FISCAL UPDATE Article

Fiscal Services Division May 15, 2020



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COVID-19 UPDATES FOR OTHER STATES — SOUTH AND WEST REGIONS

Weekly Updates. On March 30, 2020, the Fiscal Services Division published a <u>summary</u> of reports on the impact of the COVID-19 pandemic on other states. Since then, the Division has been publishing a weekly update on those states. This week's summary updates the South and West regions. Next week's update will cover the Northeast and Midwest regions, along with the U.S. Territories.

These updates will primarily address the fiscal impact of the pandemic on the states and activities of state legislatures. Current caseload statistics for each state can be found on the Centers for Disease Control and Prevention website at www.cdc.gov/coronavirus/2019-ncov/cases-updates/cases-in-us.html.

Federal Funding. On May 12, 2020, Federal Funds Information for the States (FFIS) published a listing of estimated COVID-19-related federal funding by state. The FFIS information is cited for each of the states included in this update.

The FFIS information included the amount allocated to each state from the \$150.000 billion Coronavirus Relief Fund created in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, as well as other funding from the CARES Act and other federal legislation for specific purposes under the direction of federal agencies, including the following:

Department of Agriculture

Department of Commerce

Department of Education

Department of Health and Human Services

Department of Homeland Security

Department of Housing and Urban Development

Department of Justice

Department of Labor

Department of Transportation

South Region

Alabama — According to FFIS, Alabama will receive \$1.901 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$3.667 billion from federal funding related to the COVID-19 pandemic. The Alabama General Assembly is currently meeting and working on completing a budget. It is on track to adjourn the legislative session for the year on May 15, 2020.

Arkansas — According to FFIS, Arkansas will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.425 billion from federal funding related to the COVID-19 pandemic. On May 5, 2020, the Arkansas legislature approved \$55.0 million in funding for the Arkansas Ready for Business Grant Program to assist businesses affected by the COVID-19 pandemic including assistance to ensure health and safety standards for employees and customers. On May 7, 2020, Governor Asa Hutchinson announced that the state's three gaming casinos will open at 1:30 p.m. on May 18, 2020, at one-third capacity and with strict social distancing.

Delaware — According to FFIS, Delaware will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.689 billion from federal funding related to the COVID-19

pandemic. Governor John Carney announced <u>guidelines</u> that would allow small businesses to resume limited operations on May 8, 2020.

Florida — According to FFIS, Florida will receive \$8.328 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$15.689 billion from federal funding related to the COVID-19 pandemic. Governor Ron DeSantis has released a <u>plan for recovery</u> and also issued Executive Orders 20-112 and 20-120 providing guidelines for a phased reopening.

Georgia — According to FFIS, Georgia will receive \$4.117 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$8.229 billion from federal funding related to the COVID-19 pandemic.

Kentucky — According to FFIS, Kentucky will receive \$1.732 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$3.496 billion from federal funding related to the COVID-19 pandemic. On April 29, 2020, Governor Andy Beshear announced a phased <u>plan</u> for reopening Kentucky businesses. The initial phase involved health care services. The second phase began May 11, 2020, and impacted manufacturing, construction, vehicle/vessel dealerships, professional services (at 50.0% of pre-outbreak capacity), horse racing (without spectators), and pet grooming/boarding.

Louisiana — According to FFIS, Louisiana will receive \$1.803 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$4.100 billion from federal funding related to the COVID-19 pandemic. The Louisiana General Assembly is currently meeting and working on passing a budget for FY 2021 and other legislation, focusing on COVID-19-related bills. The General Assembly has until June 1, 2020, to complete its session. The Revenue Estimating Conference for Louisiana met on May 11, 2020, and estimates that Louisiana will lose \$120.0 million in the final quarter of FY 2020 and \$900.0 million in FY 2021.

Maryland — According to FFIS, Maryland will receive \$2.344 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$4.835 billion from federal funding related to the COVID-19 pandemic. Governor Larry Hogan will lift the state's stay-at-home order on May 15, 2020.

Mississippi — According to FFIS, Mississippi will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.714 billion from federal funding related to the COVID-19 pandemic. Since suspending the 2020 legislative session on March 17, the Mississippi legislature has returned to session twice in early May to act on funding measures related to the pandemic. Legislative committees have continued to meet as needed.

North Carolina — According to FFIS, North Carolina will receive \$4.067 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$7.487 billion from federal funding related to the COVID-19 pandemic. The North Carolina legislature reconvened on April 28, 2020, to take COVID-19-related actions and intends to adjourn in July or August 2020. Governor Roy Cooper began Phase 1 of easing restrictions on Friday, May 8, 2020.

