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Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

April 7, 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. Appendix 1 provides a listing of all the programs and a summary of the activity that has been undertaken by the relevant agency in the last two weeks on each program.

The Department of Budget and Management would like to note that applications or grant agreements have been distributed for all but four of the programs supported through the Recovery Now Fund. Most agencies are in the process of distributing funds within the next couple of weeks or finalizing the review of applications. One delay in the process has been getting grant agreements back from recipients, particularly county governments. For some of the programs administered by the Department of Commerce less than 50% of grant agreements have been returned.

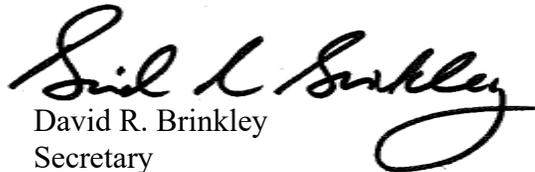
The Department is happy to announce that the Comptroller's Office has processed an additional 3,352 payments of \$1,000 to individuals identified by the Department of Labor whose claim for unemployment benefits is pending a determination of eligibility and has been in adjudication for at least 30 days. On a related note, Supplemental Budget #5 included an additional \$8 million in funding to make sure that sufficient funds are available to cover these payments through the end of June as intended in the legislation.

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DBM continues to add new material to the Recovery Now website (<http://dbm.maryland.gov/Pages/recoverynow.aspx>). Specifically, documents showing the distribution of funds amongst counties or other program recipients will be included on the site within the next few days. DBM is also continuing to work with the Department of Information Technology and other state agencies to provide additional information, including detail about the number of recipients (individuals or businesses) served by the funding at the zip code level.

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
David Romans, Coordinator, Fiscal & Policy Analysis, Department of Legislative Services
Marc Nicole, Deputy Secretary, DBM

APPENDIX I

RECOVERY NOW APRIL 7, 2021 PROGRAM SUMMARIES

Commerce:

Arts Council Grants:

- The Maryland State Arts Council (MSAC) released an application for grant funding on March 5, 2021, with a deadline of April 1, 2021. It received 1,000 applications, with 218 organizations requesting a total of \$7.6 million, and 782 independent artists requesting a total of \$2.3 million. Application review began on March 24, prioritizing the review of individual artists. Internal reviews are expected to be completed by April 16, 2021.

Hotel, Motel, and Bed and Breakfast Grants:

- Commerce sent out grant agreements to the counties and Baltimore City on March 24, 2021, and by April 1, 10 counties have signed and returned them. Commerce is allowing up to 10 percent of new administrative expenses that are a direct result of the Recovery Now program. Recipient requirements of the program include reporting detailed information on grantees.

Local Commuter Bus Assistance Grants:

- Commerce sent grant agreements to the six eligible companies on March 22, 2021, and as of April 1, has received three returned grant agreements, from Atlantic Coast Charters (\$718,400), Academy Express, LLC (\$1,940,000), and Eyre Bus Service (\$125,600).

Maryland Small, Minority, and Women-Owned Business Account

- As of April 1, 2021, Commerce has received requests for funding for five small business loans from three fund managers, totaling \$385,000. Each of eight fund managers has been allocated \$1,250,000 to make loans.

Non-Sales and Use Tax Grants:

- Commerce began accepting applications on March 30, 2021. As of April 1, it has received 648 pre-qualified and submitted applications, and 274 applications were pre-qualified but not yet submitted. 770 applications did not qualify, but Commerce reached out to provide clarifying information to many of those applicants. It continues to provide outreach and marketing to ensure the program reaches as many businesses as possible and has reached out to currently undersubscribed county officials and legislators. Applications are to be accepted until April 6 and the review process will begin on April 12.

On-Line Sales Framework Grants:

- Commerce sent out grant agreements to the counties and Baltimore City on March 24, 2021. As of April 1, ten (totaling \$227,172) have signed and returned their agreements. Also, on April 1, Commerce alerted jurisdictions that they will allow up to 10 percent of grant funds for new administrative costs resulting from the program.

Restaurant Grants:

- Commerce sent out grant agreements to the counties and Baltimore City on March 24, 2021. As of April 1, eleven (totaling \$13,291,694) have signed and returned their agreements. Also, on April 1, Commerce alerted jurisdictions that they will allow up to 10 percent of grant funds for new administrative costs resulting from the program.

