

End of Session Update • June 29, 2020

End of Session Update

Issues of County Concern



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Agenda

- **State Reimbursements to Counties**
- **End of Session Highlights**
- **County Budget Data Points for 2021**
 - ✓ County Revenue Impacts
 - ✓ Property Tax Cap Factors
 - ✓ Pension Contributions
- **Federal Stimulus Proposals – State & Local Government Aid**

New Executive Authority to Cut Spending

- The Executive can cut local aid of the state budget is out of balance by more than 1 percent
- The Governor is currently targeting an \$8.1 billion reduction in state aid to localities
- The reductions “...shall be done uniformly across-the-board to the extent practicable or *by specific appropriations as needed.*”
- If applied equally this translates to a 20 percent cut – if education and Medicaid were not cut, then it would require a 50 percent cut to all other local aid
 - State reimbursements have slowed significantly since April 1st across numerous programs
 - The reimbursement lag for social services has grown from the normal 2 months to 5 months
 - CHIPS & other highway funds were released, but with a caveat that they could be cut by up to 20%
 - AIM payments to 12 cities were recently reduced by 20 percent

New Executive Authority to Cut Spending

- In 2018, counties received about \$3.1 billion in state reimbursements, or aid
- This was about 12.4 percent of total county revenues in that year
 - This averaged about 14.9 percent per county, with a range of 7.1% to 26.4%
- If the Executive reduce aid to localities as described earlier (20% to 50%), it would cost county taxpayers between \$600 million and \$1.5 billion in lost state reimbursement and direct aid

New Executive Authority to Cut Spending

Cuts could be fully or partially restored under the following circumstances:

Actual tax receipts in State Operating Funds is 98 percent of the budgeted amount through February 28, 2021; **or**

The federal government provides aid that the director of the budget deems sufficient to reduce or eliminate the imbalance in the General Fund for fiscal year 2020-21 and does not adversely impact the budget gap in fiscal year 2021-22.



Restorations will only occur if the Executive also certifies that all required payments for state fiscal year 2020-21 will be made (including tax refunds), and state reserves are equal to what they were at the start of the state fiscal year.

Medicaid

- The adopted budget did accept the enhanced Medicaid matching funds provided in the second COVID-19 federal stimulus bill that increased the FMAP by 6.2% for each quarter the federal health emergency declaration is in place
 - According to federal sources, NYS has received \$2.5 billion in enhanced federal aid retroactive to January 1st and running through June 30, 2020
 - The State believes the actual value of these payments will be closer to \$1.8 billion
 - Counties, are entitled to a share of these enhanced federal payments



Medicaid

- The State finally provided a plan for the release of these enhanced COVID federal Medicaid matching funds
- Based on state estimates of \$1.8B, which may change, they believe the local share is \$323 million
- This amounts to about 17.8 percent of the nonfederal share
- The state will pass through 80 percent of these savings and reconcile the final 20 percent when actual spending amounts are known on a county by county basis



Medicaid

- The state will pass through the COVID enhanced federal payments to counties by lowering Medicaid weekly shares
- In addition to the COVID adjustment, the state is lowering county weekly shares to reflect updated local share contributions and other factors for underlying ACA eFMAP funds
 - *Starting with the first weekly Medicaid payment in July, each county will see a reduction in their current payment amount and this will continue for 40 weeks*
 - *The average weekly change is -12.7% over the period, with a range from -5.2% to -18.9%*
 - *It is unclear what the weekly shares will be at the end of this period*



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End of Legislative Session Highlights

The Impact on New York's Counties
A Report on Bills the Legislature Passed

- **Agriculture**

- *Pesticide Reform Legislation (S.6966 (Metzger) / A. 9742 (Barrett))*: This legislation amends the use of pesticides to protect livestock from an invasive species of Asian longhorned ticks and impede tick-borne diseases.

- **Economic Development**

- *Wireless Network S. 7179 (Parker)/ A.8988 (Vanel) (NYSAC SUPPORTED)*: This legislation permits the implementation of fifth and future generation wireless network system technology across the state.
- *Disaster Emergency Loan Program S.8181 (May) / A.10294-A (Stirpe) (NYSAC SUPPORTED)*: This legislation also allows IDAs to make loans to small businesses and not-for-profit organizations up to \$25,000 with certain considerations. IDAs who choose to administer a State disaster emergency loan program will have to maintain records related to the program.

