

Republican Motion to Instruct #4

STOP REWARDING POLITICIANS WHO HARM WORKERS, SMALL BUSINESSES, AND STUDENTS

Offered by Representative Boebert (CO) and Representative Obernolte (CA)

Mrs. Boebert and Mr. Obernolte move that the Committee on the Budget direct its Chairman to request on behalf of the Committee that the rule providing for consideration of the bill make in order an amendment to strike any further state and local government bailouts.

Background

- (1) Over the past year, Congress has enacted approximately \$360 billion of federal funding for state and local aid through the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116–123), the Families First Coronavirus Response Act (Public Law 116–127), the CARES Act (Public Law 116–136), the Paycheck Protection Program and Health Care Enhancement Act (Public Law 116–139), and Division N (relating to additional coronavirus response and relief) of the Consolidated Appropriations Act, 2021 (Public Law 116–260).
- (2) The bill includes more than \$500 billion of additional state and local aid, which is three times the amount of funding, \$160 billion, included for combating the virus such as a national vaccination program, tracking, and more testing.
- (3) Combined with previous legislation, if enacted, Congress will have provided nearly \$900 billion of state and local aid in less than a year. This is close to the amount, \$882 billion, of total general fund revenue available to all states in Fiscal Year (FY) 2020 and close to the amount of total state debt, \$1.2 trillion, at the end of FY 2019.
- (4) State governments who continue to keep their economies shut down harm small businesses:
 - a. Across the nation, over 100,000 small businesses have been forced to close down due to government shutdowns.
- (5) States that have failed to reopen have done poorly economically and have poor health outcomes during the pandemic.
 - a. New York has the fifth worst unemployment rate and the second worst death rate since the pandemic began.
 - b. In June 2020, calls to suicide hotlines were up 47 percent nationwide during the COVID-19 pandemic with some crisis lines experiencing a 300 percent increase.
 - c. The number of adults reporting symptoms of anxiety disorder in January 2021 (41 percent) was almost four times that of 2019 (11 percent).
 - d. In a survey from June 2020, 13 percent of adults reported new or increased substance use due to coronavirus-related stress.

- e. Data shows that drug overdose deaths were particularly pronounced from March to May 2020, coinciding with the start of pandemic-related lockdowns.
 - f. Data from a major Massachusetts hospital found a significant year-over-year jump in intimate partner violence cases among patients—nearly all women—who sought emergency care during the COVID-19 pandemic's first few weeks.
 - g. Studies show that prolonged school closures have severe adverse effects on American children, parents, and families:
 - i. A study conducted by the Centers for Disease Control and Prevention showed an increase in the percentage of emergency room visits among youths related to mental health.
 - ii. The public-school district in Clark County, Nevada experienced 18 student suicides since last March, doubling the previous year's total.
 - iii. Students are increasingly more stressed and concerned about mental health after shutdowns began. For instance, a survey of 11,000 students ages 13 and older has shown that after school closures began, 38 percent of those students felt more concerned about their mental health, 51 percent are more stressed, and 39 percent feel lonelier as a result.
- (6) The fiscal and economic performance of states has varied according to lockdown policies. States that have not imposed draconian closures have fared better. For example, Iowa's economy has been strong enough to produce record-breaking revenue for its state government.
- (7) It should also be noted that states such as Illinois, New Jersey, and New York had budget shortfalls before the pandemic. In June 2019, Illinois was projecting a deficit of up to \$1.3 billion. In December 2019, New Jersey was projecting to have a deficit of approximately \$6-to-\$8 billion and New York was projecting a deficit of up to \$6.1 billion. Clearly this legislation is serving as a bailout to state governments who were mismanaging their finances for the past several years.

Technical Language

The amendment should strike all sections in the bill that provide additional state and local aid, including section 5001 (Coronavirus State and Local Fiscal Recovery Funds).