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COMMITTEES

CHAIR: GOVERNMENTAL ORGANIZATION AGRICULTURE REVENUE AND TAXATION

JOINT LEGISLATIVE COMMITTEE ON EMERGENCY MANAGEMENT

CHAIR: SELECT COMMITTEE ON HEALTH ACCESS IN RURAL COMMUNITIES

November 18, 2020

The Honorable Gavin Newsom Governor, State of California California State Capitol Sacramento, CA 95814

RE: State Equity Metric in the Distribution of Federal Pandemic Funding

Dear Governor Newsom:

Last week, the Assembly Committee on Governmental Organization and Assembly Budget Subcommittee on Budget Process Oversight and Program Evaluation held a joint informational hearing on the State's overall response to the COVID-19 pandemic, preparations for distributing a vaccine, and ongoing efforts to secure personal protective equipment. We appreciated the participation of your Department of Finance, Office of Emergency Services, Department of Public Health, and the Department of General Services.

They provided a timely update on the State's response to this unprecedented pandemic and touched on how federal disaster relief funds and other monies have been distributed throughout California to prevent viral transmission and mitigate the economic impacts of this disaster.

We support your Administration's emphasis on equity and imperative to address the disparities the spread of COVID-19 is inflicting on all Californians throughout the State. As you know, under the Blueprint for a Safer Economy counties must meet an equity metric and/or demonstrate targeted investments in less advantaged communities to eliminate disparities in levels of transmission to advance to the next less restrictive tier.

As we assess the State's response and our investments to date, we would like to gain a better understanding of the extent to which your Administration has held the State to a similar equity metric in the distribution of federal disaster funds or other monies. Ideally, a State equity metric should include rightsizing investments in historically disadvantaged communities, areas with high unemployment and poverty rates, less disposable income, and communities with the greatest percentage of essential workers, such as the agricultural sector.

Does the State intend to apply an equity metric to the distribution of disaster relief funding and other discretionary funds to address the inherent inequities in areas of the state with the greatest number of essential workers, highest rates of unemployment, and poverty?

With this question in mind, the Committees will be revisiting the State's CARES Act funding allocation methodology and investment purposes to identify lessons learned and inform the discretionary distribution of any future federal relief funds to counties, cities, and tribal governments. Such an undertaking will require us to examine how equitably newly created preparedness, response, and recovery programs have been delivered and targeted to communities that are disproportionately impacted due to regional and economic disparities.

For instance, the Committees will be seeking additional information about allocations and participation under the Great Plates Delivered Program and Project Roomkey. Our understanding is that rural and disadvantaged communities were reluctant to participate in these programs as there were too many unanswered questions regarding the extent to which costs would be reimbursed by FEMA or the State. Most small communities lacked the resources to initiate a new program that may have proved to be unduly burdensome to their local budgets without clear financial assurances from the State.

Going forward, does the Administration have plans to address this apparent disparity? For example, has your Administration considered providing California Disaster Assistance Act funding to address these barriers to participation and encourage all counties to participate in these new programs designed to reach all vulnerable Californians?

To help us assess the overall equity of California's response to the pandemic, we have requested a county-by-county breakdown of all COVID-19 related investments, including federal stimulus programs, to date. It is our hope this period of review will provide a strong jumping-off point to ensure equity as we begin budgetary and policy discussions in the 2021 Legislative Session.

Thank you for your ongoing leadership and partnership.

Sincerely,

Assemblymember Adam C. Gray

21st Assembly District

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Assemblymember Jim Cooper 9th Assembly District

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