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- **Elections**

- *Absentee Ballot Electronic Request S.8130-D (Myrie) / A.10516-A (Simotas)*: This legislation amends Election Law 8-400(2)(c) to allow qualified voters to request an absentee ballot by electronic mail, an electronic transmittal system or a web portal established by the state board of elections or city or county board of elections and eliminates the requirement that ballots be signed by the voter no matter what alternative method is used for the request.

- **Housing**

- *Emergency Rent Relief Act of 2020 S.8419 (Kavanagh) / A.10522 (Cymbrowitz)*: The Emergency Rent Relief Act of 2020 would provide rental assistance vouchers to landlords on behalf of tenants who experienced an increase in rent burden because of a loss of income as a result of the COVID-19 pandemic through Homes and Community Renewal. The spending cap is up to \$100,000,000 for this program. The coverage period would be April 1 through July 31.

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- **Local Government Finance**

- *Bond Anticipation Notes Extension S.8417 (Kreuger) / A.10492 (Thiele) (NYSAC SUPPORTED)*: This bill amends Local Finance Law ("LFL") §23.00(b) to allow bond anticipation notes issued originally during calendar years 2015 through 2021, inclusive, to extend up to seven years beyond their original date of issue. This legislation also authorizes local governments and school districts to spend moneys from capital reserve funds for capital costs attributable to the COVID-19 pandemic, without the referendum requirements that would otherwise apply. Lastly, this legislation would authorize local governments and school districts to temporarily transfer moneys from any reserve fund to pay for operating costs or other costs attributable to the COVID-19 pandemic.

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- **Public Employee Relations**

COVID-19 Public Employee Death Benefit S.8427 (Gounardes) / A.10528 (Abbate): The bill provides protections for the statutory beneficiaries of public employees who died of COVID-19 after working in person on or after March 1, 2020.

The legislation specifies that the statutory beneficiary of any public employee enrolled in the New York State Employees' Retirement System (NYSERS) will receive an accidental death benefit with the following limited proof:

1. The employee worked on or after March 1, 2020.
2. The employee worked in person, whether at the normal place of work or at another assigned place of work.
3. The employee contracted COVID-19.
4. The employee died on or before December 31, 2020.
5. COVID-19 caused or contributed to the member's death.

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The Impact on New York's Counties *A Report on Bills the Legislature Passed*

- **Public Health**

- *COVID-19 Staffing Requirements S.8362-A (Serrano) / A.10447-A (Joyner)*: Requires New York City Department of Health and Mental Hygiene as well as New York City Health and Hospitals to hire contact tracers who are representative of the cultural and linguistic diversity of the communities in which they will serve to the greatest extent possible.

- **Public Safety**

- *Pre-Arrestment Jail Facilities S.7163 (May) / A.9061 (Weprin)*: This legislation would authorize county jails to be designated as pre-arrestment detention centers for individual eighteen and older under arrest pending their first court appearance in an off-hour arraignment part.
- *Seat Belt Requirements A.6163 (Mosley) / S.4336 (Carlucci)*: This legislature modifies the safety of motor vehicles by requiring all occupants to wear a seat belt.
- *PSAP Awards for Volunteer Firefighters & Ambulance Workers S.8251-B (Kaminsky) / A.10438-A (Thiele)* **(NYSAC SUPPORTED)**: This legislation amends General Municipal Law § 217 relation to Length of Service Award Programs ("LOSAP's") in order to address the impact of the COVID 19 crisis on the ability of volunteer firefighter participants to achieve performance points under the program point system in light of changes to emergency response protocols and the cancellation of activities for which points can be earned. Makes subsequent amendments to GML 219-e and 219-m, to allow volunteer ambulance workers to achieve performance points under the program.

