



VOICES FROM AMERICA'S STATES AND LOCALITIES: IDEAS FOR THE NEXT FEDERAL STIMULUS PACKAGE

The following recommendations for the next federal coronavirus relief package reflect comments from members of the NewDEAL (Developing Exceptional American Leaders) network of nearly 200 state and local officials. Leaders are chosen for their innovative, forward-thinking, and effective approaches to governing and policy. They have provided feedback on improving elements from the CARES Act and additional measures not included in that legislation.

DIRECT AID TO STATES AND MUNICIPALITIES

Make funds available to replenish lost revenue

Allow state and local governments to use stimulus funds to make up for lost revenue, rather than only to pay for new initiatives. In addition to meeting the general need across states, counties, and municipalities for more pandemic response funding, support should specifically address their major revenue losses that have resulted in significant shortfalls for the coming months. Challenges include residents deferring their tax payments due to the economic crisis, and the fact that revenue generators from major events to restaurants to airports have been devastated.

Provide special consideration for places hit first in each state. Many communities had to spend down reserves before any relief was available. Congress should consider including targeted funds for these areas and a requirement that states disburse to these places.

Support jurisdictions with fewer than 500,000 residents

Allow for direct aid to municipalities and counties below the 500,000 resident floor that was created in the CARES Act.

VIRUS TESTING

Expand capacity

Vastly increase testing across America. As thoroughly reported, testing capacity remains wholly inadequate to reopen the economy in as safe a manner as should be possible. Congress must again increase resources for testing, including by funding sufficient supplies, like swabs and reagents, to meet the demand outlined by the [Harvard report](#) that notes testing capacity must at least triple soon to ease social distancing restrictions.



ECONOMY

ECONOMIC DEVELOPMENT

Support job training

Provide incentive matching funds to states that use their TANF rainy day funds for worker training, on-the-job training, apprenticeship programs, or other strategies that not only get people back to work but also improve their skills and competitiveness in the job market.

Require that a percentage of federal transportation funds be used for worker training programs.

Require that a percentage of Medicaid stabilization funds are used for on-the-job training and wage subsidies for people entering the health care field who need training. Funds are needed for providers seeking to train workers with more skills and for wage subsidies that allow providers to attract and compensate workers in frontline, hazardous health care jobs.

Prepare to grow the economy in response to an extended downturn

Provide support for workforce training and re-training. In every economic downturn, Americans return to universities, community colleges, and trade schools to enter new industries. This downturn will be no different. States and cities have set aside some dollars for training but need a critical mass of people, and some additional support, to make the programs strong and sustainable long-term.

Invest in research hubs across our country so we can solve our nation's most urgent problems while catalyzing economic growth.

Support mass transit

Allocate funding to boost mass transit systems, which are critical to local economies and will be critical to the recovery, but are experiencing massive revenue losses while so few people are using the services.

SMALL BUSINESSES

Provide additional support to small businesses

Create more immediate means of support for small businesses. Business owners are told they will not see any money for 6-8 weeks. That is too long for them to be able to plan and make decisions. In some cases, they cannot get through to a live person to speak with when trying to get help applying for federal funds. Congress should consider distributing funds to states and cities to distribute to small businesses, as state and local government would be able to mobilize more quickly.



Support agricultural industries

Ensure agriculture and agriculture-related industries are eligible for SBA loans and include Forest Recovery Assistance to protect the timber industry.

EDUCATION

Expand broadband access to students

Appropriate additional funds, or require current FCC funds, to be used for residential high-speed internet access during school closures. It is important to explicitly include support for urban areas, in addition to the rural communities, as the digital divide is a huge issue in under-served, low-income, and public housing communities.

Provide additional resources to equip local governments, school districts, and health providers with the tools to provide broadband or to incentivize broadband providers to expand in low-density areas. There was \$100 million in the original stimulus package to expand rural broadband, but it was only available to providers that had previously applied for a ReConnect grant.

Allocate funding for laptops for students without computers to enable them to participate in virtual learning, and to make one-on-one virtual instruction available for students who are struggling.

Provide summer learning opportunities

Provide funding that is specifically allocated to paying for teachers and other costs related to summer classes that make up for lost learning time. This funding could also be available for supporting school counselors to help graduating seniors make the transition to college.

Fund extended school time

Make available funding that would allow districts to increase students' time in school by extending the school day and/or the 2020-2021 school year, recognizing that students are losing significant critical learning time and many students – especially the most vulnerable young people – are not receiving the level of instruction or, in many cases, are not receiving any instruction at all in this time of virtual learning.

Improve students' access to health care

Allocate funding to ensure every student has access to virtual appointments with a counselor and a doctor to help address mental and physical health needs during this incredibly stressful time.



ELECTIONS

Prepare for safe and secure elections

Provide more funding to address the challenges of conducting elections in the coronavirus era. State and localities must be able to invest in efforts like:

- communication with voters about vote-by-mail, as well as new poll locations, at a time when fewer can be staffed;
- safe recruiting and training of poll workers;
- cleaning materials, PPE, and hand sanitizer for poll locations;
- sending mail ballots to a much larger number of voters at the required time; and
- promotion of early voting to help alleviate large crowds.

As the [Brennan Center estimates](#), effective measures to ensure the vote-by-mail option is available to all voters, maintain in-person voting, develop and bolster online registration, and educate voters will cost a minimum of \$2 billion. In appropriating these funds, Congress should establish standards requiring that states and municipalities invest in areas like those listed above that meet the goals of: expanding vote-by-mail, ensuring all voters can still safely cast their ballots on election day, keeping polls sufficiently staffed, and promoting election worker safety.

HEALTH CARE

Support health care manufacturing

Provide funding for organized efforts to create masks and other PPE. Private initiatives across the country have sprung up to make masks and other PPE for health care workers, including with 3D printers, and could benefit from support if they meet necessary standards.

Lift FDA restrictions

Work with the FDA to lift as many barriers as possible preventing import of health care supplies for providers serving COVID-19 patients.

Reopen health care exchanges

Reopen the ACA marketplace exchange for health insurance enrollment as states with federally facilitated marketplaces can't open one up on their own and need a federal change.

Expand coverage for young people

Allow young adults to remain on parents' health care plans for an additional year during this crisis, changing the age limit from 26 to 27 years of age.



SAFETY NET

Encourage innovation in unemployment insurance

Create a pandemic fund that out-of-work Americans can apply to rather than filing for unemployment to provide for faster assistance. State unemployment offices are not equipped to handle the great need, the requirements for unemployment benefits are too confusing, and the process is too slow.

Assist safety net support organizations

Create special carve-outs for safety net organizations to receive increased dollars. Community health centers specifically need help.

Provide protections for essential workers

Provide essential workers with special health benefits and protections that acknowledge the risks posed by their jobs during this crisis. Eligible individuals should include health care workers, first responders, and people in the transportation sector.

Expand locations that accept EBT payments

Make it possible for restaurants to quickly generate a Food and Nutrition Service (FNS) number to allow them to accept EBT payments from Supplemental Nutrition Assistance Program (SNAP) recipients. This helps in two ways: 1) it allows those who are food-insecure to get hot meals without having to go to a grocery store, where there is a dense concentration of people; and, 2) supports our small, local restaurants with a new, much-needed customer base.

Make retirement/deferred compensation account funds available

Consider removing the IRS penalty for individuals to pull money out of their retirement/deferred compensation accounts for a limited time. Currently there is a 10% IRS penalty for people taking money out of these accounts if they are under 59 ½. Waiving this penalty on a short-term basis would give individuals access to resources to help them get through the pandemic.