



# The Senate Committee on Finance

Budget Bulletin

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## Coronavirus Relief Fund What it means for West Virginia

The coronavirus is impacting all state's finances. The state must pay for increased medical capacity, emergency supplies and compensation for the unemployed. At the same time, the state is losing revenue as the economy is largely in stand still due to quarantine measures.

### Coronavirus Relief Fund

The federal government is providing relief to our state and others through the Coronavirus Relief Fund. The aim of the bill is to make sure states have the resources to combat the coronavirus, as well as funds to keep both the state and its citizens afloat during turbulent economic times.

### Economic Stimulus to States

The allocation of the \$150 billion going to states was generally made based on population data. A floor of \$1.25 billion was set for less populist states, including West Virginia, meaning that West Virginia is sure to get that amount regardless our population size.

<b>Total stimulus package:</b>	\$2 trillion (all numbers estimates)
<b>Total relief for state governments:</b>	\$150 billion
<b>Total going to WV:</b>	\$1.25 billion

These funds can be used for costs that:

- Are necessary expenditures incurred due to COVID-19
- Were not accounted for in the budget most recently approved as of the date of enactment of this section
- Were incurred during the period that begins March 1, 2020, and ends Dec. 30, 2020.

## Direct Payment to Citizens

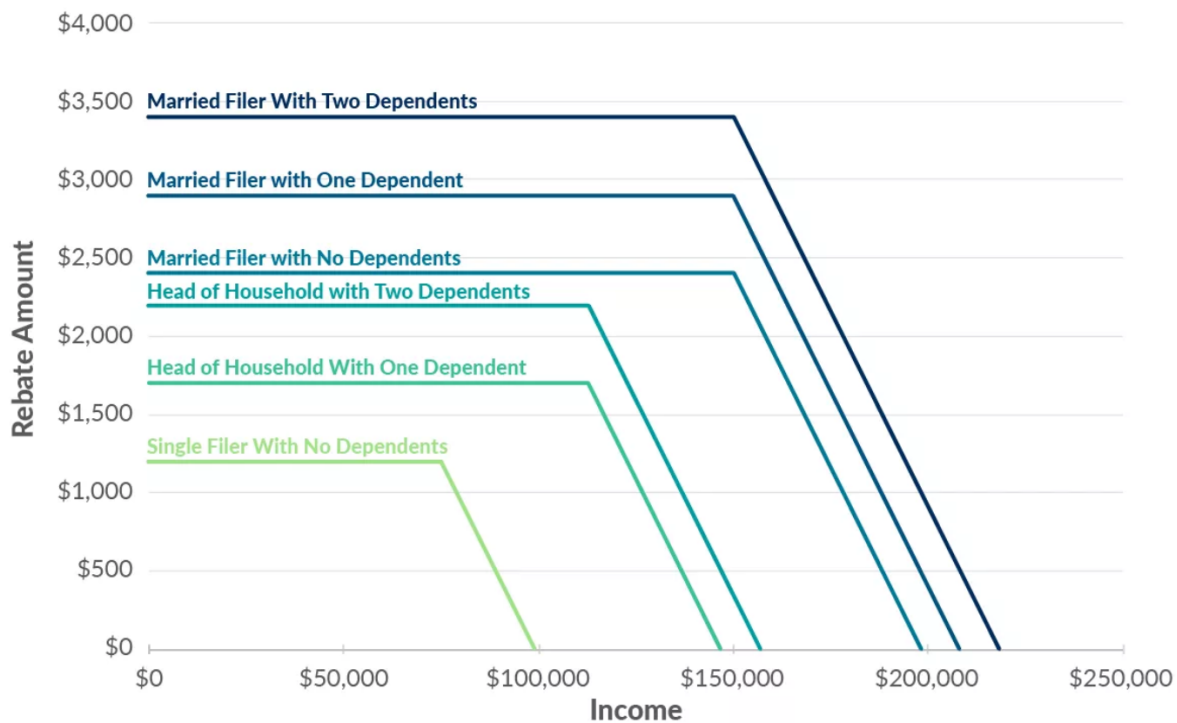
A major piece of the new legislation is direct payments to lower and middle-income Americans. The chart below shows the amount you can expect to receive based on filing status and income. In general, individuals making under \$75,000 can expect to receive \$1,200 and couple making under \$150,000 can expect to receive \$2,400. The amount you receive then drops off depending on income.

The Washington Post has a helpful tool for calculating your rebate:

<https://www.washingtonpost.com/graphics/business/coronavirus-stimulus-check-calculator/>

### Proposed Relief Rebate in the CARES Act

Proposed Individual Economic Relief Rebate By Filing Status



Source: "Coronavirus Aid, Relief, and Economic Security Act"

TAX FOUNDATION

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*Make sure you are up to date on your taxes. Checks will be based upon your 2019 tax filing if you have filed your taxes this year and on your 2018 filing if you have not yet filed this year. Also, you are likely to get your payment sooner if you have registered to have your tax rebate directly deposited in your account.*

## **Unemployment Benefits**

In addition to direct payments, the CARES Act temporarily expands benefits to the unemployed:

- Unemployment insurance is expanded from the usual three months to four months
- Those receiving unemployment will receive an extra \$600 per week. The average West Virginian currently receives around \$400 a week.
- Part-time, self-employed and gig economy workers now have access to unemployment benefits
- Employers can receive an advance tax credit from the Treasury

## **Healthcare Relief**

The Federal Medical Assistance Percentage (FMAP) determines how much matching money the federal government gives for Medicaid and other health programs.

The federal government has temporarily raised the FMAP 6.2 percentage points.

- This does not directly apply to the Children's Health Insurance (CHIP) or optional breast and cervical cancer expenditures
- The length of time of this increase will depend on when the emergency period ends. States will then get the increased match through the end of that month.

To receive this money the state must:

- Cover the testing, services and treatments – including vaccines, specialized equipment, and therapies – related to COVID-19
- Not charge premiums above those on January 1, 2020
- Not change eligibility standards or terminate individuals from Medicaid