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- **Public Safety**

- *The Eric Garner Anti-Chokehold Act S.6670-B (Benjamin) / A.6144-B (Mosley)*: This bill is named after Eric Garner who died in 2014 after NYPD officer Daniel Pantaleo placed him in a chokehold. Garner also said the same phrase as George Floyd in Minneapolis, “I can’t breathe.” The officer, Pantaleo, did not face criminal charges and was fired five years later. This new legislation would allow police officers to be charged with a Class C felony if they use the chokehold and cause serious injury or death.
- *The Right To Monitor Act S.3253-A (Parker) / A.1360-A (Perry)*: This bill would allow for officers arresting a person to be filmed by anyone in the vicinity not being arrested. It would also let this person keep their recording as long as they are not physically getting in the way.
- *Civil Penalty For Biased Misuse of Emergency Services S.8492 (Parker) / A.1531-B (Richardson)*: This bill would allow for a person to be sued if they falsely claim a person of a protected class, is threatening them. Different version of this bill was proposed after the viral video of a white woman in Central Park called 9-1-1 on a black man claiming he was threatening her, after he asked her to put her dog on a leash.

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The Impact on New York's Counties *A Report on Bills the Legislature Passed*

- **Public Safety**

- *Reporting Incidents of Discharged Weapons S.2575-B (Bailey) / A.10608 (Perry)*: This bill will require law enforcement officers, on or off duty, to report any incident where they discharged a weapon near where people could be hit. This does not include when they are at a shooting range. The officer will be required to immediately (within 6 hours) report the incident with their superior.
- *STAT ACT S.1830-C (Hoylman) / A.10609 (Lentol)*: This bill will require courts, statewide, to collect demographic data on a range of metrics including ethnicity, race, age and more. Courts will be required to compile and publish this data of all low-level offenses, including misdemeanors and violations. It also requires police departments to submit annual reports on arrest-related deaths to the Department of Criminal Justice Services and to the Legislature and Governor.
- *Repealing Section 50-a S.8496 (Bailey) / A.10611 (O'Donnell)*: This statutory framework has been in effect for more than 40 years. It was created to keep law enforcement's personal information private during investigation. A judge can release these records if they are found to be relevant to a case or with the written consent of officers. However, for years this law has been used to prevent police departments from disclosing an officer's disciplinary records. This bill would repeal Section 50-a and replace it with a statute that will allow for the release of police officers, firefighters, and correctional officers' personnel records, including disciplinary records to be released. These records would be subject to FOIL, but all sensitive information would be redacted after personal information such as cell phone numbers, addresses and health information.

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The Impact on New York's Counties

A Report on Bills the Legislature Passed

- **Public Safety**

- *State Troopers Required To Wear Body Cameras S.8493 (Parker) / A.8674-A (Walker)*: The New York State Police are the largest primary state law enforcement agency not equipped with cameras. NYSP earlier this year launched a pilot program that looked at equipping some troopers with the cameras. But no final program has been adopted by the agency yet. This bill would require State Police to wear body cameras starting next April.
- *Duty To Provide Medical Attention S.6601-B (Bailey) / A.8226-B (Fernandez)*: This bill would amend the Civil Rights Law and require law enforcement officers to provide medical and mental health attention to a person under arrest or in custody.
- *Racial Profiling S.8495 (Benjamin)*: This bill would prohibit police officers from using racial and ethnic profiling and a procedure must be set up to review complaints against police for profiling. This bill would also allow for damages to be brought against police departments if there is racial profiling.
- *Setting Up AG's Office As A Special Prosecutor S.2574-C (Bailey) / A.1601-C (Perry)*: This bill would create an Office of Special Investigation under the Attorney General which will investigate officer related deaths.
- *Creation Of An Oversight Office S.3595-B (Parker) / A.10002-B (Taylor)*: This bill would establish the Law Enforcement Misconduct Investigative Office and would review, study, audit and make recommendations regarding policies and practices of local police departments.

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- **Real Property**

- *Real Property Tax Deferral S.8138-B (Martinez) / A.10252-A (Stern) (NYSAC OPPOSED)*: This legislation will allow a local taxing jurisdiction to defer property taxes due to the COVID-19 pandemic or separate property taxes into as many installment payments as necessary without liability to the county.

