

# Federal COVID & IJA Funding Summary Report

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## COVID-19 FEDERAL FUNDING OVERVIEW

Beginning in the spring of 2020, a variety of bills were passed at the federal level to mitigate the health and economic impacts of COVID-19. The Coronavirus Aid, Relief, and Economic Security Act (CARES I) and the American Rescue Plan Act (ARPA) were the largest of these, but a portion of the Consolidated Appropriations Act of 2021 (Sections M-N, referred to herein as CARES II, but also known as CRRSSA or the Coronavirus Response and Supplemental Appropriations Act). Several other smaller bills were passed, and those are lumped in with CARES I funding for the purposes of this report.

The total federal budget impact of these bills was scored by the Congressional Budget Office at a total cost of almost \$4.7 trillion. It is worth noting that some actions by Congress, such as the recent debt limit deal that modified these original bills through rescission, have continued to modify that overall impact.

## MONTANA'S ALLOCATION

As seen in the summary table on page 2 of appropriations established in Montana state agencies, almost \$5.2 billion of assistance was anticipated in total. Not all of this has materialized however, with the Department of Health and Human Services alone showing a total of \$225.2 million of authority in the state accounting system that they have identified as unlikely to have actual funding available.

While 96.6% of the CARES I authority established in the state accounting system has been expended, only 54.3% of the CARES II funding and 36.0% of the ARPA funding has been expended as of August 1, 2023. However, if the DPHHS excess authority is removed, those numbers increase to 61.9% of CARES II and 37.9% of ARPA respectively.

Much of this federal funding carries requirements that grant awards be paid out only as reimbursement. As a result, the expenditures in this report show only that money which has been paid out to recipients but does not accurately reflect total allocations and awards that have obligated those funds. For a summary of the ARPA funds obligated, <https://gov.mt.gov/arpadashboard/> tracks and publicizes the status those funds. While the accounting data reflects ARPA expenditures of \$862.4 million, the executive reports almost double this amount having been awarded, at \$1,627.3 million<sup>1</sup>.

The Department of Commerce also has a website that publicizes the details of the CARES I funding, which can be found at <https://commerce.mt.gov/Coronavirus-Relief>. However, this site only shows grant funds sent out to other recipients across Montana and does not reflect agency expenditures. The table on page 2 includes both grants awarded and expenditures by various agencies.

For more detail on each agency, see the agency quarterly financial reports provided to each Interim Budget Committee.

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<sup>1</sup> As viewed on August 16, 2023

Federal Funding Appropriated Through State Agencies  
(as of August 1, 2023)

