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**BALTIMORE CITY COUNCIL
WAYS AND MEANS
COMMITTEE**

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello
Chairman**

PUBLIC HEARING

**TUESDAY, OCTOBER 5, 2021
10:00 AM**

VIRTUAL WEBEX MEETING

Resolution 21-0062R

**American Rescue Plan Quarterly Oversight Hearing
Office Structure and Program Overview**

CITY COUNCIL COMMITTEES

ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

Sharon Green Middleton, Chair
John Bullock – Vice Chair
Mark Conway
Ryan Dorsey
Antonio Glover
Odette Ramos
Robert Stokes
Staff: Jennifer Coates

WAYS AND MEANS (W&M)

Eric Costello, Chair
Kristerfer Burnett
Ryan Dorsey
Danielle McCray
Sharon Green Middleton
Isaac “Yitzy” Schleifer
Robert Stokes
Staff: Marguerite Currin

PUBLIC SAFETY AND GOVERNMENT OPERATIONS (SGO)

Mark Conway – Chair
Kristerfer Burnett
Zeke Cohen
Erick Costello
Antonio Glover
Phylicia Porter
Odette Ramos
Staff: Samuel Johnson

EDUCATION, WORKFORCE, AND YOUTH (EWY)

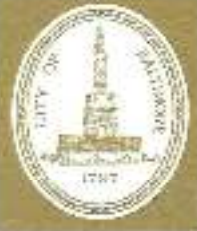
Robert Stokes – Chair
John Bullock
Zeke Cohen
Antonio Glover
Sharon Green Middleton
Phylicia Porter
James Torrence
Staff: Marguerite Currin

HEALTH, ENVIRONMENT, AND TECHNOLOGY (HET)

Danielle McCray – Chair
John Bullock
Mark Conway
Ryan Dorsey
Phylicia Porter
James Torrence
Isaac “Yitzy” Schleifer
Staff: Matthew Peters

RULES AND LEGISLATIVE OVERSIGHT (OVERSIGHT)

Isaac “Yitzy” Schleifer, Chair
Kristerfer Burnett
Mark Conway
Erick Costello
Sharon Green Middleton
Odette Ramos
James Torrence
Staff: Richard Krummerich



BILL SYNOPSIS

Committee: Ways and Means

Resolution: 21-0062R

American Rescue Plan Quarterly Oversight Hearings

Sponsor: Council President Mosby, et al

Introduced: September 13, 2021

Purpose:

For the purpose of calling for quarterly budget oversight hearings regarding the disbursement and management of \$641 million in federal funding to the City of Baltimore through the State and Local Fiscal Recovery Fund to improve transparency and accountability for the pivotal task of responding to the economic impact of the COVID-19 pandemic.

Effective: Hearings will be held on a quarterly basis; no vote required; Resolution will remain in committee the entire Council Session/Term.

Agency Reports

Law Department	<i>None as of this writing</i>
Department of Finance	<i>None as of this writing</i>
City Administrator	<i>None as of this writing</i>
Mayor's Office of Recovery Programs	<i>None as of this writing</i>

Analysis

Current Law

Public Law No: 117-2 (March 11, 2021)

American Rescue Plan Act of 2021: Summary: The U.S. House of Representatives on **March 10, 2021**, passed the Senate-amended H.R. 1319, **the American Rescue Plan (ARP)**. The ARP provides \$1.9 trillion in additional relief to respond to the novel coronavirus (COVID-19). This follows the enactment of nearly \$4 trillion in COVID relief in 2020. President Joe Biden called for Congress to enact the ARP to provide relief for individuals and business struggling due to COVID-19, as well as to achieve other priorities of the Biden Administration and Congress. ARP includes provisions on aid to state and **local governments**, hard-hit industries and communities, tax changes affecting individuals and business, and other provisions.

Background

Coronavirus State and Local Fiscal Recovery Funds (The American Rescue Plan) delivered \$350 billion to eligible state, local, territorial, and tribal governments to respond to the COVID-19 emergency and to bring back jobs.¹

The funding objectives are to launch needed relief to²:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control
- Replace lost revenue for eligible state, local, territorial, and Tribal governments to strengthen support for vital public services and help retain jobs
- Support immediate economic stabilization for households and businesses
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic

Recipients may use these funds to:³

- **Support public health expenditures**, by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic
- **Provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet

Within these overall categories, recipients have broad flexibility to decide how best to use the funding to meet the needs of their communities.

