



LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

DAVID R. BRINKLEY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

February 24, 2021

The Honorable Bill Ferguson  
President of the Senate  
H-107 State House  
100 State Circle  
Annapolis, Maryland 21401-1991

The Honorable Adrienne A. Jones  
Speaker of the House  
H-101 State House  
100 State Circle  
Annapolis, Maryland 21401-1991

Dear President Ferguson and Speaker Jones:

Pursuant to Chapter 39 of the Acts of 2021 (The Relief Act of 2021), the Department of Budget and Management (DBM) is required to prepare a bi-weekly report on the 33 programs funded through the Recovery Now Fund. DBM would highlight the following activities that have occurred since the passage of the legislation:

- Feb. 15 Governor signs the Relief Act of 2021.
- Feb. 16 Governor signs Budget Amendment 046-21 transferring \$306 million in funding from the Revenue Stabilization Account to the Recovery Now Fund.
- Feb. 16 Budget Amendment 046-21 provides state agencies \$306 million in new special fund spending authority.
- Feb. 16 - 22 DBM communicates with all agencies receiving Recovery Now funding to discuss program implementation and reporting requirements.
- Feb. 24 - 29 DBM communicates with all agencies about processing the transfer of revenue from the Recovery Now Fund.

Appendix 1 provides a detailed listing of all the programs funded.

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The Department of Budget and Management would also like to highlight a couple of early funding successes including:

- Temporary Disability Assistance Program recipients will see their benefit increased by \$100 a month effective this Friday, February 26.
- The Department of Housing and Community Development announced distribution of the \$7 million in funding, including \$2 million in RELIEF Act funding, for the State's 41 designated Main Street programs.

On a related note, the Governor has also signed Budget Amendments 049-21 and 052-21 authorizing the EIC stimulus payments of \$300 and \$500 and the transfer of \$30 million from the Strategic Energy Investment Fund, respectively. DBM would further note that \$23 million in funding from the AltaGas settlement is not being processed because of legal concerns raised by the Attorney General. The Administration has committed to replacing these funds with General Funds or federal energy assistance funding.

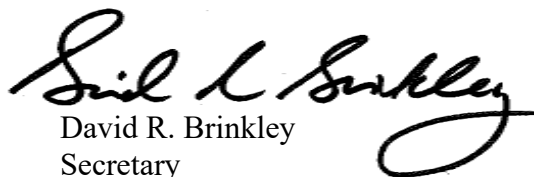
At this time, the DBM would like to highlight a few programmatic and implementation issues that have come to our attention as we have begun reviewing the legislation:

- There is the potential that more than 32,000 individuals could qualify for the \$1,000 grant under the provision for individuals with suspended unemployment insurance cases. The legislation does not prioritize who should receive assistance if sufficient funding is not available.
- Numerous programs allow for grants to businesses or organizations that can "demonstrate need," however, no definition of "need" is provided in the legislation.

Subsequent reports will individually summarize the detailed activities of all 33 programs funded through the Recovery Now Fund.

If you have any questions regarding this report, please contact my Deputy Secretary, Marc Nicole at 410-260-7042.

Sincerely,



David R. Brinkley  
Secretary

cc: Amelia Chassé Alcivar, Chief of Staff, Governor's Office  
Keiffer Mitchell, Senior Counselor & Chief Legislative Office, Governor's Office  
Alexandra M. Hughes, Chief of Staff, Maryland House of Delegates  
Yaakov E. Weissmann, Chief of Staff, Maryland State Senate  
Victoria L. Gruber, Executive Director, Department of Legislative Services  
Marc Nicole, Deputy Secretary, DBM

