



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

July 21, 2020

The Honorable Kyrsten Sinema
United States Senate
317 Hart Senate Office Building
Washington, DC 20510

The Honorable Martha McSally
United States Senate
404 Russell Senate Office Building
Washington, DC 20510

The Honorable Tom O'Halleran
United States House of Representatives
324 Cannon House Office Building
Washington, DC 20515

The Honorable David Schweikert
United States House of Representatives
1526 Longworth House Office Building
Washington, DC 20515

The Honorable Ann Kirkpatrick
United States House of Representatives
309 Cannon House Office Building
Washington, DC 20515

The Honorable Ruben Gallego
United States House of Representatives
1131 Longworth House Office Building
Washington, DC 20515

The Honorable Raúl M. Grijalva
United States House of Representatives
1511 Longworth House Office Building
Washington, DC 20515

The Honorable Debbie Lesko
United States House of Representatives
1113 Longworth House Office Building
Washington, DC 20515

The Honorable Paul Gosar
United States House of Representatives
2057 Rayburn House Office Building
Washington, DC 20515

The Honorable Greg Stanton
United States House of Representatives
128 Cannon House Office Building
Washington, DC 20515

The Honorable Andy Biggs
United States House of Representatives
1318 Longworth House Office Building
Washington, DC 20515

Dear Members of Arizona's Congressional Delegation,

Thank you for your support of the state of Arizona throughout the COVID-19 pandemic. The state has carefully distributed the dollars you have granted us so far as part of the CARES Act. To date, the State

has committed roughly \$1 billion of our \$1.86 billion allocation from the CARES Act Coronavirus Relief Fund (CRF). We know we will continue to have needs over the coming weeks and months and we are working to be good stewards of those dollars to the benefit of all Arizonans.

As you debate the merits of a Phase 4 COVID-19 relief package, I wanted to share the following requests for your consideration.

At the top of everybody's mind is the fate of the extra \$600 Federal Pandemic Unemployment Compensation (FPUC) benefit that is set to expire this month. In Arizona, \$4.8 billion has gone out in FPUC payments, and \$6.4 billion in overall unemployment assistance. Roughly one million people have received unemployment benefits and our state has expended \$640 million of our pre-pandemic \$1 billion unemployment insurance (UI) trust fund. We understand the concerns from businesses that are having difficulty rehiring employees when the government pays more in unemployment benefits compared to what they were paying their former employees before the pandemic. We are advocating that, at a minimum, individuals who continue to be impacted by the COVID-19 pandemic, be eligible to receive at least 100% of their weekly earnings that they were making prior to government intervention in their employers' ability to stay open.

It is by no fault of their own that certain businesses have a higher risk of transmission of COVID-19 and therefore are being required to close by the government, and we would advocate that those individuals continue to have extra support from the FPUC.

In addition, Arizona had over \$1 billion in our state's unemployment insurance trust fund at the start of the pandemic. Our original trust fund balance projection contemplated a different policy and economic environment than what we face today.

To that end, we would ask that the federal government deposit \$1.5 billion into our trust fund to ensure we don't have to further burden our already struggling businesses with special assessments that federal and state law require to replenish the trust fund's balance. We are very grateful for the federal government picking up the state's share of the UI benefit after the 26 weeks currently allowed by Arizona law. In addition to requesting an extension of FPUC for those most severely impacted by the pandemic and an unemployment insurance trust fund deposit or extension of the interest-free Title 12 advance, we would also request that the federal government maintain the policy to cover 100% of the UI benefit to claimants who receive benefits beyond their initial 26-week period, which will reduce the financial strain on our UI trust fund.

Arizona is the home to 22 sovereign tribal nations who face unique challenges in battling COVID-19. We are grateful for the support you have given to these tribal nations as part of the relief to date. We are asking that you consider giving them additional time to spend these dollars beyond the December 30 deadline, to ensure they can target their highest areas of need, including infrastructure that will allow them to continue providing needed services to their members throughout the remainder of the pandemic.

We are very grateful for your support to date for the Low Income Home Energy Assistance Program (LIHEAP). As Arizona continues to weather this storm, our temperatures are reaching record-breaking highs. As a state, we continue to provide options for individuals to stay in their homes and we would encourage Congress to deposit additional dollars into LIHEAP for the purposes of helping low income individuals and families pay their energy bills and survive the summer heat.

Finally, as you consider the impact that the virus has had on our country and state, we ask that you give special consideration to special liability protections to health care workers, businesses and schools at both the K-12 and postsecondary levels. We have seen that these groups are taking extraordinary measures to provide the safest possible environments for their customers and students as states phase in their reopening plans and we want them to be provided as much certainty as possible in such an uncertain time.

Thank you for your consideration of these measures and please let our office know if there is anything we can do to assist as you debate these critical issues for our nation and our state.

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is written in a cursive style with a large initial "D" and a prominent "A".

Douglas A. Ducey
Governor
State of Arizona