



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/1/2021

Agenda Placement: 5A

Napa County Legislative Subcommittee Board Agenda Letter

TO: Napa County Legislative Subcommittee

FROM: Helene Franchi for Minh Tran - County Executive Officer
County Executive Office

REPORT BY: Nelson Cortez, STAFF ASSISTANT II - BOS - 7072991478

SUBJECT: American Rescue Plan Act of 2021 (COVID-19 federal relief package)

RECOMMENDATION

County Executive Officer requests discussion and possible action on President Biden's proposed COVID-19 stimulus package called the American Rescue Plan Act of 2021, which, among other things, provide direct financial relief to states and local governments to respond to the global pandemic.

EXECUTIVE SUMMARY

In late 2020, then President-elect Joe Biden released his administration's COVID-19 relief package that proposes \$1.9 billion in funds to help stimulate the economy and support individuals, schools, and governments during the global pandemic. The bill provides for \$350 billion in state and local government aid, \$20 billion toward a national vaccine program in partnership with states, local agencies, and tribes, \$50 billion for COVID-19 testing, among many other things.

Staff is requesting discussion and possible action.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Synopsis and Background

On January 25, 2021 the Legislative Subcommittee requested additional information regarding this package. Specifically, they requested analysis from our partners, CSAC and NACo. Staff will provide additional information at the meeting. Attached is an analysis from NACo.

There have been two major stimulus packages passed since the start of the global pandemic in early 2020, none of which provided much needed, direct relief to small counties/cities. President Biden has proposed a \$1.9 trillion stimulus package that among other things, includes direct support to states and local municipalities. Specifically the package proposes:

- | Direct payments of \$1,400 to most Americans, bringing the total relief to \$2,000, including December's \$600 payments Increasing the federal, per-week unemployment benefit to \$400 and extending it through the end of September
- | Increasing the federal minimum wage to \$15 per hour
- | Extending the eviction and foreclosure moratoriums until the end of September
- | \$350 billion in state and local government aid
- | \$170 billion for K-12 schools and institutions of higher education
- | \$50 billion toward Covid-19 testing
- | \$20 billion toward a national vaccine program in partnership with states, localities and tribes
- | Making the Child Tax Credit fully refundable for the year and increasing the credit to \$3,000 per child (\$3,600 for a child under age 6)

Status

House of Representatives.

Latest from CSAC as of 2/25/21:

"House Democrats Poised to Advance COVID-19 Relief Package

The House is on track to advance President Joe Biden's \$1.9 trillion coronavirus relief package, often referred to as the American Rescue Plan, by the end of the week. The full chamber could vote on the legislation (HR 1319) as soon as Friday, but consideration could spill into the weekend. For their part, House Democrats have spent the week updating the bill, adding three sections that had previously been left out, including funds for COVID-19-related foreign assistance, tribal government services and housing, and the National Science Foundation, among other things.

While the House is expected to approve HR 1319 along party lines, the measure could face several roadblocks in the Senate. For starters, Democratic leaders cannot afford to lose a single vote from their caucus. Additionally, the upper chamber is prohibited from approving measures through the reconciliation process that do not have a significant budgetary impact. The Senate parliamentarian will ultimately determine what, if any, portions of the bill violate this rule, but the most likely provision to hit the cutting room floor is a Democratic proposal that would gradually increase the minimum wage to \$15 per hour.

In addition, the nonpartisan Congressional Budget Office recently determined that the bill would exceed the

\$1.89 trillion spending cap set by the fiscal year 2021 budget resolution. As a result, Democrats will need to adjust the overall cost of the legislation; at this point, it remains unclear what programmatic areas will be trimmed back. It should be noted that while the House could technically approve a relief package that exceeds the topline limit, such a bill could not be approved by a simple majority in the Senate.

For their part, GOP lawmakers have continued to call into question the need for additional state and local fiscal aid. This has led to reports that Senate moderates may seek to redirect a portion of the state and local recovery funding to other purposes. CSAC is urging the California congressional delegation to support the full \$350 billion in aid for state and local governments, as embodied in the American Rescue Plan."

Support and Opposition

CSAC: Pending

RCRC: Pending

NACo: Support - Attached is NACo's legislative analysis.

Local: NVTA supports the 30.5 billion for public transit

STAFF COMMENTS

Platform: Yes

Federal: Priority 1, Page 7

State: N/A

SUPPORTING DOCUMENTS

A . NACo Analysis

Recommendation: Approve

Reviewed By: Helene Franchi