

Washington Update

COUNTY OF SANTA BARBARA

February 22, 2021

PANDEMIC RELIEF

The House Budget Committee will meet today to begin assembling a \$1.9 trillion package of COVID-19 relief provisions into a budget reconciliation package. Democratic leaders are aiming to achieve House passage of the Reconciliation bill by the end of this week. It is expected to move forward on a party-line vote as Democrats have closed ranks behind President Biden's proposed *American Rescue Plan* and have mostly turned aside any attempts to amend the legislation at the committee level.

The draft reconciliation bill includes an increase in the minimum wage to \$15 per hour, direct payments to individuals, enhanced unemployment benefits, funding for public health/vaccine distribution, and emergency payments to state and local governments. Once passed by the House, the Senate will take it up and most likely amend it to accommodate the concerns of moderate Senate Democrats. In addition, some provisions in the legislation might be vulnerable to point-of-order challenges that they violate the rules for what can be included in a reconciliation bill. The Administration's goal is to enact the relief package before supplemental unemployment benefits expire on March 14.

LOCAL STABILIZATION FUNDING

We are continuing to advocate in coordination with NACo for additional emergency funding for local governments to provide fiscal relief from the impacts of the pandemic disruption. On February 12, the House Oversight and Reform Committee approved the portion of the reconciliation package that would provide \$350.7 billion of COVID-19 relief for states, local governments and tribes. Under the legislation approved by the Committee, \$130.2 billion of the total would be appropriated for a Coronavirus Local Fiscal Relief Recovery Fund. The Committee estimates that the County of

Santa Barbara would receive a direct payment of \$87 million under the legislation.

The Coronavirus Local Fiscal Relief Recovery Fund would divide the \$130.2 billion for local aid evenly between cities and counties. Cities would receive their allocation according to a modified form of the Community Development Block Grant formula and county funding would be allocated according to population. Funds would be available until expended and the County could use the funds to:

- respond to or mitigate the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts;
- cover costs incurred as a result of the emergency;
- replace revenue that was lost, delayed, or decreased; or
- address the negative economic impacts of the COVID-19 emergency.

PUBLIC HEALTH

We have also been stressing the importance of additional federal support for the County's public health responsibilities as pandemic relief legislation is drafted. The House budget reconciliation bill will include several provisions of importance to the County's health responsibilities, including:

- \$7.5 billion to the CDC for vaccine preparation and distribution/administration;
- \$46 billion for testing/contact tracing and personal protective equipment or other supplies;
- \$7.6 billion to support the public health workforce;
- \$7.6 billion for Community Health Centers, which will bring funding directly to Federally Qualified health Centers in the County; and

- Medicaid program changes to improve coverage of COVID-19 vaccines and treatment.

In addition, the FEMA disaster relief fund will be given an additional \$50 billion, which is available to local governments through the public assistance program for pandemic response actions such as vaccination efforts, deployment of the National Guard, medical and support staff and providing personal protective equipment.

TAX CREDITS FOR PAID LEAVE

The House reconciliation bill includes a provision for which we are advocating that would amend the Families First Coronavirus Response Act (FFCRA) to allow state and local government entities to be eligible for a payroll tax credit for the newly required COVID-19 emergency paid sick and family leave. Under the FFCRA, many employers are required to provide their employees with emergency paid sick and family leave, but the Act only allows private employers to receive the payroll tax credit. The reconciliation bill would also extend the leave provisions through September 30, 2021.

HOUSING/HOMELESS ASSISTANCE

We are working with Senator Feinstein's office to support two bills that she will be introducing soon to increase housing resources and improve the delivery of services to homeless individuals. The *Affordable Housing Redevelopment Act* will include provisions to reauthorize the Neighborhood Stabilization Program and provide \$1.5 billion in competitive grants to help state and local governments purchase blighted, vacant, abandoned, foreclosed, or surplus properties, and convert them into affordable housing. Eligible projects would include mixed-use development and conversions of non-residential office and retail properties.

The *Fighting Homelessness Through Services and Housing Act* will propose a new grant program for supportive housing models that pair

comprehensive services and intensive case management with stable housing. It would authorize \$1 billion per year for grants for services and housing. The bill would require a 25 percent match from non-federal funds and grants may be used for any combination of operations and capital building costs, as long as the housing and services requirements are fulfilled. Eligible entities include cities, counties, regions, and tribal organizations that provide supportive housing with services.

The Department of Housing and Urban Development has also announced that homeless assistance providers in Santa Barbara County will receive \$2.28 million as part of the FY 2020 Continuum of Care grant awards. These allocations were greatly assisted by provisions included in H.R. 133, the *Coronavirus Response and Relief Supplemental Appropriations Act*, to streamline the process due to the pandemic. Under these provisions, HUD renewed grants for existing programs instead of having providers compete again for funding through the lengthy CoC process.

WORKFORCE TRAINING

We are working with the National Association of Workforce Boards to support legislation to aid the local workforce and career and technical education systems in response to the COVID-19 national emergency. Introduced as H.R. 602 in the House and as S. 200 in the Senate, the *Relaunching America's Workforce Act of 2020* would invest \$15 billion in the workforce training system to support millions of workers who have lost their jobs or are underemployed due to the COVID-19 pandemic. The proposed funding structure in the legislation mirrors the proven approach from the 2009 *American Recovery and Reinvestment Act* to direct funding for the workforce system through existing channels to get resources to the local level as quickly as possible. This legislation focuses on maintaining core elements of the Workforce Innovation and Opportunity Act (WIOA) while increasing flexibility so more funding can be used for training, supportive services, and career services.

CALIFORNIA WILDERNESS

Representative Carbajal recently reintroduced H.R. 973, the *Central Coast Heritage Protection Act*, to protect 250,000 acres of new and expanded wilderness in the Los Padres National Forest and the Carrizo Plain National Monument, protect wild and scenic rivers, and designate the Condor National Recreation Trail. We contacted our local delegation to reiterate the County's support for enactment of this legislation and also urged the House Natural Resources Committee to expedite its consideration. Representative Carbajal has been successful in adding H.R. 973 to a package of wilderness and public lands bills that House leaders plan to vote on this week.

OCS PROTECTION

We contacted the House Natural Resources Committee to urge support for legislation to prohibit any new oil and gas lease sales on the Pacific Outer Continental Shelf (OCS), emphasizing the important scenic, recreational, and commercial values of the 1,100-mile coastline of California. Representative Carbajal has reintroduced H.R. 455, the *California Clean Coast Act* and we asked the Committee to approve the bill. We also contacted Representative Carbajal to thank him for his support.

Don Gilchrest
Thomas Walters & Associates, Inc.