

February 24, 2021

The Honorable Congressman Raul Ruiz, M.D.
2342 Rayburn HOB
Washington, DC 20515

Re: American Rescue Plan (ARP)

Congressman Ruiz,

The Greater Coachella Valley Chamber of Commerce (GCVCC) is writing you to voice our support for bipartisan legislation that offers additional pandemic relief to speed up vaccinations and to support families, employers, and communities until we achieve immunity levels that allow for a safe and full reopening of the Coachella Valley and surrounding regional economy.

The economic impact from the COVID-19 pandemic has been incredibly uneven. Some sectors are thriving, such as those where work can be done remotely, or national “big box” chains that have stayed open through the duration of the crises. Employees and employers in other sectors such as travel and tourism, events, boutique retail, and restaurants, all segments that are key to the Coachella Valley economy, continue to suffer and need urgent additional aid. The uneven recovery is also manifesting itself in the financial health of local governments, which varies greatly based on local economies and sources of revenue. This has been especially true here in our valley. As you are aware our local cities have vastly different revenue streams, access to capitol and reserves, and population needs.

Failing to take these differences into account in crafting a pandemic relief bill risks accumulating unnecessary debt and undermines public confidence. In addition, failing to appropriately target relief in the bill wastes resources that could be used to support other priorities such as infrastructure and job reskilling.

There are many commendable provisions in the American Rescue Plan (ARP), especially with respect to supporting vaccinations, public health, and hard-hit sectors including restaurants and transportation. Other provisions of the ARP, while addressing critical areas, are not well targeted and would benefit from revision. There is one particularly noteworthy provision, the increase in the minimum wage to \$15, that has no place in a pandemic relief package and should be removed immediately. Our opposition to the federal adjustment to minimum wage does not stem from any additional competitive imbalance, in fact an argument could be made that a federal minimum wage that is more in-line with California’s own minimum wage requirements would help California businesses compete nationally, but rather from the fact that the provision is likely to act as a “poison pill” to bipartisan support of the plan.

Too much of the debate to date around the ARP has been about the overall size of the package and the differences between proposals by Republicans and Democrats. On core elements of getting urgent aid to people, families, and businesses that need it most, we would hope there is more in common among Members of Congress than there are disagreements. Rather than letting the size of the package drive the policy, lawmakers should get the policy right and let that determine the overall cost.

The previous five pandemic relief bills have all passed with large bipartisan majorities. Unfortunately, the divisive tool of reconciliation currently being implemented does not encourage genuine bipartisan cooperation, nor does it set the tone for working together on other legislative priorities, such as infrastructure, immigration reform, and climate change.

The GCVCC encourages your office to focus on the following key areas that represent the largest areas of spending in the ARP:

School Funding: There is wide agreement that schools should reopen to in-person learning. There is disagreement about whether the additional resources provided in the ARP are necessary to remove barriers to reopening. Congress should require that other than the money set aside to address learning loss, funds can only be used for expenses directly related to reopening schools or measures necessary to combat the spread of COVID-19 while conducting in-person learning. States and localities will still control reopening, lack of funds will not be barrier, but lawmakers can also be assured that funds will not be used for other purposes.

State and Local Aid: The data is clear, there is wide variation in the revenue loss resulting from COVID; and the makeup of local economies and revenue structures appears to be the driving factor. Failing to provide aid to distressed states and localities risks compounding the economic downturn, but assistance should be targeted.

Unemployment Assistance: There is broad agreement that unemployment assistance needs to be extended beyond the March 14 expiration, but disagreement centers on the length of the extension and the amount of the weekly supplemental benefit. Hard hit families in the Coachella Valley are not particularly concerned with these nuances, through the chamber certainly acknowledges the need for prudent financial management of spending. We trust whatever compromise is required, within reason, it can be found to extend help to our community that remains in a very restrictive reopening tier with many jobs compromised.

Stimulus Payments: Some business organizations have proposed potential compromise on stimulus payments that would have sliding scales and reduced payments. The GCVCC does not support this approach. The previous administration vocally supported \$2,000 stimulus checks based on prior thresholds (\$75K/\$150K). President Biden was also clear when he spoke to the American people and stated his own support for \$2,000 stimulus checks, stating that they would be sent out to Americans right away if Democratic control of the Senate was achieved. That happened, it is now time to deliver on that promise. In what many consider to be “slight of hand”, the payments have already been reduced to \$1,400. Congress and the President should not let their creative interpretation go any further than that – let’s get the stimulus checks out using the pre-established formulas as promised.

The GCVCC also continues to urge you to act on protections for businesses, schools, and non-profit organizations from unfair COVID-19 related lawsuits. Such protections are especially important as businesses and schools try to reopen and heed the President’s call for face coverings and other protective steps -- entities should not have to worry that their actions will invite costly and unnecessary litigation.

There are reasonable steps that would ensure that the American Rescue Plan is targeted, timely, and temporary and meets the needs of our local community. The GCVCC is eager to support such a package and urges your office to work in a bipartisan manner to advance the relief the American people need.

Sincerely,



Joshua R. Bonner, IOM
President and CEO
Greater Coachella Valley Chamber of Commerce