Oklahoma — According to FFIS, Oklahoma will receive \$1.534 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$3.115 billion from federal funding related to the COVID-19 pandemic.

South Carolina — According to FFIS, South Carolina will receive \$1.996 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$3.657 billion from federal funding related to the COVID-19 pandemic. The South Carolina General Assembly passed a resolution on May 12, 2020, to allow the state government to continue spending after the fiscal year ends, with plans to come back for a two-week session in mid-September. The legislation provides \$175.0 million for emergency COVID-19 spending, part of which will go toward hiring 1,000 contact tracers to find persons who have been in contact with an infected person. In addition, the legislation provides \$15.0 million to allow persons to safely vote in the June 9,2020, primary and \$1.5 million to hire a private firm to help the state keep up with the additional federal funds.

Tennessee — According to FFIS, Tennessee will receive \$2.648 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$5.014 billion from federal funding related to the COVID-19 pandemic. The Tennessee legislature is currently suspended until June 1, 2020. The state's declaration of emergency has been extended until June 30, 2020.

Texas — According to FFIS, Texas will receive \$11.243 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$20.317 billion from federal funding related to the COVID-19 pandemic. On April 27, 2020, Governor Greg Abbott announced through Executive Order the initial stage of a phased reopening of Texas businesses. The first phase pertained to certain listed services, hospitals, and travel. On May 5, 2020, the governor lifted restrictions on additional services. The governor also relaxed additional restrictions involving businesses within counties with fewer than five COVID-19 cases reported.

Virginia — According to FFIS, Virginia will receive \$3.310 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$6.150 billion from federal funding related to the COVID-19 pandemic.

Washington, D.C. — According to FFIS, Washington, D.C., will receive \$495.1 million from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.379 billion from federal funding related to the COVID-19 pandemic.

West Virginia — According to FFIS, West Virginia will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.061 billion from federal funding related to the COVID-19 pandemic. On April 27, 2020, Governor Jim Justice established <u>guidelines</u> and a six-week timeline for business reopenings. This timeline depends on the percentage of COVID-19 tests administered resulting positive. The process began on April 30, 2020.

West Region

Alaska — According to FFIS, Alaska will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.850 billion from federal funding related to the COVID-19 pandemic. Although the Alaska legislature is not in session, on May 11, 2020, the Legislative Budget and Audit Committee authorized the spending of more than \$1.000 billion in federal relief. The action permits Governor Mike Dunleavy's administration to begin sending payments to communities and businesses.

Arizona — According to FFIS, Arizona will receive \$2.822 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$5.212 billion from federal funding related to the COVID-19 pandemic. FFIS estimates Arizona has received \$13.373 billion in nongrant funding, which includes \$9.176 billion from the Small Business Administration and \$4.197 billion from the Federal Reserve. The Arizona legislature was suspended, and members of the Senate returned on May 8, 2020, to adjourn; however, members of the House did not adjourn, so the legislature is still in session. Governor Doug Ducey has eased some restrictions on businesses beginning on May 8, 2020, that allowed salons and barbershops to take appointments. On May 11, 2020, restaurants were allowed to open for socially distanced dining.

California — According to FFIS, California will receive \$15.321 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$29.677 billion from federal funding related to the COVID-19 pandemic. FFIS estimates California has received \$111.887 billion in nongrant funding, which includes \$72.560 billion from the Small Business Administration and \$39.327 billion from the Federal Reserve. Some members of the California Assembly returned to work on May 4, 2020, and the Senate returned to work on May 11, 2020. California is beginning to reopen, although Governor Gavin Newsom has maintained the state's stay-at-home order. Clothing stores, sporting goods stores, bookstores, and music stores can reopen for curbside pickup only. Shopping malls, restaurants, schools, child care facilities, and office-based businesses remain closed.

Colorado — According to FFIS, Colorado will receive \$2.233 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$4.214 billion from federal funding related to the COVID-19 pandemic. The suspension of the Colorado legislative session has been extended, and the session is now scheduled to resume May 26, 2020. The Joint Budget Committee has been meeting during the suspension.

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Hawaii — According to FFIS, Hawaii will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.892 billion from federal funding related to the COVID-19 pandemic. On May 11, 2020, the Hawaii state legislature resumed its annual legislative session. Recent reports published by Hawaii Public Radio indicate that the Hawaii state budget is facing a shortfall of approximately \$1.000 to \$1.500 billion of its total annual budget of \$8.000 billion. Additionally, Hawaii State Auditor Leslie H. Kondo released three reports on May 7 and May 8, 2020, related to possible financial implications of COVID-19 on state spending.

