



EXECUTIVE SUMMARY

APRIL 2021

Federal Policy

Making the most of the American Rescue Plan

A brighter future for all Ohioans

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Government works best when it works for all of us. After years of policies slanted in favor of the wealthy few and big corporations, the American Rescue Plan Act (ARPA) will rebuild after the pandemic recession from the ground up instead of the top down. It will help families pay the rent, feed their kids, fix the car and resume their lives. It will allow local governments, schools, colleges, transit agencies and other public employers to rehire laid-off workers, re-open recreation centers, put buses back on the streets and teachers back in the classroom. The ARPA will provide targeted relief to those who have been hurt most by the pandemic and those who have been harmed by years of policies that prioritize the wealthy at everyone else's expense.

Across Ohio, an estimated \$31 billion in federal funds will provide stimulus checks for people of middle and modest income; enhanced unemployment insurance for those whose jobs have yet to come back; money for public transit, schools, universities and college students; hospitals and health care centers; child care and other essential workers, and more. The federal bill contains \$360 billion for state and local governments. Ohio, the 7th largest state, will get the 7th largest share of those funds. The state government will receive \$5.6 billion and Ohio's local governments will get \$5.4 billion, to be spent by December 31, 2024.

In this paper we recommend that ARPA funds be used first to address lingering health care needs and to fund the 34 recommendations of the Minority Health Strike Force, which laid out a blueprint of how to improve the health of Black, brown and Indigenous people and prevent communities of color from bearing the brunt of illness and suffering in the next health emergency.

Second, funds must be used to help the millions of Ohioans in households where income and jobs have been lost: families that still struggle to pay the rent and put dinner on the table. ARPA funds can be used to make sure the basic needs of all Ohioans are met, and that all can live with dignity.

Finally, lawmakers must invest ARPA funds strategically to create more opportunity for all Ohioans, regardless of race, income level or where they live. They need to ensure quality education in all communities; safe communities for all people; economic dignity and stability for all families; a working health care system for all Ohioans and better support of all Ohio's essential workers.

Specific recommendations include:

- Ohio lawmakers should use the \$5.6 billion to ensure health and public health needs are met, to rebuild Ohio's weakened public health system and to implement the recommendations of the Minority Health Strike Force.
- Ohio lawmakers must prioritize use of funds to help struggling people get back on their feet. Over 2,750,000 Ohioans can't meet household expenses; 780,000 don't always know where their next meal will come from and 475,000 owe back rent. The ARPA is intended to help people recover from the pandemic and the recession; funds must be targeted to their needs.
- Lawmakers should use ARPA funds to restore, rebuild and strengthen essential services like public schools and financial aid for college students; reduce harm like lead poisoning from water service lines; restore and build up the obsolete public transit fleet and start to rebuild eroded services after 15 years of cuts and inflation.
- Lawmakers should use ARPA funds to fairly pay frontline essential workers and enforce wage and hour laws so that all workers are paid for all hours worked.

The \$5.6 billion in state funding may not be enough to get the job done. Over the past 15 years, lawmakers have eliminated major business taxes and passed income tax cuts that in most cases benefitted the state's wealthiest — mostly white — residents. Today, Ohio collects \$7 billion less a year for public services than we would under the tax laws of 2005. This has left the state with struggling schools, unaffordable college, a broken public health system, strapped local governments and insufficient social services. During the next four years, lawmakers need to overhaul the inequitable, insufficient tax structure so improvements made to public services can be sustained and expanded, creating a brighter future for all Ohioans.