Small Business Marketing Grants:

- Commerce sent out grant agreements to the destination marketing organizations on March 22, 2021. As of April 1, six (totaling \$134,538) have signed and returned their agreements. Funds will be distributed via the Maryland Tourism Development grant program already in place.

DBM:

Disparity Grants:

- DBM has worked with the Comptroller's Office to process the transfer of the \$5 million to Prince George's, Wicomico and Dorchester counties. On March 4, 2021, DBM initiated the transfer of funds and on March 9, 2021, direct vouchers were issued.

DHCD:

Live Entertainment Venues Grants:

- DHCD opened applications from March 22, 2021, through April 2, for both for profit and non-profit live entertainment venues and promoters of live performances. The maximum allowable request is \$500,000. Funding announcements are projected to be made by the end of May 2021 and awardees are projected to receive funds no later than June 30, 2021.

Main Street Program:

- All the state designated Main Street Maryland communities (33) and the Baltimore City designated Main Street neighborhoods (8) have been awarded funding to support local grants to businesses within their Main Street districts. Awards were based on applications submitted to DHCD's Maryland Strong Economic Recovery Initiative: Main Streets by the nonprofit organization or local government responsible for administering the local Main Street program. Requests for payment from awardees were processed by DHCD the week of March 29 and awardees are expected to receive their awarded funds by April 9, 2021.

Non-Profit Assistance Grants:

- Funds shall be distributed to the respective county economic development offices based on the population of the counties and Baltimore City. Each awardee shall utilize its own local grant program to distribute funds and shall prioritize non-profits not already receiving DHCD's Nonprofit Recovery Initiative funding. DHCD will distribute funds to local governments by April 30 and the local governments are to award grants to nonprofits no later than September 30, 2021.

Rural Broadband:

- Projects either in progress or those who have recently applied have been selected for funding, freeing capital dollars to fund additional applications in FY21. Projects were selected based on location and the ability to be completed by June 30, 2021.

30-Day Emergency Housing:

- On March 29, 2021, Continuums of Care were notified of their allocations and received program design guidance and budget templates. Grant agreements will be transmitted to grantees by April 9, 2021 and are due back no later than May 3. Allocations will be funded once agreements are fully executed, and budgets are approved.

DHS:

Foodbank Grants:

- DHS received approval on March 4, 2021 to release the RELIEF Act allocations to the Capital Area Food Bank (\$3,237,776) and the Maryland Food Bank (\$6,762,224). DHS received contracting packages, including the scope of service, from both food banks on March 24, 2021. Those contracts were executed, and funds were disbursed on March 25, 2021.

Temporary Disability Assistance Program:

- As of March 23, 2021, 11,017 recipients received a monthly benefit increase of \$100 (\$2.2 million in total) and, as of March 25, 2021, 96 percent of all eligible cases have been reopened. Those cases were recipients who were denied payments on or after July 1, 2020, for reasons other than a determination of a Supplemental Security Income claim.

Judiciary:

Maryland Legal Services Corporation Grant:

- Maryland Legal Services Corporation (MLSC) received \$3 million in funding on March 18, 2021. Pursuant to guidance received from the Department of Legislative Services through the Administrative Office of the Courts, MLSC reports that they will hold the funds for deployment beginning July 1, 2021, which will allow consideration of ongoing eviction moratoria and pending legislation. Prior to deployment, MLSC will convene stakeholders to plan for the most efficient and effective use of funds.

Labor:

Augment Staffing:

- Labor is currently assessing its staffing needs while also evaluating whether existing contracts can be expanded using these funds.

Local Workforce Development Boards:

- On March 1, 2021, local workforce development areas were notified of the amount of the funding they would receive under the RELIEF Act, per the “WIOA Title 1 Adult” formula, and were sent application templates accordingly. These applications, which include detailed plans on how allocated funds would be spent, were due back to Labor by April 1, 2021. Three areas have asked for extensions and one has not submitted their proposal. Of the nine areas that have submitted proposals, three have had funds obligated in the amount of \$2,205,000, Labor is awaiting signed awards for three (totaling \$1,417,500), and three proposals are under review (\$1,537,900).

Marketing Work-Sharing Programs:

- Labor has communicated that because of having been awarded federal funding for this purpose prior to this allocation, there is no intent or need to utilize the \$1.0 million for its stated purpose.

Pending UI Claim Payments:

- As of April 5, 2021, Labor sent a list to the Comptroller's Office, which included the names of 30,532 claimants, a 12.3 percent increase over March's total of 27,181 claimants. The department has also posted a message to its website explaining the grant to the public, along with an accompanying link for more information about the RELIEF Act.

