

Introduced May 27, 2020
Public Hearing June 1, 2020
Council Action June 1, 2020
Executive Action June 2, 2020
Effective Date June 7, 2020

County Council Of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 9

Bill No. 34 -2020

Introduced by: The Chairperson at the request of the County Executive

AN ACT making emergency appropriations pursuant to Section 610(b) of the Howard County Charter and amending the Annual Budget and Appropriation for Fiscal Year 2020 in order to receive grant funding pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act; and declaring that this Act is an Emergency Bill necessary to meet a public emergency affecting life, health or property.

Introduced and read first time May 27, 2020. Ordered posted and hearing scheduled.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on June 1, 2020.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

This Bill was read the third time on June 1, 2020 and Passed , Passed with amendments , Failed .

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 2nd day of June, 2020 at 11:30 a.m./p.m.

By order Diane Schwartz Jones
Diane Schwartz Jones, Administrator

Approved by the County Executive June 2, 2020

Calvin Ball
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, Council Bill No. 24-2019 (CB24) is known as the Annual Budget and
2 Appropriation Ordinance of Howard County, Fiscal Year 2020 and contains the capital and
3 operating budget for the fiscal year beginning July 1, 2019 and ending June 30, 2020; and
4

5 **WHEREAS**, because of the health emergency related to COVID-19, Congress recently
6 passed the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act which, in part,
7 provides financial aid to local jurisdictions to assist in the response to the public health and
8 economic impacts of COVID-19; and
9

10 **WHEREAS**, the Howard County Health Department (HCHD) and Howard County
11 Government have been notified that HCHD will be receiving \$28,415,197 from the CARES Act
12 through a grant from the State of Maryland, Department of Health and Mental Hygiene; and
13

14 **WHEREAS**, the funding received by the HCHD will be used to cover eligible health-
15 related costs incurred in the response to COVID-19 by both HCHD and Howard County
16 Government, including but not limited to, the costs associated with short term hires and overtime
17 to support COVID operations, the purchase of Personal Protection Equipment, costs related to
18 testing and treating uninsured individuals, and other miscellaneous costs; and
19

20 **WHEREAS**, the Howard County Government has also been notified that it will be
21 receiving an additional \$28,415,197 from the CARES Act through a grant from the State of
22 Maryland, Department of Budget and Management; and
23

24 **WHEREAS**, the funding received by the Howard County Government will be used to
25 cover eligible costs incurred in response to COVID-19; and
26

27 **WHEREAS**, the Howard County Office of Transportation (“OT”) has also been notified
28 that it will be receiving up to \$7,461,399 from the CARES Act through a grant from the Federal
29 Transit Administration; and
30

31 **WHEREAS**, the funding received by the OT will be used to cover transit related operating

1 expenses and a revenue shortfall from transit fares.

2
3 **WHEREAS**, grant authority needs to be created in the Fiscal Year 2020 budget in order
4 for Howard County Government to receive grant funds from:

5 (1) the HCHD (as the grantor on behalf of the State Department of Health and Mental
6 Hygiene) for a grant in the amount of approximately \$28,415,197;

7 (2) the State Department of Budget and Management for a grant in the amount of
8 approximately \$28,415,197; and

9 (3) the Federal Transit Administration for a grant in the amount of approximately
10 \$7,461,399; and

11
12 **WHEREAS**, pursuant to Section 610(b) of the Howard County Charter, this Emergency
13 Bill is necessary to meet a public emergency affecting life, health or property.

14
15 **NOW, THEREFORE,**

16
17 **Section 1. *Be It Enacted*** by the County Council of Howard County, Maryland, that the following
18 emergency appropriation of grant funds is authorized and approved for the fiscal year beginning
19 July 1, 2019 and ending June 30, 2020, as shown in the attached Exhibit A.

20
21 **Section 2. *And Be It Further Enacted*** that the Grant Fund total for Fiscal Year 2020 is
22 amended to be \$89,541,587 as shown in the attached Exhibit A

23
24 **Section 3. *And Be It Further Enacted*** that new page 98A shall be inserted into and page 114
25 shall be amended, both of the Fiscal Year 2020 Operating Budget attached to Council Bill No.
26 24-2019, as shown in the attached Exhibit A.

