration of the UI program; \$14 million for community service block grants; \$13 million for emergency food assistance; \$8 million for Head Start; \$8 million for the Women, Infants, and Children program; and \$7 million for election security.

The Consolidated Appropriations Act is estimated to provide Maryland with \$1.2 billion for education (including \$869 million for K-12 education, \$306 million for higher education, and \$57.7 million for the Governor's Fund); \$1.1 billion for transportation (including \$830.3 million for transit in the Washington, DC area, \$149.3 million for highways, \$76.2 million for transit in Baltimore, \$22.5 million for airports, and \$9.1 million for rural area grants); more than \$475 million for health (including \$335.6 million for testing, \$75.3 million for vaccines, \$32.6 million for mental health assistance, and \$31.9 million for substance use assistance); \$402.4 million for rental assistance; and \$140.6 million for human services (including \$130.4 million for child care).