



VOICES FROM AMERICA'S STATES AND LOCALITIES: NEWDEAL 2021 FEDERAL POLICY RECOMMENDATIONS

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As we turn the page to a new administration that is committed to supporting state and local officials, NewDEAL Leaders across the country are looking forward to working hand in hand with the federal government to build back better from the pandemic and resulting economic devastation with a specific focus on addressing long-overdue questions of racial equity and equal opportunity. The policy recommendations below are crucial federal counterparts to the programs already being implemented at the state and local levels.

DIRECT AID TO STATES AND MUNICIPALITIES

Increase funds for state and local governments and allow them to use stimulus funds to make up for lost revenue, rather than only to pay for new initiatives.

Support smaller jurisdictions by allowing direct aid to municipalities and counties below the 500,000 resident floor that was created in the CARES Act.

HEALTH CARE AND SOCIAL SAFETY NET

Support health care manufacturing by providing funding for organized efforts to create high-quality masks and other PPE.

Expand coverage for young people by allowing young adults to remain on parents' health care plans for an additional year – up to age 27 – during this crisis.

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 so that providers attract and retain workers in essential but hazardous health care jobs.

Provide protections for essential workers, including special health benefits and protections that acknowledge the risks posed by their jobs during the COVID crisis.

Support “mom and pop” landlords, as the widespread insolvency of smaller landlords could trigger a large-scale meltdown in the housing market for lower-income Americans.

Increase funding available to support the creation or maintenance of affordable housing stock, including through President-elect Biden's proposal to establish a \$100 billion Affordable Housing Fund, the bulk of which would provide incentives to construct and upgrade affordable housing stock in communities that need it most.



Expand locations that accept EBT payments, including by allowing restaurants to generate a Food and Nutrition Service (FNS) number so they can accept EBT payments from Supplemental Nutrition Assistance Program (SNAP) recipients.

Assist safety net support organizations by increasing support for community health centers and other non-profits that are providing direct support to families and communities that have been hit hardest by the pandemic.

CLIMATE CHANGE

Enact federal tax credits and other incentives to deploy clean energy, net-zero, efficiency, and climate resilience tools and technologies.

Pass the [Nuclear Energy Leadership Act](#), which would bring to market advanced nuclear designs that are safer than conventional nuclear and burn radioactive waste.

Pass the [Clean Industrial Technology Act](#), which would incentivize innovation through carbon capture, cleaner building materials, and alternative fuels such as hydrogen.

Pass the [National Green Bank Act](#), which would establish a federal effort to finance mitigation and adaptation efforts.

Pass the [USE IT Act](#), which would boost research, provide funding, and improve the permitting process for captured and stored carbon.

Reform flood insurance markets to ensure that property owners can purchase coverage while having the capital necessary to flood-proof their homes and businesses, including by passing the bipartisan [State Flood Mitigation Revolving Fund Act](#).

Set ambitious goals for conservation efforts such as the Center for American Progress' "30 x 30 goals", which would conserve 30% of U.S. lands and ocean by 2030.

EDUCATION

Appropriate at least \$175 billion for an Education Stabilization Fund as proposed by the [revised Heroes Act](#) and the [Coronavirus Child Care and Education Relief Act](#).

Establish an interagency body that includes the Departments of Education and Labor along with representation from employers and college and career pathway providers to prepare students for postsecondary education and the workforce.

Create a Dual Enrollment Experimental Site Initiative to expand federal funding to programs that incorporate high quality work-based learning as a component.

Pass the [Fast Track To and Through College Act](#) to expand opportunities for historically underserved students to earn college credits in high school and ensure the credits they accrue are transferable to institutions of higher education.



Reform remediation by passing legislation like the [PREPARE Act](#) to improve placement and structure of development courses, and strengthen alignment between high school graduation requirements and entry into credit-bearing postsecondary coursework.

Smooth the high school to college transition by providing grants to expand accelerated degree strategies, such as dual enrollment and early college high schools, and allowing Pell grants to be used for dual enrollment programs.

Expand broadband access:

- **Appropriate additional funds for residential high-speed internet access**, like the \$12 billion proposed in the [revised Heroes Act](#), and urge the FCC to allow E-rate funds to support high-speed home internet access and devices.
- **Provide resources to equip local governments, school districts, and health providers with the tools to provide broadband in low-density areas.**
- **Allocate funding for laptops and other devices.**

Provide funding for summer learning opportunities and support, including pay for teachers and other costs to help address lost learning time and assist graduating seniors in making the transition to college.

Make funding available for extended school time, recognizing that students are losing significant critical learning time or, in many cases, are not receiving any instruction at all.

Improve students' access to health care by ensuring every student has access to virtual appointments with a counselor and a doctor to address mental and physical health needs.

FUTURE OF WORK

Provide immediate financial support to entrepreneurs to help rebuild the small business sector and create new jobs in the face of major pandemic business closures and a longer trend of depression in business creation.

Provide a [Worker Training Tax Credit](#), such as the proposal by Sen. Mark Warner (VA) and the Aspen Institute that would provide businesses with a tax credit for offering training to non-highly compensated workers.

Pass the [WORKER Act](#) sponsored by Rep. Tim Ryan to expand apprenticeships and strengthen short-term training programs.

Pass the [Portable Benefits for Independent Workers Pilot Program Act](#) sponsored by Sen. Mark Warner and Rep. Suzan Delbene to incentive states in creating portable benefit pilot programs and spur the creation of national models.



Exempt state/local governments and employers from fiduciary responsibilities under the [Employee Retirement Income Security Act \(ERISA\)](#) when they contribute to employee retirement savings accounts.

Provide incentive matching funds to states that use their TANF rainy day funds for worker training, apprenticeship programs, or other strategies that get people back to work but also improve their skills and competitiveness in the job market.

Create a [Job Seekers Allowance](#), such as one proposed by the Center for American Progress, providing a short-term weekly allowance to jobseekers to support work search and preparation.

CHILD CARE

Support providers to cover higher costs associated with care due to health guidelines, such as PPE and COVID testing for staff.

Subsidize training programs, professional development, and other methods to improve quality of care and lower barriers to entry into the market for new providers.

Provide funds to expand access to high quality child care and strengthen early education infrastructure.

PUBLIC TRANSPORTATION

End the “80/20 split” that sends 80 percent of federal funding to highways and, instead, fund transit and highways equally, as called for by Transportation for America.

Incentivize the design and redesign of transportation systems and roadways to benefit all types of users (e.g. bicyclists, train passengers) and not just vehicle users.

Eliminate the requirement that local governments provide matching funds to receive Capital Investment Grants, as suggested by Transportation for America, particularly given how state and local budgets have been decimated by the COVID crisis.

Invest in better data collection to measure not just movement and vehicles, but how people are using transit, as well as their access to work, businesses, and essential services.

Support rural transit systems, which will struggle to recover from the revenue losses and disruptions caused by the pandemic.

Implement President Biden's commitment to zero-emissions public transportation options through flexible federal investments with strong labor protections.