- **Veterans**

- *Outdoor Rx Act A.8094-A (Barrett) / S.6706 (Benjamin)*: This bill requires the division of veterans' services to review issues relating to veterans' accessibility to parks, land, and facilities.
- *Homeless Veteran Reporting S.6938 (Parker) / A. 8969 (Rozić)*: This bill reduces the number of reports on the study of homeless persons who are veteran's by limiting the report to five, one every three years.
- *New Local Veteran Service Agency Reporting Requirements S.6945 (Kaplan) / A.8968 (Stern)*: Mandates that local veterans' service agencies to proactively provide information to the division of veterans' services.

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Additional Bills To Monitor & Keep an Eye On

- **Employee Relations / Retirement**
 - *Early Retirement Incentive* [S.8599 \(Martinez\) / A.10595 \(Abinanti\)](#). This legislation would enable public employers (including counties) to offer a temporary retirement incentive to their employees, as well as provide an age 55/25 years temporary incentive for certain employees.
- **Local Government Finance**
 - *NYC Borrowing Authority Legislation* [S.8418 \(Kreuger\) / A.10520 \(Braunstein\)](#). This legislation enables the New York City Transitional Finance Authority to issue bonds in an amount up to \$7 billion for costs, including lost revenues attributable to the COVID-19 pandemic.
- **Public Health**
 - *Paid Sick Leave Amendments* [S.8292-A \(Rivera\) / A.10466 \(Nolan\)](#). This legislation allows individuals subject to precautionary quarantine or isolation due to the COVID-19 pandemic to receive paid sick leave, family leave, temporary disability benefits, and unemployment insurance. This legislation also clarifies that employees shall be provided sick leave and benefits so long as they meet the qualifications for quarantine or isolation.

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NYSAC Top Priority Bills

NYSAC Supports:

- [S.7810 \(Kennedy\) / A.10074 \(Lupardo\)](#) Stop DWI Fee Distribution to Counties.
- [S.8126 \(Harckham\) / A.10204-A \(Buchwald\)](#) Retiree Earnings Cap for Public Health Employees.
- [S.1913 \(Gaughran\) / A.6712 \(Stern\)](#) EMS/ Vol. Firefighter Property Tax Credits.
- [S.6802 \(Felder\) / A.8817-A \(Gunther\)](#) EMS/ Vol. Firefighter Income Tax Credits.
- [S.7650 \(Mayer\) / A.10020 \(Benedetto\)](#) Handicapping Conditions Statutory Language Change.
- [S.5655 \(Metzger\) / A.7561-A \(Woerner\)](#) Increasing the Municipal ZEV Rebate Threshold.
- [S.7051-A \(Brooks\) / A.8002-A \(Jean-Pierre\)](#) DD-214 Distribution to County Veteran Service Agencies.
- [S.8292-A \(Rivera\) / A.10466-A \(Nolan\)](#) Amendments to the Paid Sick Leave Bill.
- [S.2610 \(Metzger\) / A.4105 \(Englebright\)](#) Battery Stewardship.
- [S.8480 \(Kaminsky\) / A.10662 \(Hunter\)](#) E-Waste Recycling.

NYSAC Opposes:

- [S.2161-B \(Bailey\) / A.833-B \(Rosenthal\)](#) MAT Act (Medication Assisted Treatment Expansion).
- [S.1623 \(Sepulveda\) / A.2500 \(Aubry\)](#) HALT Act (Solitary Confinement).

COVID-19 Economic Impact on Counties

NYSAC has released two County Economic Impact Reports on the COVID-19 Pandemic. The first report was released in March at the beginning of mandatory social distancing and business closures. In early May the report was updated and expanded as new economic data became available.

- Initial impacts on the nation will be far sharper than falloffs in economic activity in past recessions.
- NYS will be hit a lot harder compared to other parts of the country.
- No region of New York will be spared, and downstate will be most affected.

COVID-19 Economic Impact on Counties

The report constructs two scenarios – a mild or more severe recession.

There remain critical unknowns:

- How quickly can regional economies be reopened and return to normal activity?
- Will a second wave come in the Fall?
- How long before an effective vaccine or treatment is developed and widely available?
- Major economic shocks often force consumers to change their purchasing habits and saving rates. After the Great Recession, savings rates increased dramatically. So far, savings rates during the COVID-19 pandemic have increased even higher than during the Great Recession.