## APPENDIX I - Recovery Now Fund Program Descriptions

<u>Agency</u>	<u>Program Name</u>	<u>Amount</u>	<u>Program Description</u>
DHS	Temporary Disability Assistance Payments	22.0	Restores enrollment to individuals denied payments after July 1, 2020. Increases benefit by \$100 per month through the end of FY 2021
MEMA	Volunteer Fire Dept. & Rescue Squad Grants	4.0	Grants for companies that have lost revenue due to COVID-19, but have not received other county, federal, or state aid.
DHS	Foodbank Grants	10.0	Grants to the Maryland Foodbank and the Capital Area Foodbank
PSC	Utility Assistance	30.0	Grants to utility companies to assist households with utility arrearages. Funding will be combined with \$30 million from the Strategic Energy Investment Fund.
MCHRC	DDA Provider Grants	5.0	Grants to community providers of services to support pandemic-related reopening, transformation and revenue loss.
DHCD	Non-Profit Assistance Grants	20.0	Grants to local governments to support nonprofits with demonstrated need with priority given to providers that have not received previous aid.
Commerce	Arts Council grants	5.0	Grants to artists, arts districts, and arts organizations with priority given to providers that have not received previous aid.
Commerce	Non-sales tax business grants	10.0	Grants of \$9,000 to businesses with a demonstrated need that do not engage in an activity that requires the collection of sales and use tax.
Commerce	Restaurant grants	22.0	Grants to local governments to support restaurants (in certain NAICS codes). Grants are up to \$12,000. Assistance is given to business with a demonstrated need with priority given to businesses that have not received previous aid. 15% of funding must be used to support disadvantaged businesses.

Commerce	Hotel grants	10.0	Grants to local governments to support hotels (in certain NAICS codes). Grants are up to \$25,000. Assistance is given to business with a demonstrated need with priority given to businesses that have not received previous aid. 15% of funding must be used to support disadvantaged businesses.
DHCD	Entertainment Venues	10.0	Grants to live entertainment venues or promoters of live performances. Priority is given to businesses that closed or cancelled live performances due to capacity limitations in response to the pandemic.
Commerce	Small, Minority, Women-owned businesses	10.0	Grants to businesses qualified to receive assistance under Section 5-1501 of the Economic Development Article
Labor	Local Workforce Development Boards	7.0	Grants to local workforce development boards to engage, upskill and connect residents to employment. Funds must be allocated consistent with Federal WIOA adult funding.
TEDCO	Rural & Agricultural business grants	1.5	Grants to Maryland's rural and agricultural businesses.
DHCD	Rural Broadband	2.0	Grants for rural broadband providers.
MARBIDCO	Rural & Agricultural business grants	2.0	Grants to Maryland's rural and agricultural businesses.
DHCD	Main Street program	2.0	Grants to preserve Maryland's main street economies.
Commerce	On-line sales framework	0.5	Grants to help assist businesses set up an online sales framework and offering employees teleworking opportunities.
Commerce	Small Business marketing	1.0	Funding to market Maryland's small businesses for tourism.
Compt./Labor	Pending UI claim payments	32.0	Grants of \$1,000 to any individual whose claim for unemployment benefits is pending a determination of eligibility and has been in adjudication for at least 30 days.
Labor	Augment staffing	3.0	Funding to augment staffing to assist Maryland residents with accessing unemployment insurance benefits.

Labor	Market work-sharing programs	1.0	Funding to develop and implement and market a work sharing unemployment insurance marketing campaign.
MDOT	Transit	10.0	Funding to support the Maryland Transit Administration.
MDOT	Highways	10.0	Funding to support the State Highway Administration.
Commerce	Local Bus Assistance	8.0	Funding to support private commuter and shuttle bus operators providing services to government entities and locally operated transit systems that have lost state or local funding as the result of the pandemic.
MDH	Assistance 8-507 Providers	5.0	Grants to providers serving people directed under section 8-507 of the Health-General Article.
MDH	Mobile crisis and stand-alone crisis services	15.0	Grants for mobile crisis and stand-alone crisis services for the treatment of mental health and substance use disorders.
MCHRC	Health Zones	14.0	Grants to reduce health disparities, improve health outcomes, improve access to primary care, promote primary and secondary prevention services, and reduce health care costs and health admissions and readmissions.
DHCD	30-day emergency housing grants	15.0	Grants to pay for up to 30-days of emergency housing.
Judiciary	Maryland Legal Services Corporation grant	3.0	Grant to Maryland Legal Services Corporation to pay for legal services for individuals facing eviction.
MHEC / BCCC	Community Colleges	10.0	Grants to community colleges, including Baltimore City Community College to offer services to students or members of the community seeking training or skills improvement.
MSDE	Juvenile Services Education program	1.0	Funding for MSDE to enhance the educational services provided to children in the Juvenile Services System.
DBM	Disparity Grant	5.0	Grants for Prince George's, Dorchester and Wicomico counties.
<b>TOTAL</b>		<b>306.0</b>	