



OFFICE OF THE GOVERNOR

January 19, 2021

Dear President Biden,

Congratulations on your historic victory and for setting America on a path to build back better. I offer you my full partnership and support as you take office and inherit the tremendous responsibility to restore our nation's economy and place of leadership on the global stage—all while working to bring the COVID-19 pandemic to an end. As America's largest economy and a model for what's possible, California is eager to support your bold agenda by sharing our experiences implementing progressive policy on everything from workers' rights to climate change.

Your American Rescue Plan is a welcome roadmap for how the federal government can take the lead in these perilous times by investing in helping individuals, families, and communities. Your vision charts an ambitious but necessary course for the country. So much of what Californians need is included in your proposal; we support it in its entirety.

Beyond the American Rescue Plan, we also stand ready to assist your administration by highlighting many of the policy innovations we advanced in the Golden State to help you scale them nationally.

In the past few years, the White House abdicated its responsibility on key issues like climate change, wildfires, and infrastructure. And the lack of leadership from Washington on COVID-19 has been well chronicled and truly deadly. But every time we lacked for a partner, California stepped up anyway.

We accelerated our clean car efforts and made record investments in wildfire mitigation. On housing and homelessness we launched programs like Project Roomkey and Homekey to provide housing to individuals experiencing homelessness during the pandemic, and removed barriers to building affordable housing. And we are strengthening our state by investing in California's High Speed Rail project and other infrastructure investments on water, housing, and



climate resilience. And we are providing billions in direct stimulus to low-income residents and struggling small businesses negatively impacted by COVID-19.

Having a true partner in the White House – and an Administration aligned with so many of our values – is a game-changer for Californians.

Attached to this letter are two short policy documents.

The first highlights points of alignment between your American Rescue Plan and California's needs as we respond to the COVID-19 pandemic, specifically on vaccine distribution, reopening schools, and economic development.

The second document provides an outline for policy areas on which we seek early partnership with your Administration – aligned with our shared values and built on our record of success.

I look forward to partnering with the Biden-Harris Administration as we forge an equitable recovery that will benefit generations to come.

Sincerely,

Gavin Newsom
Governor of California

A large, stylized handwritten signature in black ink, which appears to be "Gavin Newsom", is written over the printed name and extends across the width of the page.

APPENDIX #1: CALIFORNIA SUPPORTS THE AMERICAN RESCUE PLAN

Among the most impactful proposals for California that are included in your American Rescue Plan are:

- **Vaccines:** First and most importantly, we welcome your Administration's support as we surge up to vaccinate all Californians. We urge you to release all available vaccines as soon as possible and are strongly supportive of your call for national coordination, a \$20 billion vaccination partnership between the federal government and states, localities, Tribes, and territories, and \$50 billion for more testing. These are the most important action items to the State of California. We are eager for any additional assistance you can provide.
- **Safely Reopening Schools:** One of California's top priorities is safely reopening our schools. Your Administration's proposal to make additional resources available – in the form of general financial support, testing supplies, and PPE – will directly enable our schools and teachers to reconvene in-person in a safe and equitable manner. We must also address learning loss – California is investing billions in addressing the pandemic's impact on learning, and your shared focus is a welcome change.
- **Small Business Supports:** California has done its best with limited state general funds to support small businesses that have been negatively impacted by the COVID-19 pandemic. We have provided almost \$1.8 billion in direct grants, tax credits, and relief. We have also extended other cash assistance to preserve and expand California's businesses large and small, enabling people to get back to work. Your proposals for additional grants and loans will be a welcome addition as our businesses fight to get back on their feet as we reinvigorate our economy.
- **Individual Assistance:** Similar to our small business support efforts, California is doing its part to help struggling residents pay the bills. We are providing a Golden State stimulus of \$600 per person to qualified low-income Californians, regardless of immigration status. But more is needed. I support your call for providing an additional \$1,400 check, and I am eager to partner with other Governors and your Administration to support this request in Congress. California would also support your call for continuing enhanced unemployment benefits after March at a level of \$400 per week as well as an expansion of the Earned Income Tax Credit.

- **Helping Families Get Back on their Feet:** Beyond the key investments detailed above, the American Rescue Plan includes critically important proposals to provide additional food security, early education subsidies, childcare tax credits, paid leave resources, and expand rental assistance funds, to name a few. California fully supports these initiatives which provide needed assistance to individuals and families who are struggling the most acutely.
- **Support to State & Local Governments:** Despite a clear need, the Republican-controlled senate in the 116th Congress failed to provide flexible funds to local governments as they grapple with massive budget deficits, which affected even states like California, which entered the crisis with record reserves. We strongly support your \$350 billion proposal to provide critical emergency funding to state & local governments across the nation and keep our health care workers, first responders, and teachers on the job. In addition to the important cost-share proposals contained in the American Rescue Plan, California also requests an extension of the enhanced Medi-Cal Federal Medical Assistance Percentage through December 2022. Finally, California requests an extension of the Unemployment Insurance loan interest repayment start date through 2023.