COVID-19 Economic Impact on Counties

Key Points Related to Local Revenues

- The sharpest impacts will be on industries related to tourism, recreation, and restaurants. Sales tax, occupancy tax, gaming revenues will all decline
- Sales tax generated from an event (concert, sports, dining out) that does not happen, likely represent lost sales tax for the budget year
- The sale of a good or product may just be delayed, but we should recognize these delays could cross into the next county fiscal year

COVID-19 Economic Impact on Counties

Key Points Related to Local Revenues & State Aid:

- Sales tax could decline between \$780 million to \$1.9 billion for the counties outside of New York City in 2020, depending on the severity of the downturn
- Occupancy tax could decline between \$50 million to \$79 million
- Gaming and VLT Revenues could fall between \$56 million to \$83 million
- State Reimbursements and Aid could fall between \$592 million to \$1.5 billion

COVID-19 Economic Impact on Counties

Key Points Related to Sales Tax

- Under the mild recession scenario our model assumes restaurants, bars, hotels, and other tourism-related industries suffer an initial loss of 40%. Key industries such as auto dealers are down 15%, gasoline stations down 20%, other transportation sectors down 33%, and all other down 10%
 - These reductions are in full effect for a quarter, after which restrictions begin to ease in the ensuing three quarters although reductions are about 25% as large as the initial shock at the end of a year.
 - Overall, taxable sales are expected to be 9% lower, on average, than a baseline scenario.

COVID-19 Economic Impact on Counties

Key Points Related to Sales Tax

- In the severe scenario the initial impacts are roughly twice as large as in the mild scenario. For example, initial reductions in taxable sales associated with bars and restaurants are 80%.
 - Restrictions are assumed to be eased very slowly so that after 9 months impacts are still 75% as large as the initial impact.
 - Overall, taxable sales are expected to be 22% lower, on average, than a baseline scenario

COVID-19 Economic Impact on Counties

April & May Sales Tax Results

- Sales tax revenues received by counties and NYC was about \$301 million lower in April, about 26 percent
 - This ranged from -18 percent to -40 percent
- Sales tax received in May was about \$401 million lower, about 32 percent
 - This ranged from +1.4 percent to -41.5 percent

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Where does a typical county's sales tax come from?

U.S. Retail Sales Estimates, Census Bureau

	May 2020 <i>Compared to May 2019</i>	April 2020 <i>Compared to April 2019</i>	March 2020 <i>Compared to March 2019</i>	<i>How These Categories Rank as Source of Sales Tax 57 Counties outside NYC</i>
Auto & other motor veh. dealers	-4.7	-34.4	-25.0	# 1
Food services & drinking places	-39.4	-52.6	-26.7	# 2
Gasoline stations	-30.8	-39.3	-18.1	# 3
General merchandise stores.....	0.0	-5.9	7.9	# 4
Bldg. material, garden & supplies.....	16.4	3.1	4.7	# 5
Clothing & clothing accessories stores.....	-63.4	-87.3	-49.8	# 6
Grocery & beverage stores.....	14.5	12.4	29.3	# 8
Nonstore (Internet-based) retailers	30.8	22.8	14.2	# 9
Furniture & home furn. stores	-21.5	-58.7	-18.3	Not in top 10
Electronics & appliance stores	-29.9	-53.1	-11.6	Not in top 10
Health & personal care stores	-10.3	-9.9	5.3	Not in top 10
Sport. goods, hobby, musical instr., books...	4.9	-44.7	-16.3	Not in top 10
Department stores	-25.8	-46.1	-25.1	Not in top 10
Miscellaneous store retailers	-22.8	-31.6	-5.7	Not in top 10

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Another metric for retail sales activity is Google Mobility data. **The chart to the right is specifically for the State of New York.**

Retail & recreation

-47%

compared to baseline



Google Mobility trends for *Retail & Recreation* includes places like restaurants, cafes, shopping centers, theme parks, museums, libraries, and movie theaters.

