

July 30, 2020

The Honorable Nancy Pelosi Speaker, U.S. House of Representatives 1236 Longworth House Office Building Washington, DC 20515

The Honorable Mitch McConnell Majority Leader, United States Senate 317 Russell Senate Office Building Washington, DC 20515 The Honorable Kevin McCarthy
Minority Leader U.S. House of
Representatives
2468 Rayburn House Office Building
Washington, DC 20515

The Honorable Charles Schumer Minority Leader, United States Senate 322 Hart Senate Office Building Washington, DC 20515

## RE: Phase 2 COVID-19 Relief Package

Dear Speaker Pelosi, Leader McConnell, Minority Leader McCarthy and Minority Leader Schumer:

On behalf of the Rural County Representatives of California (RCRC), we respectfully urge you and your colleagues to include direct funding for local governments in the next round of COVID-19 pandemic response legislation currently being negotiated. Like our counterparts in more urbanized areas, small, low-population counties remain on the front lines in responding to this deadly and costly pandemic. We appreciate the inclusion of provisions to support counties in a variety of proposals including the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act (H.R. 6800), the State and Municipal Assistance for Recovery and Transition (SMART) Act (S.3752), and the Coronavirus Community Relief Act (S.3623), and urge the inclusion aspects of these provisions in any final relief package.

RCRC is an association of thirty-seven rural, low-population California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties. The previously-enacted CARES Act provided <u>direct</u> financial assistance to counties above 500,000 in population. For those counties under this threshold, the state

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government determines the time and manner for distribution. To date, the Legislature and Governor Newsom have enacted a state budget which outlines, in a limited form, the manner in which low-population counties will receive their share of CARES Act monies. At the time of this writing, we expect the first installment of monies to arrive in County Treasuries within days.

Earlier this week, Senate Republicans unveiled their proposal to provide relief to aspects of American life and industry (commonly known as the HEALS Act). We regret to say that this effort will do very little for most RCRC member counties. While the proposal extends the deadline for the use of this direct financial assistance beyond December 30, 2020, it only allows for 25 percent of these funds to be used toward revenue shortfalls. We believe that despite this flexibility, most RCRC counties will have expended their allocation on already-approved costs as determined by U.S Treasury guidelines. To be blunt, what is needed now is another round of federal funding for flexible use that is sent directly to counties of all sizes.

Therefore, RCRC supports direct, increased aid to counties in the upcoming COVID-19 pandemic response package. The cornerstones of this aid should be to remove population thresholds for counties to access funds directly as well as provide maximum flexibility to utilize federal assistance dollars. We can assure that these monies will be spent wisely as RCRC member counties must fulfill their obligation to protect the safety and health of their respective residents.

If you should have any questions or concerns, please do not hesitate to contact me at <a href="mailto:psmith@rcrcnet.org">psmith@rcrcnet.org</a> or (916) 447-4806, or RCRC's legislative advocate in Washington D.C., Sheryl Cohen at <a href="mailto:cohen@acg-consultants.com">cohen@acg-consultants.com</a> or (202) 327-8100.

Sincerely,

PAUL A. SMITH

Senior Vice President Governmental Affairs

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The Honorable Dianne Feinstein, Member of the U.S. Senate CC: The Honorable Kamala Harris, Member of the U.S. Senate The Honorable Doug LaMalfa, Member of the U.S. House of Representatives The Honorable Jared Huffman, Member of the U.S. House of Representatives The Honorable John Garamendi, Member of the U.S. House of Representatives The Honorable Tom McClintock, Member of the U.S. House of Representatives The Honorable Mike Thompson, Member of the U.S. House of Representatives The Honorable Doris Matsui, Member of the U.S. House of Representatives The Honorable Paul Cook, Member of the U.S. House of Representatives The Honorable Jim Costa, Member of the U.S. House of Representatives The Honorable Jimmy Panetta, Member of the U.S. House of Representatives The Honorable TJ Cox, Member of the U.S. House of Representatives The Honorable Devin G. Nunes, Member of the U.S. House of Representatives The Honorable Kevin McCarthy, Member of the U.S. House of Representatives The Honorable Salud Carbajal, Member of the U.S. House of Representatives The Honorable Juan C. Vargas, Member of the U.S. House of Representatives