

United States Senate

April 1, 2021

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

The Honorable Anthony Rendon
Speaker, State Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Toni G. Atkins
President pro Tempore, State Senate
State Capitol, Room 205
Sacramento, CA 95814

Dear Governor Newsom, Speaker Rendon and President pro Tempore Atkins:

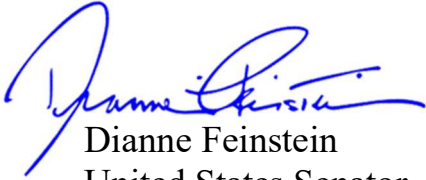
We write in support of using the authority within Section 9901 of the American Rescue Plan (ARP), which provides funds to help States, territories, Tribal governments, and localities manage the public health and economic consequences of COVID-19. In the ARP, Congress has given States considerable flexibility to use the money to address the diverse needs of their communities, and specifically authorizes funding to special districts. We, therefore, request that you use the authority within the ARP to help special districts and other units of State or local government that are in dire need of relief.

As you know, many of California's special districts are experiencing severe fiscal hardship, mostly due to the revenue losses associated with the COVID-19 pandemic. The projected shortfall for California's special districts will exceed \$2.4 billion by the end of 2021. For example, ports were uniquely affected, especially those in travel and tourism. The Port of San Diego saw a revenue decline of \$98 million in Fiscal Year 2020 with a pre-pandemic budget of \$200 million, while the Port of San Francisco projected an \$80 million loss over the next two years with a pre-pandemic budget of \$110 million; for these reasons, California ports have requested \$250 million.


Under your leadership, California is beginning the long road to recovery from the economic impacts of COVID-19. We hope that the funds Congress has provided through the ARP are used to help the State recover from the devastating

health and economic consequences of the pandemic. We appreciate your consideration of our request, and please let us know if we can be of any assistance.

Sincerely,



Dianne Feinstein
United States Senator



Alex Padilla
United States Senator

CC: The Honorable Phil Ting, Chair Assembly Budget Committee
The Honorable Nancy Skinner, Chair Senate Budget & Fiscal Review
Committee
The Honorable David Chiu, Assemblymember, 17th District
The Honorable Scott Weiner, State Senator, 11th District