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U.S. AUTO SALES VOLUME FORECAST

SALES VOLUME	March		April		May	
	2020 Forecast	Change from 2019	2020 Forecast	Change from 2019	2020 Forecast	Change from 2019
Industry Total	1,044,805	-35.5%	633,260	-52.5%	1,074,542	-32.5%

Auto Dealer sales is the number one source of sales tax for nearly every county. *Edmunds Automotive* does monthly forecasts of U.S. auto sales. The chart above highlights Edmund's forecast for March-April-May.

2021 Property Tax Cap for Counties

- Inflation has cratered since the COVID-19 pandemic spread across the U.S.
- The inflation index peaked in February, and will likely be below that level in each month through June 2020
- NYSAC projects the allowable Inflation Growth Factor for counties in 2021 will be about 1.5 percent
 - Economic growth in your county (added .6% for an average county in recent years), prior year carryover balances (capped at no more than 1.5%) and other factors could provide for an Allowable Property Tax Cap Growth Factor that is higher than 1.5%. We believe pension contribution rates will increase enough to trigger special property tax cap exemption provisions in 2021

2021 Tax Base Growth Factor*

- The average change per county is 1.0060 (.6%), which is in line with the previous few years
- The range for 2021 is 1.0000 (0%) to 1.0275 (2.75%)
- The Tax Base Growth Factor is the first step in determining the property tax cap for the coming year

2021 Pension Contribution Costs

- While we do not know with certainty, it is likely that county pension contribution rates will increase for 2021
 - In 2020, the average contribution rate is 14.6 percent, including GLIP
- The Common Retirement Fund (CRF) experienced a loss in the most recent fiscal year and this will likely reduce the 5-year average of investment returns that is used to calculate future pension contribution rates
- For 2020, NYSAC calculates that the 5-year average of investment returns was about 7.1 percent, which is slightly above the 6.8 percent target rate of return for the CRF
 - For 2021, NYSAC projects the 5-year average investment return could fall to 3%-4%, which would likely require an increase in the 2020 average rate of 14.6 percent. We project the rate could increase up to several percentage points, all other things being equal

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Federal COVID-19 Relief Bills

COVID-19 Relief Package 1 Coronavirus Preparedness and Response Supplemental Appropriations Act	COVID-19 Relief Package 2 Families First Coronavirus Response Act	COVID-19 Relief Package 3 Coronavirus Aid, Relief, and Economic Security (CARES) Act	COVID-19 Relief Package 4 Paycheck Protection Program and Health Care Enhancement Act
<ul style="list-style-type: none">- \$2.2 billion in public health funding to support prevention, preparedness and response efforts- \$3 billion in funding for research and development of coronavirus vaccines and diagnostic tools, and \$100 million for Community Health Centers (CHC)- \$3.1 billion in additional funding to key federal health agencies to support public health and social services	<ul style="list-style-type: none">- Free coronavirus testing- \$1 billion for nutrition assistance programs- Increased the Federal Medical Assistance Percentage (FMAP) by 6.2 percent- \$1 billion in emergency grants to assist states in processing and paying UI benefits- Major overhaul of paid sick and paid family leave requirements	<ul style="list-style-type: none">- \$150 billion Coronavirus Relief Fund for states and local governments- Established Economic Stabilization Fund to support municipal bond market- Extends federal welfare program- \$100 billion for local hospitals and health care facilities- Delay cuts to Medicaid DSH payments until FY 2021- \$440 billion in appropriations	<ul style="list-style-type: none">- \$320 billion for SBA's Paycheck Protection Program- \$75 billion to support local hospitals and health care providers- \$25 billion for COVID-19 testing in rural areas to help monitor and suppress the pandemic

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Phase 1:

The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, ([H.R. 6074](#))

Date Signed into Law: March 6, 2020

- **This was a \$7.8 billion dollar package**, plus a \$500 million authorization to enhance telehealth services, included support for state and local governments' prevention and response efforts, and the purchase of critical medical supplies (PPE).
 - No less than \$950 million in CDC funding for states and local gov.'s
 - Half of this funding must be allocated within 30 days of enactment.
 - \$40 million of this must be allocated to tribes.
 - No less than \$100 million for community health centers.