	Appropriation Established	Expenditures
<b>CARES I (Plus Fed HR 6074 &amp; 6201, 266)</b>		
Commissioner of Higher Ed	\$38,361,519	\$38,361,519
Department of Administration	280,142,662	280,086,535
Department of Commerce	366,493,283	357,689,353
Department of Justice	1,596,082	1,557,241
Department of Revenue	451,556	547,489
Department of Transportation	47,801,012	41,384,027
Dept Nat Resource/Conservation	23,248,005	23,251,622
Dept of Corrections	44,396,759	44,396,759
Dept of Environmental Quality	527,248	545,464
Dept of Military Affairs	3,498,661	3,498,661
Dept. of Fish, Wildlife & Parks	5,306	5,306
Governor's Office	10,391,635	1,167,140
Judiciary	364,760	364,761
Labor & Industry	313,050,080	306,318,934
Legislative Branch	984,774	984,774
Library Commission	861,870	861,870
Long Range Building	16,303,278	3,682,986
Montana Arts Council	1,251,096	1,251,096
MT Dept of Agriculture	16,238,236	16,238,236
Office of Public Instruction	41,405,502	41,405,502
Public Defender	247,058	247,058
Public Health & Human Services	728,925,186	709,183,428
School for the Deaf & Blind	68,177	68,177
Secretary of State's Office	<u>3,000,000</u>	<u>222,373</u>
SubTotal	1,939,613,745	1,873,320,311
<b>CARES II (HB 3 &amp; HB 630)</b>		
Department of Commerce	200,000,000	57,405,103
Department of Transportation	102,700,000	66,081,143
Governor's Office	14,072,211	2,651,856
Judiciary	100,469	98,214
Labor & Industry	5,290,140	2,359,122
Long Range Building	31,491,910	17,165,663
Office of Public Instruction	178,049,073	174,955,345
Public Health & Human Services	328,194,943	146,232,527
School for the Deaf & Blind	<u>106,560</u>	<u>61,994</u>
SubTotal	860,005,306	467,010,967
<b>ARPA (HB 632)</b>		
Department of Administration	95,903,400	90,312,930
Department of Commerce	416,593,981	197,347,449
Department of Justice	1,169,008	548,125
Department of Revenue	2,450	2,450
Department of Transportation	3,377,812	1,736,486
Dept Nat Resource/Conservation	426,047,050	74,534,088
Dept of Corrections	811	811
Dept of Environmental Quality	1,124,842	267,744
Dept. of Fish, Wildlife & Parks	59,948	
Governor's Office	307,248,331	337,660
Judiciary	944,721	161,649
Labor & Industry	42,339,693	16,347,682
Legislative Branch	200,000	200,000
Library Commission	2,355,444	2,355,443
Long Range Building	137,745,016	15,980,982
Montana Arts Council	764,000	754,500
MT Dept of Agriculture	17,668,590	3,476,927
Office of Public Instruction	400,358,442	168,808,040
Public Defender	1,500,000	1,500,000
Public Health & Human Services	537,055,517	287,508,227
School for the Deaf & Blind	<u>246,951</u>	<u>195,751</u>
SubTotal	2,392,706,007	862,376,944
<b>Grand Total</b>	<b>\$5,192,325,058</b>	<b>\$3,202,708,222</b>

<sup>1</sup>The ARPA authority in the Governor's Office has been manually adjusted down to eliminate duplication of AA authority moved to other agencies. Expenditures for the Governor's Office have also been adjusted to eliminate Transfers-Out to other agencies to avoid duplication of expenditures.

<sup>2</sup>Some CARES expenditures appear to exceed appropriations as a result of the technical process for making prior year adjustments.

## FEDERAL FUNDING NOT UTILIZED BY MONTANA

### *Supplemental Nutrition Assistance Program*

DPHHS reported that through five rounds of Pandemic-EBT (P-EBT) benefits for school children, \$13.1 million remained unspent. In the 2022-2023 school year and for the summer of 2023, Montana declined to participate in the program. The exact amount declined has not been reported to the LFD by DPHHS.

### *Housing/Rental Assistance*

The Department of Commerce reports that a total of \$440.2 million of federal funding was awarded for the purpose of rental and housing assistance. Of that amount, \$174.9 million has been utilized, with \$189.9 million being reverted to the federal government and \$75.4 million of ARPA funding remaining as potentially usable.

## **IIJA**

On November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed by the President and became law (P.L. 117-58); it's also known as the Bipartisan Infrastructure Law (BIL). This legislation provides authorization for significant investment in various types of infrastructure, including transportation, water, wastewater, energy, and broadband. This authorization for funding under various programs is provided for federal fiscal years 2022 through 2026. There is both non-competitive formula grant funding, as well as competitive grant funding, available to states, tribal governments, local governments, non-profit, and private entities.

A total of \$4,560.0 million is currently anticipated for total formula funding allocated to Montana under IIJA. Per federal fiscal year, approximately \$1,459.8 million is anticipated. As noted, many of these programs are being re-authorized and have been funded by prior authorization acts. Approximately \$1,247.1 million or 27.3% of the total funding is for new formula grant programs authorized under IIJA, the most significant of which is the broadband equity, access, and deployment (BEAD) state grants program. Montana's total allocation for the BEAD program is \$629.0 million, and the funding will be administered by the Department of Administration.