MARBIDCO:

Rural and Agricultural Business Grants:

- MARBIDCO established six grant programs, and had conducted extensive outreach, to provide immediate pandemic adjustments and economic development assistance. Those programs are Maryland Shellfish Aquaculture Relief Grants (89 applications received, totaling \$130,500), Maryland Urban Farmer Relief Grants (11 applications received, totaling \$5,500), Local Food Cold Storage Relief Grant Program (98 applications received, totaling \$962,254), Maryland Livestock Processing Relief Grant Program (24 applications received, totaling \$1,255,554), Maryland Wood Products Industry Equity Incentive Relief Fund (21 applications received, totaling \$1,894,524), and the Maryland Market Money Program, for which the first disbursement of \$41,750 has been made. In addition, disbursements have been made to the Maryland Shellfish Aquaculture Relief (49 applicants, \$72,500 total disbursed) Maryland Urban Farmer Relief Grant (4 applicants, \$2,000 total disbursed) programs.

MCHRC:

DDA Provider Grants:

- The MCHRC will issue a non-competitive RFP on or about April 15, 2021. Applications from licensed DDA providers will be due to MCHRC on May 10, 2021 and grant awards will be made in early June 2021. MCHRC staff will continue to work closely with MDH/DDA staff to discuss the parameters of the RFP, potential permissible uses, and other issues.

Health Zones:

- The MCHRC plans to issue a competitive RFP during summer 2021, in accordance with the language of the RELIEF Act.

MDH:

Assistance 8-507 Providers:

- An allocation of awards to seven different providers, ranging from \$88,200 to \$3.6 million, has been proposed. Distribution of awards is projected for release the week of April 5, 2021.

Mobile Crisis and Stand-Alone Crisis Services:

- Applications were sent March 23, 2021, and closed April 2, 2021. They will be reviewed the first two weeks of April.

MDOT:

- MDOT has received two general fund transfers of \$10 million each to provide operating budget relief for bus operations and state systems maintenance.

MEMA:

Volunteer Fire Department and Rescue Squad Grants:

- To date, seven (7) work group meetings have been held regarding the application process and related matters. Applications were disseminated to each county fire/rescue association on Wednesday March 10, 2021. To date 37 companies have applied. Deadline to apply is April 23, 2021. Applications will be reviewed commencing March 28, 2021, and funding distribution will be made on or about the first week of May 2021.

MHEC:

Baltimore City Community College:

- Of the \$10 million available for community colleges through Recovery Now, \$1,217,785 is going directly to Baltimore City Community College (BCCC). BCCC intends to use the funds to provide access to workforce training programs for up to 480 students in need of specific skills training and job placement support due to the pandemic. Sets of training programs in health-related, information technology/cybersecurity, and transportation professions will begin in April, May, and June 2021. All targeted programs will be completed in 12 to 16 weeks. Approximately \$18,000 will be used for screening (480 students), \$600,000 for healthcare training (240 students), \$240,000 for IT/cybersecurity training (120 students), and \$360,000 for transportation-related training (120 students).

Local Community Colleges:

- MHEC will be administering \$8,782,215 to the locally governed community colleges. Applications for the funds were disseminated to the colleges on March 5, 2021, and were received back March 12, 2021. MHEC processed the award packages and notified the colleges on March 19, 2021. Each college that receives funding will be responsible for expending the funds by June 30, 2021.

MSDE:

Juvenile Services Education:

- MSDE is purchasing updated technology for students and teachers to complement the existing classroom technology and facilitate more personalized learning. The Juvenile Services Education program is also building a new statewide virtual library to encourage reading for students and purchasing e-books for electronic readers that span the interests and needs of our student population.

PSC:

Utility Assistance:

- The Commission issued an order requesting information from utilities that is due back by April 9, 2021. The Commission will use this information to issue guidance regarding the distribution of funds to the Utilities and the way the Utilities will allocate the funds to customers with eligible arrearages. The Commission will also establish reporting requirements to verify how the funds were applied.

TEDCO:

Rural and Agricultural Business Grants:

- TEDCO has opened the Agriculture and Rural Rebuild Challenge grant request application process; the deadline is April 30. It provides up to \$200,000 each to fund technology-based projects that help rural and agricultural businesses recover, rebuild, and pivot from the COVID crisis. The Challenge specifically encourages increased collaboration between rural businesses, research institutions, and industry partners to help agricultural technology and other rural industry sectors better weather future economic crises.