APPENDIX #2: OTHER POLICY AREAS OF ALIGNMENT

As you announce the details of your Administration's priorities and issue a first round of executive orders, there are a number of additional critical items that offer opportunities for a federal-state partnership between your Administration and California, including:

- **Ending Homelessness:** California has charted a successful path on homelessness amidst the sharp challenges of the COVID-19 pandemic. Project Roomkey and Homekey became national models for providing non-congregate shelter and fast, cost-efficient permanent housing. We were thrilled to see that the American Rescue Plan included \$5 billion to help jurisdictions purchase and convert hotels and motels to create permanent housing for people experiencing homelessness. Beyond these critical investments, we are eager to partner with the Department of Housing & Urban Development to advocate for universal housing vouchers and greater support for Continuums of Care to scale up and make permanent these approaches. With significant, new, sustainable investment in prevention, shelter, and service-enriched housing, the states will be able to end homelessness as we know it in America.
- **Infrastructure:** We support the enactment of a robust federal infrastructure plan. For California, we are most focused on restoring the federal commitment to California's High Speed Rail project, partnering to develop 21st century water infrastructure, and prioritizing investments in schools, broadband, housing, and renewable energy.
- **Climate Action and Clean Cars:** California is on a path to accelerate the state's transition to a resilient, equitable, carbon neutral future that creates economic prosperity. It is critical that the Administration restore and strengthen many of the environmental and public health protections that have been dangerously weakened in the last four years. Of particular importance to California and many other states is California's authority to adopt motor vehicle standards under the Clean Air Act. Aggressive vehicle emissions standards are essential to public health and climate progress. We look forward to working with your Administration and other states to raise the national floor for climate action by prioritizing innovation, environmental justice, and public health.
- **Wildfire & Forest Resilience:** Amidst the ongoing COVID-19 crisis, we cannot lose sight of the climate change-driven impacts of more acute wildfires. We welcome partnership with your Administration to fully implement the Shared Stewardship Agreements and Good Neighbor

Authority programs we have in place with the U.S. Forest Service. This helps important forest management projects happen more quickly and cost-effectively.

- **Health Care Reform:** California is eager to pursue a transformative vision to overhaul our Medicaid system – an approach we call CalAIM. Our reform effort is fundamentally about health equity with a particular focus on providing communities of color and harder-to-reach populations with improved access to comprehensive, quality care through re-imagined delivery systems and payment reforms. And we are all aware of the devastating disparate impacts COVID-19 has had on communities of color – further underscoring the need for health reform in the context of racial equity. We are eager to discuss the necessary steps to advance our CalAIM model. In addition, California requests a partnership to develop new strategies with the federal government to leverage Medicare to provide additional long-term care services and supports.
- **Immigration:** California has led on pro-immigrant actions that demonstrate the success of working from a principle that our diversity is our strength. We applaud your commitment to advancing immigration reform. It is long past time for America to create a pathway to citizenship for undocumented people and ensure a fair and humane immigration system that honors immigration as the foundation of who we are as a nation. Your leadership will be key in re-instating the Deferred Action for Childhood Arrivals (DACA) program, protecting Temporary Protected Status (TPS) beneficiaries and re-establishing our nation's commitment to people seeking humanitarian protections and an equitable recovery that recognizes the dignity and contributions of our “essential workers”. We request that your Administration reverse the Trump Administration's public charge rule and all race- and religion-based immigration bans as well as take action to address the medical neglect and abuse in immigration detention centers. We stand ready to collaborate and share lessons from our efforts to support and protect immigrant Californians at the border and across our golden state.
- **Early Education:** California applauds your plan to provide immediate pandemic-related support to families, children and early learning and care providers. We recently released a 10-year Master Plan for Early Learning and Care that aligns with your long-term early education vision including universal pre-k for 3- and 4-year-olds, increased access to quality child care for infants and toddlers, and improved supports for the workforce. We want to work with your Administration to ensure that all

children have access to quality early education that helps address racial and economic inequities with specific supports for dual language learners and children with special needs, and that discriminatory practices such as expulsions and suspensions end in early education.