

STATE OF MAINE Office of the Governor 1 STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

November 25, 2020

The Honorable Susan Collins United States Senate 413 Dirksen 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 Angus King **United States Senate** 133 Hart Senate Office Building Washington D.C. 20510

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

Dear Senators Collins and King and Representatives Pingree and Golden:

I write today to update you on my Administration's response to COVID-19 and to request the maximum amount of Federal support to Maine amid this global pandemic.

Thanks to your dedicated efforts that resulted in over \$7.4 billion in Federal COVID-19 support to Maine and Maine families over the last eight months, Maine's strong virus response, and our good, bipartisan fiscal management, State revenue loss has been less severe than anticipated – for now at least – though revenues remain well below prepandemic figures. As Federal pandemic relief sunsets next month – well ahead of any victory against the virus – continued and increased funding will be necessary to support Maine families in the coming year.

With Maine's Federal COVID-19 monies, we have: improved access to Medicaid, offered extensive pass-through support for the Paycheck Protection Program, safely reopened Maine's public education system, enhanced childcare resources, committed more than \$200 million for direct grants to the state's small businesses, purchased PPE, supported health and safety within congregate living settings, dedicated \$30 million to frontline healthcare organizations across Maine, empowered municipalities to deploy public health and prevention programs, provided more than \$21 million to support Maine renters, launched efforts to combat racial disparity, purchased and deployed vital laboratory testing infrastructure, and ensured the viability of Maine's unemployment insurance trust fund, among so many other efforts. Maine has committed nearly all of our \$1.25 billion CRF to the these and other efforts.

In spite of this support and our bold action to control the virus, Maine has experienced a 1,451 percent increase in initial unemployment claims since March, depleting Maine's Unemployment Trust Fund substantially; wages and salaries have fallen by more than 29

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percent; and the state's real GDP has declined by more than 34 percent in the second quarter, all while iconic Maine industries in the paper, maritime, and culinary sectors – among others – are struggling. Further, the pandemic has exacerbated existing inequalities along demographic lines, which will place additional demands on our educational and social service programs. Like the virus itself, our economic future is highly uncertain and rapidly changing.

Forecasts indicate that State General Fund revenues will decrease by more than \$255 million through FY2021 and by another \$395 million in the next biennium, jeopardizing school funding, children's services, public safety, and other vital programs.

It would have been nearly impossible to make it this far without Federal support. Unfortunately, with the virus continuing unabated, Federal funding has expired or is about to expire. Flexibility for funding already awarded and additional federal funds are both crucial as we combat this virus well beyond the CRF's December 30 expiration date.

We are looking straight into the eyes of a perfect storm: evaporation of the funding used for our COVID-19 testing infrastructure, diminished supply of testing materials, inadequate support for vaccine deployment, and inequitable distribution of the vaccine. The continued operation of Maine's network of COVID-19 testing locations and laboratories, currently supported in large part by CRF and other portions of the CARES Act, will be necessary well beyond the expiration of funding in 2020. The Federal government has been providing crucial in-kind support to Maine – such as the supply of rapid Abbott ID NOW and BinaxNOW tests – that has been essential to our response to COVID-19. Yet the supply has diminished and will end by December 31. Continuing that support uninterrupted will be critical as cases rise, hospitalizations increase, and medical staff are overburdened.

We are actively engaged in vaccine planning. And while we are thrilled that distribution could be implemented as early as mid-December, Secretary Azar has indicted that the state component of this effort (e.g., planning, training, public health nurse vaccine administration) will not be fully funded and must be supported within existing State revenues.

Perhaps most alarming of all: Maine's initial allocation of the COVID-19 vaccine – 12,675 – falls well short of our fair share. I implore you to support both improved vaccination funding to states as well as a more equitable distribution of these doses.

In addition to public health support, Federal monies are instrumental in preventing our neighbors from falling victim to the other perils of this deadly virus: academic decline, economic hardship, homelessness, food insecurity, and emotional health challenges. With additional Federal support Maine could offer continued assistance to populations in need – including small business owners, the unemployed, and minorities – and to Maine's public schools which have relied upon Federal funding pass-throughs to retrofit facilities and improve staffing ratios during these extraordinary times. Your efforts will remain a crucial component of our virus response well into the coming academic term and longer

as communities across our state work to rehabilitate their economies and keep their schools safe and open.

As you consider a new Federal budget package before the Continuing Resolution expires on December 11, I urge you in the strongest terms to provide maximum pandemic support and relief for Maine people. Your support at the onset of this pandemic was instrumental to our survival and your continued support is equally critical.

Sincerely,

Janet T. Mills

Governor