

May 22, 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: 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 express our appreciation for Congress's recent efforts to address the ongoing devastating challenges states and counties are facing during the coronavirus (COVID-19) pandemic. Counties large and small are on the front lines in responding to this deadly and costly pandemic. We recognize and 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), the Coronavirus Community Relief Act (S.3623), and a number of other stand-alone proposals in the U.S. House of Representatives.

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 recently-enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act provided <u>direct</u> financial assistance to counties above 500,000 in population. For those counties under this threshold, they are reliant upon their respective state government for distribution. California – through its budget-enactment process - is currently outlining the scheme for dispersing the remaining local CARES Act monies, and we expect that to occur after July 1st. Complicating matters, CARES

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Act monies currently can only be used for county costs related to COVID-19 which have occurred between March 1st and December 30th of 2020. This provides for only a narrow avenue for which counties can re-establish their fiscal health in light of the pandemic. Furthermore, these monies must be shared with low-population cities and, with all due respect, these jurisdictions have not incurred the costs to provide direct public health services to residents.

RCRC supports direct, increased aid to states and counties. The cornerstones of this aid should be to lower or remove population thresholds for counties to access monies directly as well as provide maximum flexibility to utilize federal assistance dollars.

As Congress evaluates further municipal assistance, we would urge any subsequent aid package to also include the application of payroll tax credits to public sector employees in addition to the private sector and increased funding for rural broadband.

We hope that on-going deliberations in the U.S. Senate and future negotiations between the both houses of Congress preserve these important provisions and provide timely relief for states and counties.

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

Sincerely,

PAUL A. SMITH

Senior Vice President Governmental Affairs

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cc: The Honorable Dianne Feinstein, Member of the U.S. Senate
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

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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 Salud Carbajal, Member of the U.S. House of Representatives The Honorable Juan C. Vargas, Member of the U.S. House of Representatives