The table below shows non-competitive formula grant funding allocated to Montana, for allocations that are currently known and that will be provided during the authorization time period of the IIJA.<sup>2</sup>

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<sup>2</sup> The source of the allocation amount data by total and average for each federal fiscal year is the federal fund information for states (FFIS) state allocation weekly update, as of August 29, 2023, as well as various federal websites.

<b>IJA Formula Grant Funding - Montana</b>		
<b>Program</b>	<b>Total Funding Available FFY 2022-2026</b>	<b>Average Funding Per Fiscal Year</b>
<b>Transportation</b>		
Bridge Formula Program*	225,000,000	45,000,000
Carbon Reduction Program*	68,117,913	13,623,583
Congestion Mitigation and Air Quality Improvement Construction of Ferry Boats and Ferry Terminal Facilities*	84,414,539	16,882,908
Disadvantaged Business Enterprises <sup>1</sup>	1,000,000	200,000
Federal Lands Access Program <sup>1</sup>	111,000	111,000
Highway Safety Improvement Program	35,158,441	17,579,221
Highway Safety Improvement Program	167,642,599	33,528,520
Metropolitan Transportation Planning	12,342,366	2,468,473
National Electric Vehicle Formula Program*	42,889,962	8,577,992
National Highway Freight Program	74,049,296	14,809,859
National Highway Performance Program	1,568,387,187	313,677,437
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Program*	77,454,948	15,490,990
Railway-Highway Crossings (HSIP set-aside)	10,424,204	2,084,841
Surface Transportation Block Grant Motor Carrier Safety Assistance Program	763,939,205	152,787,841
Bus and Bus Facilities formula grants	22,317,644	4,463,529
Enhanced Mobility Grants	22,965,953	4,593,191
Metropolitan Planning (Transit)	7,259,983	1,451,997
Rural Area Formula Grants (Transit)	3,182,584	636,517
Rural Transportation Assistance Program (set-aside of Rural Area Formula Grants)	75,707,311	15,141,462
Statewide Transportation Planning (Transit)	829,617	165,923
Urbanized Area Formula Grants	832,203	166,441
Highway Safety Programs	39,900,640	7,980,128
National Priority Safety Programs	14,800,572	2,960,114
Secure Rural Schools Program	12,109,790	2,421,958
<b>Local Schools/Roads/Services</b>		
<b>Energy</b>		
Energy Efficiency and Conservation Block Grant* <sup>1</sup>	42,136,373	14,045,458
Energy Efficiency Revolving Loan Fund Capitalization Program*	54,877,996	10,975,599
Preventing Outages and Enhancing the Resilience of the Electric Grid, Grants to States and Tribes*	35,138,273	7,027,655
State Energy Program (expanded use) <sup>1</sup>	3,553,580	3,553,580
Weatherization Assistance Program <sup>1</sup>	17,855,261	17,855,261
Low Income Home Energy Assistance Program (LIHEAP) <sup>1</sup>	1,174,648	587,324

<b><i>Water &amp; Wastewater</i></b>		
Clean Water State Revolving Funds: emerging contaminants*	4,680,000	936,000
Clean Water State Revolving Funds: Existing Program	54,877,996	10,975,599
Drinking Water State Revolving Funds: emerging contaminants*	38,115,000	7,623,000
Drinking Water State Revolving Funds: Existing program	111,805,864	22,361,173
Drinking Water State Revolving Funds: Lead service line replacement	142,950,000	28,590,000
Emerging Contaminants in Small or Disadvantaged Communities Grant Program*	47,285,000	9,457,000
Water Improvements for the Nation (WIIN) Act	565,000	282,500
<b><i>Broadband &amp; Cybersecurity</i></b>		
Broadband Equity, Access, and Deployment State Grants* <sup>1</sup>	628,973,799	628,973,799
State Digital Equity Capacity Grant Program*	14,432,085	2,886,417
State Digital Equity Planning Grant*	601,301	601,301
State and Local Cybersecurity Grant Program*	12,321,938	3,080,485
<b><i>Environmental Clean-Up/Remediation</i></b>		
Abandoned Mine Reclamation Fund	9,200,000	4,600,000
Orphaned well site plugging, remediation, and restoration - State formula grants*	5,139,423	5,139,423
<b>Total</b>	<b>4,559,950,313</b>	<b>1,459,784,316</b>
<sup>1</sup> Funding data not divided by fiscal year for FFY 2022-2026; average funding per fiscal year column shows one or more federal fiscal years.		
*Indicates a new program & funding, rather than re-authorization of an already existing program		