27
28 **Section 4. *And Be It Further Enacted*** by the County Council of Howard County, Maryland that
29 this Act is adopted as an emergency measure to address an immediate emergency affecting
30 public health, safety, or welfare and having been passed by two-thirds of its members, this Act
31 shall be effective immediately upon its enactment.

Howard County, MD
Fiscal Year 2020

FY 2020 Proposed

Fund : 14 - Grants Fund

Department : 1300 - Department of Finance

Fund : 2600000000 - Grants-External

Fund Center 1310000000 – Office of the Controller

999999999910000000113400 - Cares Act Grant - DBM

<u>50 – Personnel Costs</u>	<u>20,112,800</u>
<u>51 – Contractual Services</u>	<u>5,026,000</u>
<u>52 – Supplies and Materials</u>	<u>3,276,397</u>
<u>Total</u>	<u>28,415,197</u>

999999999910000000113300 - Cares Act Grant - HD

<u>50 – Personnel Costs</u>	<u>20,112,800</u>
<u>51 – Contractual Services</u>	<u>5,026,000</u>
<u>52 – Supplies and Materials</u>	<u>3,276,397</u>
<u>Total</u>	<u>28,415,197</u>

Fund Center 3220000000 – Transit Operations

999999999910000000113500 - Cares Act Grant - FTA

<u>51 – Contractual Services</u>	<u>7,461,399</u>
<u>Total</u>	<u>7,461,399</u>

Howard County, MD
Fiscal Year 2020

FY 2020 Proposed

Fund : 14 - Grants Fund

Department : 8888 - Contingency

Fund : 2600099999 - Cont-Grants

Fund Center: 8888000000 – Contingency
999999999999999999999999999900 – Administration

99 - Contingencies	5,000,000
Total	5,000,000
Total 8888000000 - Contingency	5,000,000
Total 2600099999 - Cont-Grants	5,000,000
Total 8888 - Contingency	5,000,000
Total 14 - Grants Fund	89,541,587 25,249,794

Office of the County Auditor
Auditor's Analysis

Council Bill No. 34-2020

Introduced: May 27, 2020

Auditor: Edward Shulder

Fiscal Impact:

Council Bill 34-2020 amends the County's Fiscal Year 2020 budget to allow the County to receive \$64.3 million in Federal grant funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. As a result, County revenue will increase up to the total value of the grants. The grants include \$28.4 million received by the Howard County Health Department, \$28.4 million received directly by the County, and up to \$7.4 million for transportation related expenditures. As a result, County expenditures may increase by a similar amount. The bill also establishes appropriation authority within the Department of Finance (Finance) to record COVID-19 related expenditures.

Purpose:

This bill updates the County's FY 2020 budget to provide for the receipt of Federal grant funds not included in the original adopted FY 2020 budget.

Other Comments:

- Finance and relevant departments will be responsible for tracking the related expenditures.
- Expenditures must be incurred due to the public health emergency, including medical expenses (such as COVID-19 expenses for testing and telemedicine), public health expenses (such as costs for communications and enforcement of public health orders), payroll costs supporting COVID-19 services, economic support in connection with the COVID-19 public health emergency, etc.
- Costs must be incurred during the period of March 1, 2020 through December 30, 2020 except as noted below for transit related costs.
- The CARES Act funds may not be used to cover shortfalls in government revenue.
- The transit award may be used to fund routine current and future operating expenses along with capital projects normally eligible under Federal programs. However, the Office of Transportation (OOT) advised that the award funds may be needed to offset a State funding reduction in FY 2021 and the Maryland Transit Administration has only guaranteed 50% of the award.

- The transit award does not have a termination date, although OOT has advised that funds should be spent by March 2023.
- The grant awards do not require any County matching.
- The CARES Act does not require any specific reporting to the Federal government other than the County warranting that the County complies with the terms of the Act.
- The County stated that to date, COVID-19 related expenditures (excluding transit) total \$9.3 million.