

The Honorable Martha McSally  
United States Senate  
404 Russell Senate Office Building  
Washington, DC 20510

July 22, 2020

Dear Senator McSally:

For nearly 25 years, the Arizona Basic Needs Coalition (BNC) has promoted sustainable policy solutions that support all Arizonans to build and maintain physical, emotional, and economic well-being at every phase of life. Together, the undersigned organizations have worked tirelessly from the outset of the COVID-19 pandemic to respond to the unprecedented demand for food, shelter, healthcare, and financial assistance statewide. But Arizonans urgently need more support from Congress.

As you know, Arizona's COVID-19 cases have spiked sharply in recent weeks, [reaching more than 150,000 on July 22](#). With the ongoing increase and measures taken to protect people's health, an unprecedented number of people have not had enough income to put food on the table, pay rent, or meet their basic needs. Nearly half of Arizona's households (44 percent) include someone who [lost employment income](#) between March 13 and June 23. A staggering number of people remain unemployed (more than during the peak of the Great Recession), including many with uncertain job security or safety during re-opening.

The economic impact of COVID-19 in Arizona is also reflected in plummeting state revenues, with a projected shortfall of \$190 million in FY2020 and a combined shortfall of \$1.5 billion over FYs 2021, 2022, and 2023, according to the Joint Legislative Budget Committee's [June 2020 Budget Update](#). That does not include reduced revenues to Arizona's local governments. Without Congressional action, Arizona will be forced to make deep cuts in vital programs and education, which means fewer teachers and healthcare workers and less access to crucial services needed to help people recover and move forward.

We appreciate your affirmative vote on the CARES Act, which made hundreds of thousands of Arizonans safer and more financially secure. But we know the economic effects of the pandemic will outlast the public health emergency, and the necessary action to support Arizonans should match the duration and severity of these circumstances. Below are some of our most urgent priorities.

- **Impact to Food Security:** An estimated 1.3 million Arizonans will face hunger this year, many for the first time. Arizona's [network of food banks distributed 52.5 million pounds of food](#) (40 million meals) in March, April, and May—16 percent more than last year at this time. But for every one meal a food bank can provide, the Supplemental Nutrition Assistance Program (SNAP) can provide up to nine. SNAP is a lifeline for Arizonans, especially children, as well as a boost to the local economy. *We urge Congress to increase the maximum SNAP benefit and raise the minimum benefit from \$16 to \$30.*
- **Impact to Housing:** As a result of COVID-19, nearly [22 percent of Arizonans are housing insecure](#) because they missed last month's rent or mortgage payment. The Department of Housing has received over [18,000 requests for the COVID-19 Rental Assistance Program](#). Even with additional state and local resources, continued high unemployment will make it impossible for people to make up unpaid back rent once the partial moratorium expires. People who are homeless and contract coronavirus are twice as likely to be hospitalized, two to four times as likely to require critical care, and two to three times as likely to die than others in the general public, according to the National

Low-Income Housing Coalition. *We urge Congress to support a significant investment in rental assistance for extremely low-income people who are homeless, at risk of homelessness, or fleeing domestic violence. We also ask that Congress support shelters to manage demand by increasing the Emergency Solutions Grant. Lastly, we ask that you strengthen the federal low-income housing tax credit to alleviate the lack of affordable housing that continues to plague our state.*

