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Graham Knaus

April 13, 2020

RE: Interim Emergency Coronavirus Relief Package

Dear Members of the California Congressional Delegation:

On behalf of the California State Association of Counties (CSAC), I'm writing to express our appreciation to you for delivering critically needed federal resources to California's counties for ongoing coronavirus response and recovery. The significant federal investments approved to date will help ensure that counties, as well as our state, city, and tribal partners, are able to better meet the needs of our citizens during the COVID-19 pandemic and unfolding economic crisis.

As you know, California's 58 counties are the frontline providers of local public health services. Additionally, counties provide many other essential governmental functions, including human services, housing and public works, emergency management, and law enforcement and public safety services. As Congress works to develop an interim emergency coronavirus relief package, we urge you to support the following proposals.

CORONAVIRUS RELIEF FUND (CRF)

California's counties are extremely grateful for the inclusion of \$150 billion in fiscal stabilization funding in the *CARES Act* (PL 116-136). As county public health expenditures rapidly escalate and critical local revenue streams continue to decline as a result of a weakened economy, counties will require additional federal support in order to minimize and avoid reductions in essential public services. Accordingly, we urge Congress to provide significant new funding for the CRF. We also request that funds are able to be used by eligible entities for the replacement of lost revenues.

Moreover, we urge you to ensure that **all** local governments – regardless of size – receive a direct CRF payment. Unfortunately, the *CARES Act* only permits a very small number of localities (those with a population of 500,000 or more) to apply to the U.S. Department of the Treasury for stabilization funding. Jurisdictions under the 500K threshold, while eligible to receive suballocated funding through the State, are not guaranteed any CRF dollars.

Finally, we urge Congress to provide CRF funding to entities based on the division of governmental responsibilities at the local level. As you know, California's counties are the frontline providers of public health, social services, and emergency management. CSAC believes it is essential that the CRF distribution methodology takes into account local service responsibilities and all corresponding pandemic-related expenditures.

PAYROLL TAX CREDIT FOR REQUIRED PAID SICK LEAVE & FAMILY MEDICAL LEAVE

The *Families First Coronavirus Response Act* (PL 116-127) expands paid sick leave and family medical leave requirements for *all* state and local public agency employers, as well as many private sector businesses. However, while private sector employers are allowed to receive a tax credit to offset the cost of complying with these mandates, public sector employers are explicitly *prohibited* from receiving the benefit. CSAC urges Congress to fix this disparity by including language in the next coronavirus response bill that allows states and local governments to access these important tax credits.

INCREASE FEDERAL MATCH FOR MEDICAID & FOSTER CARE

PL 116-127 included a 6.2 percentage point increase in the federal match for Medicaid/Medi-Cal and the Title IV-E foster care program. As unemployment increases, however, further stress will be placed on county health and human services systems. Similarly, as families lose their health insurance coverage, more will become eligible for Medicaid. These financial stresses will also increase demands on our child welfare and foster care system, which are designed to protect children and support families in crisis. To help alleviate this pressure, we support increasing the temporary Medicaid and Title IV-E match to 12 percentage points, as recommended by the National Governors Association.

INCREASE SNAP BENEFITS BY 15 PERCENT

CSAC applauds the nutrition investments included in the *Coronavirus Preparedness and Response Supplemental Appropriations Act* (PL 116-123) and PL 116-127. At the same time, we believe more needs to be done to meet the nutritional demands at the state and local level. Specifically, CSAC supports a 15 percent increase in the maximum Supplemental Nutrition Assistance Program (SNAP)/CalFresh benefit. Increasing SNAP not only provides additional support to families, it results in a multiplier effect in the economy. The USDA estimates that for every one SNAP dollar spent, \$1.70 is generated in economic activity.

Thank you for considering CSAC’s priorities for the next emergency coronavirus relief package. We stand ready to continue working with you to ensure that all levels of government are providing a coordinated and effective response to the public health and economic crises caused by the COVID-19 pandemic.

Respectfully,



Graham Knaus
Executive Director