



STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
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March 22, 2020

The Honorable Susan Collins
United States Senate
413 Dirksen Senate Office Building
Washington D.C. 20510

The Honorable Angus King
United States Senate
133 Hart Senate Office Building
Washington D.C. 20510

The Honorable Chellie Pingree
United States House of Representatives
2162 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Jared Golden
United States House of Representatives
1223 Longworth House Office Building
Washington, D.C. 20515

Dear Senators Collins and King and Representatives Pingree and Golden,

Thank you all for taking the time to come together by phone on Thursday to discuss our collective efforts to address the public health and economic emergency resulting from the novel coronavirus, COVID-19. Our shared commitment to our State and our nation at this unprecedented time is a tremendous source of pride.

At the time of this writing, Maine has seventy people with confirmed cases of COVID-19. Men, women, and children throughout our state with ages ranging from under 10 to over 80 are infected by this virus. As we expected, the number of cases continues to increase daily and, in Cumberland County, there is community spread. All restaurants and bars have closed, at my direction, and many schools and other businesses are closed. Our health institutions are working at increased capacities, and many residents are staying home to socially distance in order to mitigate the spread of the virus.

As we discussed, my Administration has taken a number of steps to prepare for and respond to COVID-19 in Maine, including establishing the Coronavirus Response Team, proclaiming a civil emergency, proclaiming a health insurance emergency, issuing an Executive Order protecting the health of Maine people, signing a package of emergency measures to access State funding and expand the authority of State and local officials to respond to the virus, working with the Small Business Administration to help Maine businesses obtain economic support, among numerous other actions. But more needs to be done.

Even with these aggressive actions, the virus, its cascade effects on public health, and its economic consequences are going to get worse before they get better. I am grateful to Congress for its efforts to date to address these issues, including supplemental emergency spending to address the coronavirus and the passage of the Families First Coronavirus Response Act. I

understand that the Senate has proposed a third coronavirus relief bill on Friday. As you continue consideration of this proposal, I urge that direct aid be made to stabilize states and that this fiscal support be unrestricted. Narrowing the targeting of these funds, as was done in the American Recovery and Reinvestment Act of 2009 (ARRA), would not address the varying and evolving needs of this pandemic. Cash flow for states is critical at this time, particularly with the delay to the tax filing deadline, which would postpone April cash payments of \$340 million in Maine. Furthermore, delaying these payments now puts at risk that cash flow in July if businesses use these obligated funds for other purposes.

While I recognize this proposal may be focused on economic issues, I urge continued to focus on the public health challenges that are most important to Maine people. In particular, I hope that you will take ongoing bold federal action inclusive of the following:

Health Care

1. Personal protective equipment (PPE), respirators, and testing materials remain an urgent need and top priority. PPE is of course paramount for the protection of our health care workforce as well as first responders such as Emergency Medical Service providers, firefighters, and law enforcement. I have written to Vice President Pence and Secretary Azar regarding the demand for these equipment and materials in Maine, but increased funding for Maine and manufacturing capacity nationwide is also needed to ensure ongoing availability and affordability of these fundamental protections. I know, you too, share this priority, and I appreciate your recent letter in support of mine.
2. In order to ensure ongoing access to health care, increased Federal Medical Assistance Percentages (FMAP) for Medicaid is also a high priority. While the Family First policy is a start, the public health emergency is likely to end before the economy recovers. More support and certainty through automatic adjustments based on factors like the unemployment rate will give our health system an ability to plan for response and our economy the boost it will surely need.
3. Maine's hospitals, nursing facilities, clinics, and other providers are also facing immediate and potential long-term financial challenges as non-urgent care is delayed, the existing health care workforce challenge is exacerbated, and demand increases. Increasing the amount of the temporary FMAP adjustment would help, as would ensuring States could provide supplemental payments.
4. To allow supplemental health care provider payments and prevent uncertainty due to proposed changes to Medicaid and related rules, the legislation should put a moratorium on all proposed and recently finalized rules that harm states, particularly the Medicaid Fiscal Responsibility Rule (MFAR).
5. Additionally, because access to health insurance coverage not only provides peace of mind for individuals, but also protects public health by encouraging the use of necessary health services, I request that you urge the Administration to provide a Special Enrollment Period (SEP) through the Health Insurance Marketplace. I request this SEP be

at least 60 days to allow any eligible uninsured or underinsured person in Maine to purchase a comprehensive health coverage plan through HealthCare.gov. I also encourage that coverage be allowed to begin immediately, or as soon as possible following enrollment, for anyone signing up for coverage through any form of SEP. Moreover, to protect the solvency of insurers who will likely see an increase in claims resulting from this needed SEP, a federally funded reinsurance program should be established.

Child Care

1. Congress must increase funding for child care through the Child Care and Development Block Grant and provide the flexibility to use funds to expand child care sites – especially those that provide child care to first responders, health care workers, law enforcement, and the military. Families and providers, particularly families with health care workers and first responders, need quality child care to stay at work and respond to this public health emergency.