The following table shows the competitive grant amounts by program identified to date. Recipients of these awards include the state, local governments, tribal governments, non-profit, and private entities. The award amounts are only for FFY 2022 and 2023, as future competitive awards are unknown and can only be updated as the awards are made. Some of the grant programs are being re-authorized, and those that are newly created programs under IIJA are noted with an asterisk.

**IJA Competitive Grant Funding - Montana  
(Including Tribes, Local Governments, Private/Non-Profit Entities, & Some State Grants)**

<b>Program</b>	<b>Award Total, FFY 2022-2023</b>
<b>Transportation</b>	
Bridge Investment Program*	240,000
Rural Surface Transportation Grant Program*	25,000,000
Railroad Crossing Elimination Program*	400,000
Bus & Bus Facilities Competitive Grants	55,307,487
Local & Regional Project Assistance (RAISE Program): Rural Grants	85,755,627
Safe Streets & Roads for All*	11,251,799
Airport Infrastructure Grants* (\$144.6 million available total for FFY2022-2026)	57,961,619
Airport Terminal Program*	28,300,000
<b>Wildfire Defense</b>	
Community Wildlife Defense Grant Program*	9,284,013
<b>Energy</b>	
Clean School Bus Program*	3,950,000
Renew America's Schools Grant Program*	2,797,104
<b>Water &amp; Wastewater</b>	
National Dam Safety Program	375,049
Rehabilitation of High Hazard Potential Dams	384,938
Ecosystem - Fish Passage	1,380,000
Water storage, groundwater storage, and conveyance projects	6,000,000
WaterSMART Grants	6,854,206
<b>Broadband &amp; Cybersecurity</b>	
Affordable Connectivity Program Household Support	17,186,065
Affordable Connectivity Program Outreach Grants	500,000
ReConnect Broadband Pilot Grants	46,818,123
Middle Mile Grants*	11,756,500
Tribal Broadband Connectivity Program	94,443,222
<b>Environmental Clean-Up/Remediation</b>	
Orphaned well site plugging, remediation, and restoration - Initial state grants*	25,000,000
Mineral Security Projects - National Geological and Geophysical Data Preservation Program	389,000
Brownfields projects	16,398,199
Pollution Prevention Grants	349,978
<b>Total</b>	<b>508,082,928</b>
*Indicates a new program and funding, rather than reauthorization of previously existing programs	

In total, for FFY 2022 and 2023, \$508.1 million has been awarded under these programs; of that amount, \$175.9 million or 34.6% was awarded under new programs authorized under IIJA.

In addition to the funding above, there was funding set aside for significant water projects under IIJA. The following funding was included and will be distributed by the U.S. Bureau of Reclamation:

- Regional Water System Funding:
  - Dry Prairie-Fort Peck Reservation Regional Water System– FFY 2023 allocation, \$15.0 million
  - North Central Montana-Rocky Boy’s Reservation Regional Water System – FFY 2023 allocation, \$77.6 million
  - Musselshell-Judith Regional Water System – FFY 2023 allocation, \$25.0 million
- Milk River Project (St. Mary’s) Funding:
  - The IIJA authorized \$100.0 million for the Milk River project; per the U.S. Bureau of Reclamation’s FFY 2024 spending plan, \$3.5 million was awarded in FFY 2022. In FFY 2023, \$85.0 million was awarded, and \$3.5 million will be available in FFY 2024

In total, funding provided to Montana under IIJA for formula grants for FFY 2022 through 2026, competitive grants known to date for FFY 2022 and 2023, as well as funding for significant water projects totals approximately \$5,285.7 million.