Idaho — According to FFIS, Idaho will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.849 billion from federal funding related to the COVID-19 pandemic. Idaho has received \$3.859 billion in nongrant funding, which includes \$2.680 billion from the Small Business Administration and \$1.179 billion from the Federal Reserve. The Idaho legislature adjourned on March 20, 2020. Governor Brad Little has allowed some businesses to reopen if they maintain social distancing and sanitize, although gyms, restaurants, bars, salons, and movie theaters remain closed. Persons entering the state must remain in quarantine for 14 days, and those who have tested positive for COVID-19 are not allowed to enter.

Montana — According to FFIS, Montana will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.860 billion from federal funding related to the COVID-19 pandemic. Governor Steve Bullock released a <u>plan</u> outlining a phased approach to reopening and announced \$123.6 million in <u>emergency grants</u> funded by the federal CARES Act. The grants provide funding for the Montana Business Stabilization Grant Program, Montana Innovation Grant Program, Montana Food and Agriculture Adaptability Program, Emergency Housing Assistance Program, Public Health Grants, Stay Connected Grants, Food Bank and Food Pantry Assistance, Social Services Nonprofit Grants, and Telework Assistance Grants.

Nevada — According to FFIS, Nevada will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.339 billion from federal funding related to the COVID-19 pandemic. Governor Steve Sisolak released a "Roadmap to Recovery for Nevada" Phase One reopening plan on May 7, 2020. The plan contains general and industry-specific guidance.

New Mexico — According to FFIS, New Mexico will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.061 billion from federal funding related to the COVID-19 pandemic. New Mexico has also received \$2.243 billion in Paycheck Protection Program loans for businesses from the Small Business Administration, as well as \$37.5 million in Economic Injury Disaster Loans and \$49.4 million in Economic Injury Disaster Loans Advance funding. New Mexico Governor Michelle Lujan Grisham declared a state of emergency for the city of Gallup from May 1 through May 4, 2020, to mitigate the uninhibited spread of COVID-19. All roads into the city have been closed, businesses must close between 5 p.m. and 8 a.m., and vehicles can only carry two individuals, according to the governor's order. The declaration was modified on May 4, 2020, and extended until 12:00 p.m. on May 7, 2020.

Oregon — According to FFIS, Oregon will receive \$1.635 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$3.079 billion from federal funding related to the COVID-19 pandemic. On Monday, May 11, 2020, Ohio Governor Kate Brown publicly asked state agencies to plan for a 17.0% decrease in individual agency budgets and to prepare for a total budget shortfall of up to \$3.000 billion in the next fiscal year. A copy of the governor's statement is available here. The Oregon legislature is expecting the state's revenue estimating committee to provide an updated revenue forecast in May 2020.

Utah — According to FFIS, Utah will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$2.237 billion from federal funding related to the COVID-19 pandemic. The Utah legislature conducted two special sessions in April to address issues related to the pandemic. On April 29, 2020, Governor Gary Herbert issued an Executive Order that moved the state from "high risk" to "moderate risk" protocols for COVID-19 as of May 1, 2020. The protocols are outlined in the "Utah Leads Together Plan" phased guidelines. The protocols encourage continued social distancing, wearing masks in public, and limiting social activities to groups of 20 or fewer. Occupancy in retail businesses is limited to one person per 10 square feet of space. Dine-in service in restaurants is limited to 10 persons per table. Gyms, fitness centers, salons, and other personal care establishments are allowed to open following the protocols and guidelines.

Washington — According to FFIS, Washington will receive \$2.953 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$5.790 billion from federal funding related to the COVID-19 pandemic. Governor Jay Inslee announced a "Safe Start" plan for phased resumption of business, recreational, and social activities. The state plans to stay in each phase for a minimum of three weeks in order to allow for one complete disease incubation period plus an additional week to compile data and confirm trends.

Wyoming — According to FFIS, Wyoming will receive \$1.250 billion from the federal Coronavirus Relief Fund and is estimated to receive a total of \$1.598 billion from federal funding related to the COVID-19 pandemic. The Wyoming legislature will hold a special session May 15 and 16, 2020, using a mixed format, with some legislators attending in person and others attending virtually. **Bills** to be considered include establishing a loan program for Wyoming-based businesses with 100 employees or fewer, a grant program to reimburse businesses for health-related expenses, a Wyoming Business Interruption Stipend Program, funding for health care facilities, funding for rental assistance, and expansion of the state's workers' compensation program to workers who contract COVID-19.

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