Education

1. With schools closed due to the coronavirus, the digital divide inequity in our state has never been starker. Several school districts serve students who have no access to high speed Internet, and many other students may live in areas with coverage, but whose families cannot afford high-speed Internet. Your continued efforts to address remote learning to close the homework achievement gap by working to secure funding for Maine students is appreciated. Maine needs immediate funding to provide access to learning to Maine students during school closures. This funding will provide wi-fi hotspot devices for the approximately 30,000 Maine students currently without access to remote learning and would allow for Maine students to learn virtually during the immediate crisis and into the future. This investment is necessary until broadband access is universally available.
2. With respect to school meals, presently, the USDA will not approve waivers for off-site meals for areas that do not have 50 percent or more free and reduced meal participation because waivers cannot increase costs to the federal government. Currently, this requirement negatively impacts 22 Maine school districts serving more than 10,000 students. For the short-term, local communities and non-profits have worked together to forge a temporary solution. However, as our days turn into weeks, Maine's 22 ineligible school districts will not have the financial resources to meet the needs of our children. Congress must eliminate the requirement that waivers cannot increase costs to the federal government.
3. In addition to school meals, in order to ensure that families with school aged children whose schools have closed due to COVID-19 will receive support needed in order to provide healthy meals for those children, I request that Supplemental Nutrition Assistance Program (SNAP) benefits be increased for households that already receive SNAP, and that the program be expanded for those who do not but who have students

who qualify for Free/Reduced meals at school by the amount that would cover 10 meals per child per week.

4. With respect to student loans, I urge you to create a moratorium on all education loan payments and loan interest accruals for the duration of pandemic. Mainers lead the nation as the 10th highest ranking state with an average of more than \$31,000 in student loan debt.

Housing

1. Support for those who are or may become homeless as a result of the economic hardships presented by this pandemic is also priority. As mentioned with respect to students needing access to meals, SNAP is also a program that goes a long way to support families in accessing food. Providing a direct cash infusion to SNAP cards can free up other income for struggling families, allowing for more funds to pay rent and avoid homelessness.
2. Congress should ensure access to HUD affordable housing programs and increase funding to support housing and rental supports to assist Maine families through this time when incomes are likely to be reduced or lost altogether.

Maine's Businesses

1. The delegation's attention to assistance for Maine businesses, particularly our state's small businesses is greatly appreciated. And while I welcome the Federal government's effort to provide various forms of loans, many businesses who will not be able to recover lost revenue are concerned about taking on additional debt, even low interest debt, through loans. I ask Congress to consider grant funding to help businesses weather the impact of COVID-19. There is existing infrastructure, such as the Northern Border Regional Commission and Community Development Block Grant programs, that would offer states flexibility in prioritizing grant funding.
2. A significant part of Maine's economy are sole proprietors, self-employed, nonprofits, and people classified as contractors. And as you know, farmers and those in the arts and cultural communities are a significant base of the Maine economy and these sectors are already experiencing losses as a result of this pandemic. Please work to ensure grant programs are open to them as well.
3. Many business interruption insurance policies for small businesses specifically exclude coverage when losses are related to pandemics. I ask Congress to consider offering federal financial help in some form that can offset a portion of a businesses' operating losses, particularly for small businesses who have closed as a result of COVID-19
4. Finally, to the extent increased funding could be directed to manufacturing, particularly for those businesses that might be of support to the COVID-19 response, this could help address the combined economic and public health needs.

Maine's Seafood Industry

1. As you know, earlier this week I wrote to the President to express my concern that the COVID-19 pandemic is taking a substantial toll on Maine's independent fishermen, aquaculturists, wholesale dealers, and seafood processors. The markets for their products are collapsing both globally and locally. The men and women who ply our waters harvesting lobster, glass eels, groundfish, herring, shellfish, countless other species, and farming aquacultured products are the very backbone of our rural coastal economy. American lobster is the most valuable single-species fishery in the country – contributing \$1.5 billion to the Maine economy. We strongly urge you to marshal the resources of the federal government to provide tools that will help our seafood industry survive this unprecedented moment. This includes but is not limited to: direct financial assistance; subsidies; operating loans or loan deferment; modifications to existing programs to make them more accessible to fishing and seafood businesses.

Maine Workers

1. The Disaster Unemployment Assistance (DUA) program is critically important when a state declares a "major disaster" and requests emergency assistance approval by the President that includes a request by that state's Health and Human Services Department. The definition of "major disaster" is found in the Stafford Disaster Relief and Emergency Assistance Act, Section 102. Definitions (42 U.S.C. 5122). For Maine, DUA would provide valuable relief for many self-employed individuals and independent contractors who are not eligible to file for or are otherwise ineligible to receive unemployment benefits. Maine's many self-employed individuals now find themselves unemployed as a direct result of Covid-19. Lobstermen, barbers, hair stylists, restaurant and bar owners, and many small business owners are a few examples of who would benefit from DUA during the COVID-19 pandemic.

Thank you for your consideration of these requests. As this pandemic continues to unfold, additional priorities may be identified, and I will continue to stay in contact as these developments occur. In these challenging and uncertain times, I am grateful for all that you do, and I look forward to continuing our work together on behalf of our State and its people.

Sincerely,



Janet T. Mills
Governor