

[DATE]

The Honorable Ron Wyden
United States Senate
Washington, DC 20510

The Honorable Jeff Merkley
United States Senate
Washington, DC 20510

The Honorable Peter DeFazio
U.S. House of Representatives
Washington, DC 20515

The Honorable Earl Blumenauer
U.S. House of Representatives
Washington, DC 20515

The Honorable Greg Walden
U.S. House of Representatives
Washington, DC 20515

The Honorable Kurt Schrader
U.S. House of Representatives
Washington, DC 20515

The Honorable Suzanne Bonamici
U.S. House of Representatives
Washington, DC 20515

Dear Senators Wyden, Merkley, and Representatives DeFazio, Blumenauer, Walden, Schrader and Bonamici,

The global COVID-19 pandemic has turned the lives of Oregonians and the public institutions we rely upon upside-down. Over the past two months, our focus has been to ensure the health and safety of Oregonians as we quickly adapt to a reality of remote and restricted operations.

We have significant concern about the impact of this crisis on Oregon's state budget. Oregon's revenue structure is heavily reliant on personal income tax, comprising about 85 percent of the state general fund. With unemployment soaring past levels of the Great Recession, the projected loss to state revenue is extreme. Additionally, revenues from the Oregon Lottery, which funds programs from K-12 Outdoor School to veteran's services, has all but evaporated. Recently, state agencies were asked to model a 17 percent cut, across the board, to FY21 budgets. We expect more of these models to inch towards reality as state economists develop a better sense of the overall revenue forecast in Oregon. While the onset of the COVID-19 pandemic challenged our health systems and community resilience, the next phase will challenge our state decision-makers to maintain a balanced state budget during a time of high need and limited resources.

As a cross-sector representation of [public education, healthcare, human services, public employees, local government, public safety, natural resource and economic development programs], our organizations and the Oregonians we serve will be directly impacted by any cuts made to the state budget. The social and economic value of the programs we operate, work for and participate in are incalculable to the lives of Oregon's students, teachers, health care providers, first responders, and many others. Cuts of the magnitude that state leaders are currently forced into considering would have a dramatic impact on our ability to provide quality education, critical services and stable employment, which often affects the most vulnerable Oregonians.

We are grateful for the emergency funds made available to individual Oregonians and the state of Oregon in the CARES Act, they made a difference. But CARES funds do not allow states to offset revenue shortfalls caused by the COVID-19 pandemic. We call on Congress to include a \$1 trillion state and local

government stabilization fund in the next coronavirus aid package, which will provide states flexibility to dedicate funds based on needs for economic stabilization and recovery.

In the absence of federal support for state and local governments to make-up the revenue losses incurred by the COVID-19 pandemic, the State of Oregon could be putting vital services and populations at risk. All of Oregon will suffer if this shortfall is not addressed.

Sincerely,

[Organizations]

cc: Governor Kate Brown
Senate President Peter Courtney
House Speaker Tina Kotek