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Phase 2:

Families First Coronavirus Response Act ([H.R. 6201](#))

Date Signed into Law: March 18, 2020

- **Paid Sick Leave**
- **Food Assistance (WIC expansion)**
- **eFMAP Increase for NYS 50 to 56.2**
 - The legislation increases by 6.2 percent the Federal Medical Assistance Percentage (FMAP) that the federal government provides to state and territorial Medicaid programs. This temporary increase will prevent states from cutting Medicaid benefits. It requires states to maintain eligibility standards that are no less restrictive than the date of enactment. It also maintains a special provision that preserves the existing FMAP sharing arrangements between states and their political subdivisions – **a major win for counties in NYS!**

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Phase 3:

The Coronavirus Aid, Relief, and Economic Securities Act (CARES Act) ([H.R. 748](#))

Date Signed into Law: March 27, 2020

- **Coronavirus Relief Fund**
 - Eligible entities include counties with a population greater than 500,000.
- **Extends expiration of TANF**
- **\$45 billion for FEMA Disaster Relief Fund**
- **\$400 million in Election Assistance – NYS BOE distributing funds to County BOE's.**
- **Extra \$600/wk. for unemployed**
- **\$377 billion for PPP and EIDA programs**

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Phase 3.5:

The Paycheck Protection Program and Healthcare Enhancement Act ([H.R. 266](#))

Date Signed into Law: April 24, 2020

- **Adds an additional \$370 billion for the PPP**
- **Adds an additional \$75 billion for hospitals (on top of \$100 billion in CARES)**
- **Appropriates \$25 billion for virus testing**

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Phase 4 (Under Negotiation):

[H.R. 6800](#) HEROES Act (Pelosi/Lowey)

[H.R. 6748](#) Direct Support for Communities Act (Schumer, Gillibrand / Delgado, Zeldin)

[S. 3752](#) SMART Act (Cassidy, Menendez/ Reed)

- **HEROES Act**

- Includes formula to share county aid by population – championed in text of **Direct Support for Communities Act**.
- Declared dead on arrival in Senate (McConnell) & President has threatened a veto.
- *Includes \$187.5 billion for counties unrestricted aid – exactly what we want!*
 - Roughly \$11 billion for all 62 NYS counties to be divided evenly by population.
- Includes \$500 billion for states.
- Removes FEMA local match requirement.
- Includes Restore T-Band Act (NYSAC & NYC priority).
- Includes 14% FMAP increase.
- HEROES county aid payments are split over two years (2/3 year 1 and 1/3 year 2).

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Phase 4 (Under Negotiation):

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• SMART Act

- Gaining widespread bi-partisan support in both chambers. Intro'd with 3 D's and 3 R's.
- \$500 billion for states, locals, and tribal gov.'s.
- The SMART Act provides \$16 billion to tribal governments, with the remaining \$484 billion distributed to states, the District of Columbia, and Puerto Rico according to three equally weighted allocators, worth \$161.3 billion each: (1) state population; (2) COVID-19 cases as of June 1, 2020; and (3) relative revenue loss, defined as the amount by which calendar year 2019 revenues exceed those for calendar year 2020. States are guaranteed a combined minimum of \$2 billion.
 - 50% of what goes to NYS would be reserved for local gov's.
 - **Rough calculation shows NYS getting about \$50-60 billion, of which \$10-12 billion would go to all 62 counties.**
- MOE language.
- SMART payments are split over two years (2/3 year 1 and 1/3 year 2).

End of Session Update • June 29, 2020

Phase 4 (Under Negotiation):

[H.R. 6800](#) HEROES Act (Pelosi/Lowey)

[H.R. 6748](#) Direct Support for Communities Act (Schumer, Gillibrand / Delgado, Zeldin)

[S. 3752](#) SMART Act (Cassidy, Menendez/ Reed)

NYSAC & NACO Messaging

- **Provide direct, unrestricted aid to county governments to be shared by population.**
 - This is our preferred model (HEROES/Direct Support for Communities Act).
 - Easier to communicate, more money for counties.
- Explain to your member of congress what this means for the people living in your county.
 - What specific services will be impacted without this revenue?
 - **How does that directly affect their constituents? Give hyper local examples.**
 - I.E. Rail trail is closed (7,500 annual visitors), 400 county employees will be laid off, these include public health nurses, etc. BE SPECIFIC!

NYSAC thanks the following sponsor of this webinar:



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