



Legislation Text

File #: 21-0746, **Version:** 1

Health and Human Services Agency recommending the Board adopt and authorize the Chair to sign Resolution **083-2021**, which authorizes the Auditor-Controller to:

- 1) Distribute the Economic Impact Payment (EIP) provided through the American Rescue Plan Act to each eligible foster youth or the legal guardian representing the foster youth who is still in the El Dorado County Foster Care system; and
- 2) Return any undistributed EIP money back to the Internal Revenue Service for those foster youth that are not eligible to receive payments as they are no longer in the El Dorado County Foster Care System.

FUNDING: Economic Impact Payments.

DISCUSSION / BACKGROUND:

Effective March 19, 2020, the United States Senate approved Senate Bill 3548 cited as the "Coronavirus Aid, Relief, and Economic Security Act" or CARES Act. Section 2101 of the CARES Act outlined Recovery Rebates for Individuals for the year 2020, identified as Economic Impact Payments (EIP). Thereafter, The California Department of Social Services (CDSS) provided guidance that payments for foster youth are neither Social Security payments nor Social Disability Income payments, and they belong to the foster youth. From this guidance, counties in receipt of EIP on behalf of foster youth were advised to forward said money to the foster youth (or legal guardian). In addition, CDSS provided further guidance that if the foster youth is no longer in the county's foster youth system, the EIP should be returned to the Internal Revenue Service (IRS) following guidance provided in an IRS Alert IR-2020-121.

On March 23, 2021, the Board of Supervisors adopted Resolution 015-2021 thereby authorizing the Auditor-Controller to submit payment in the amount of each EIP received for foster youth still in the El Dorado County Foster Care system to that youth or legal guardian, as appropriate. This resolution also authorized the Auditor Controller to return money to the Internal Revenue Service (IRS) for those foster youth no longer in the El Dorado County Foster Care System and to periodically, but no less than annually, file a report with the Board listing all such refunds in accordance with Government Code 26906. In accordance with the American Rescue Plan Act of 2021, additional EIP payments were established of \$1,400 for eligible individuals, or \$2,800 for married couples filing jointly, plus \$1,400 for each qualifying dependent, including adult dependents. Effective April 7, 2021, HHS began receiving sporadic EIP specific to foster youth which were transferred into the County Treasury via Automated Clearing House (ACH) network transfers.

HHS returns to the Board recommending adoption of the attached Resolution, authorizing disbursement of EIP to the foster youth still in the EDC Foster Care system or their legal guardian, as appropriate. This resolution also authorizes the Auditor Controller to return money to the Internal Revenue Service (IRS) for those foster youth no longer in the EDC Foster Care System and to periodically, but no less than annually, file a report with the Board listing all such refunds in accordance with Government Code Section 26906.. In addition, the attached Resolution allows for this authority to remain in effect unless and until repealed in writing by the Board of Supervisors by a

subsequent resolution, in the anticipation of potential future EIP distributions.

ALTERNATIVES:

The Board could decline to adopt the attached Resolution, in which case the County would be out of compliance with the intent of the EIP checks and the processes established to ensure appropriate payment is received by the youth in Foster Care.

PRIOR BOARD ACTION:

March 23, 2021, File ID: 21-0242, Agenda No. 11: EIP Resolution

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

County Counsel

CAO RECOMMENDATION:

Approve as recommended.

FINANCIAL IMPACT:

This Board item has no impact on Net County Cost. Payment of these monies would have no impact on the HHS budget.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain signature of Chair on attached Resolution.
- 2) Clerk of the Board to return one (1) certified copy of the Resolution to the HHS Contracts Unit at 3057 Briw Road.
- 3) Clerk of the Board to submit one (1) certified copy of the Resolution to the Auditor-Controller.

STRATEGIC PLAN COMPONENT:

Good governance.

CONTACT

Don Semon, Director