Per the City Council President, “I am hoping these funds can make “transformational changes’ in our city and/or government.⁴

Transformational changes are those you make to reshape your business strategy and processes, often resulting in a shift in work culture. These changes may be a response to extreme or unexpected market changes.⁵

Examples of transformational change include:

- Implementing major strategic and cultural changes
- Adopting radically different technologies

¹ The U.S. Treasury Website

² Ibid

³ Ibid

⁴ The Honorable Nicholas Mosby, President of the Baltimore City Council

⁵ Google website, “Transformational Changes, definitions and examples

- Making significant operating changes to meet new supply and demand
- Reforming product and service offerings to meet unexpected competition and dramatic reductions in revenue

On Tuesday, October 5, 2021 the Committee will hold [its first quarterly oversight hearing](#). Several quarterly meeting will be held thereafter.

Note: [This Resolution](#) will not be voted out of committee; to remain in committee throughout the legislative term.

Additional Information

Fiscal Note: None

Information Source(s): State Law, Council Resolution 21-0062R, see footnotes and all agency reports received as of this writing.

Analysis by: *Marguerite M. Currin*
Analysis Date: September 30, 2021

Direct Inquiries to: (443) 984-3485

**CITY OF BALTIMORE
COUNCIL BILL 21-0062R
(Resolution)**

Introduced by: President Mosby and Councilmembers Costello, Middleton, McCray, Conway, Schleifer, Stokes, Burnett, Ramos, Torrence, Bullock, Cohen

Introduced and read first time: September 13, 2021

Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, City Administrator, Mayor’s Office of Recovery Programs

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **American Rescue Plan Quarterly Oversight Hearings**

3 FOR the purpose of calling for quarterly budget oversight hearings regarding the disbursement
4 and management of \$641 million in federal funding to the City of Baltimore through the State
5 and Local Fiscal Recovery Fund to improve transparency and accountability for the pivotal
6 task of responding to the economic impact of the COVID-19 pandemic.

7 **Recitals**

8 The COVID-19 global pandemic has had devastating economic consequences – pushing
9 individuals and families further into poverty, hurting local economies, forcing families to make
10 tough decisions regarding their basic needs, and straining the budgets of local governments.
11 American Rescue Plan (“ARP”) funding can help stabilize local businesses, provide critical
12 investments, and address systemic inequalities. These funds represent a historic opportunity to
13 support the City’s efforts in addressing historic inequities and promoting inclusive economic
14 growth.

15 Therefore, these funds must be spent equitably and prudently to improve the lives of
16 historically neglected communities in Baltimore City and residents most impacted by COVID-19.
17 It is the duty of the City Council to ensure that the community is aware of what investments
18 federal funds are supporting and how funds are being used to support vulnerable City residents.
19 Through ARP funding, the City has the opportunity to address long-time challenges and
20 disparities that have been exacerbated by the ongoing COVID-19 pandemic.

21 The Council must ensure that information is made publicly available regarding how ARP
22 funds are being spent, how many jobs are being created or preserved through the use of the funds,
23 where investments are being made, and how the funds are advancing equity and addressing
24 systemic inequities. Quarterly oversight hearings will help ensure that the Mayor’s Office of
25 Recovery Programs, agency charged with the City’s recovery-plan spending, clearly details the
26 goals of ARP expenditures, allocates funds to projects that alleviate the negative economic
27 impacts of COVID-19, addresses inequities, administers funds in a timely manner, dutifully
28 tracks spending, and provides spending statements to the public.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

Council Bill 21-0062R

1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the City
2 Council calls for quarterly budget oversight hearings regarding the disbursement and
3 management of \$641 million in federal funding to the City of Baltimore through the State and
4 Local Fiscal Recovery Fund to improve transparency and accountability for the pivotal task of
5 responding to the economic impact of the COVID-19 pandemic.

6 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor, the
7 Chief Recovery officer of the Mayor's Office of Recovery Programs, the Chair of the Community
8 Oversight Taskforce Commissioners, and the Mayor's Legislative Liaison to the City Council.