



CLARK COUNTY COUNCIL

Eileen J. Quiring, Chair
Temple Lentz, Julie Olson, John Blom, Gary Medvigy

1300 Franklin Street
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June 11, 2020

Governor Jay Inslee
Office of the Governor
Sent via email

Dear Governor Inslee:

In the initial disbursement of CARES Act funds to local governments with a population less than 500,000, Clark County received \$26.8 million. We sincerely appreciate these funds, and have used them for a myriad of critical investments in public health and governmental services in response to the COVID-19 pandemic. However, the financial need far outpaces the \$26.8 million dollar appropriation. We are writing to request your assistance in disbursing the remainder of the CARES Act funding as directed by the U.S. Department of Treasury guidance. Pursuant to the CARES Act, the state may retain 55% of the CARES Act funds, while the remaining 45% are reserved for smaller local governments (those under 500,000 that did not receive a direct federal appropriation). These funds for smaller local governments are intended to be distributed at the same per capita allocation as was given to larger local governments; this has not happened in Washington state. Under the DOT guidance, Clark County should receive \$88.3 million. The full and complete appropriation to smaller local governments is critical to ensuring every corner of Washington state, including Clark County, has the greatest resources possible under the CARES Act to fully respond to the immediate public health needs and economic consequences of the COVID-19 pandemic.

In passage of the CARES Act, the federal government intended for local government funds to be allocated on a per capita basis. While the appropriation methodology is different for local governments over 500,000, the funding level is intended to be equal. The May 28th guidance from the Department of Treasury states, "...States should transfer funds to local governments with populations of 500,000 or less, using as a benchmark the per capita allocation formula that governs payments to larger local governments. **This approach will ensure equitable treatment among local governments of all sizes.**"

To date, Washington state has not followed these DOT requirements. Only 30% of the CARES Act funds intended for smaller local governments has been appropriated. **The result is a loss of \$61.5 million in funds to Clark County government, and \$79.4 million to all local governments in Clark County including cities.**ⁱ To demonstrate the inequity between jurisdictions over 500,000 and those under 500,000:

	<u>Spokane County</u>	<u>Clark County</u>
<u>Population</u>	523,000	488,000
<u>CARES Act funding</u>	\$91.2 million	\$26.8 million



In other words, even though Spokane County’s population is only 7.2% larger than Clark County’s, Spokane County received 3.4 times the CARES Act funding. This is not an “equitable treatment among local governments...” as is required by the DOT guidance.

The inequity in CARES Act funding is about more than just a number. It is about ensuring that every citizen in the state is covered by the same level of CARES Act funding, regardless of where they live. These funds are required to fund immediate needs in Clark County, ranging from critical public health services, to support for our vulnerable populations, and to assistance for our small businesses negatively affected by the COVID-19 pandemic.

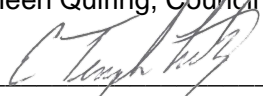
Clark County, and all local governments under 500,000 in population, would like to see these funds appropriated quickly and put to direct use in our communities. Returning these funds to the federal government would be unacceptable; there are critical needs in Clark County and across the state today.

We look forward to hearing from you soon regarding how we can move forward with obtaining the unallocated funding designated by DOT for Clark County.

Sincerely,



 Eileen Quiring, Council Chair



 Temple Lentz, Councilor District 1



 John Blom, Councilor District 3



 Julie Olson, Councilor District 2



 Gary Medvigy, Councilor District 4

ⁱ The chart below shows the revenue received by the cities in Clark County versus the revenue they should receive per the US DOT guidance:

<u>Local Government</u>	<u>Amount Received</u>	<u>Amount Per DOT Guidance</u>	<u>Difference</u>
Clark County	\$26,867,500	\$88,354,416.50	\$61,486,916.50
City of Battle Ground	\$645,600	\$2,123,071.04	\$1,477,471.04
City of Camas	\$722,700	\$2,376,616.24	\$1,653,916.24
City of La Center	\$102,150	\$335,922.72	\$233,722.72
City of Ridgefield	\$266,850	\$877,542.61	\$610,692.61
City of Vancouver	\$5,599,000	\$18,280,904.49	\$12,721,904.49
City of Washougal	\$495,000	\$1,627,819.34	\$1,132,819.34
City of Woodland	\$25,000	\$25,000.00	\$0.00
Town of Yacolt	\$54,150	\$178,073.57	\$123,923.57