- **Impact to Child Care:** Only 1,000 of the 2,500 licensed child care facilities in Arizona are operational, and many more will be out of business within months. As the economy reopens, investments in paid leave and child care are essential to help parents return to work. *We urge Congress to provide the additional dedicated and substantial investments needed to stabilize child care and early learning so that the essential child care workforce can continue to support children, families, and Arizona's economy throughout the duration of the COVID-19 crisis and recovery.*
- **Impact to Health:** COVID-19 has created an enormous demand for health services while simultaneously decreasing the capacity of frontline workers and state programs to provide those services. As unemployment soars, families are losing access to employer-sponsored health coverage at a time when it's more important than ever. The economic impact to our state's budget makes it untenable to support increased caseload for Medicaid and the Children's Health Insurance Program (CHIP), which is particularly vulnerable to cuts or enrollment freezes. What's more, should the Medicaid Fiscal Accountability Rule (MFAR) be implemented as proposed, many of the pathways Arizona uses to fund its share of Medicaid could be deemed unacceptable, thereby decimating the state's ability to fund many critical health services. Additionally, the pandemic poses a significant threat to recovery for those with mental health or substance use disorders, and to the already limited behavioral health provider workforce. While increased tele-health options are available, limited broadband and an approaching end to provider compensation that matches in-person services makes them inequitably accessible statewide. Without additional emergency funding, we anticipate further overcrowding of hospital emergency departments and spikes in healthcare costs. *We urge Congress to support an increase in emergency funds for behavioral health providers and child abuse prevention and treatment as well as an increase in the federal Medicaid match to at least 12 percent to alleviate the burden on our state's Medicaid and child welfare agencies. Additionally, the "maintenance of effort" provisions in the Families First Act should be extended to states with separate state CHIP programs, including Arizona, and any legislation should block implementation of the MFAR rule.*
- **Impact to Employment:** [Arizona's unemployment rate was 10 percent in June](#), which is twice as high as prior to the pandemic. With one of the lowest Unemployment Insurance rates in the country, Arizona will be hard-pressed to support families in dire financial circumstances without additional action by Congress to continue pandemic unemployment benefits. *We urge Congress to prioritize cash aid similar to the \$1,200 Economic Impact Payments made earlier this year, but better targeted toward people with lower incomes and expanded to families with spouses or children with ITINs. We also ask that Congress improve the Earned Income Tax Credit and Child Tax Credit to help sustain families starting next year. Further, we suggest that a \$10 billion TANF Emergency Fund would allow states to address the needs of their poorest families, including providing subsidized jobs.*
- **Impact to Older Adults:** Older adults are one of the groups most impacted by COVID-19, with approximately 75 percent of all people who have died from the illness ages 65 and older. The Area Agencies on Aging (AAAs) are critical to allowing older adults to stay at home and physically distance by providing much-needed prepared meals, groceries, and other in-home services. The AAAs are the long-term care ombudsmen in Arizona, ensuring that residents of long-term care facilities have their

voices heard and rights represented. Many older adults also rely on Lifeline phones and need expanded minutes to safely access healthcare professionals, caretakers, and others during the pandemic. *We urge Congress to appropriate additional funds to the Older Americans Act to ensure that critical services can continue to help older adults stay at home and physically distance.*

We ask that you prioritize the needs of low-income Arizonans in the fourth-phase coronavirus relief package and invite you to a virtual Town Hall to talk about people’s experiences during the pandemic. Please contact Angie Rodgers at [angie@azfoodbanks.org](mailto:angie@azfoodbanks.org) about your availability for a call next week.

Sincerely,

**Arizona Basic Needs Coalition**

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| Arizona Center for Economic Progress                | Arizona Housing Coalition                               |
| Arizona Coalition to End Sexual & Domestic Violence | Children’s Action Alliance                              |
| Arizona Council of Human Service Providers          | National Association of Social Workers, Arizona Chapter |
| Arizona Early Childhood Education Association       | Pima Council on Aging                                   |
| Arizona Faith Network                               | WHEAT – (World Hunger Education, Advocacy & Training)   |
| Arizona Family Health Partnership                   | Wildfire: Igniting Community Action to End Poverty in   |
| Arizona Food Bank Network                           | Arizona   |

**Partners**

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| Ability 360                                   | Local First Arizona Foundation                  |
| Arizona Alliance for Community Health Centers | Lutheran Social Services of the Southwest       |
| Arizona Alliance for Retired Americans        | March of Dimes                                  |
| Arizona Justice Center                        | Mi Familia Vota                                 |
| Arizona Peer and Family Coalition             | Mohave Mental Health Clinics, Inc.              |
| Asian Pacific Community in Action             | Neighborhood Ministries, Inc.                   |
| Bread for the World                           | A New Leaf                                      |
| Chicanos Por La Causa                         | Our Family Services                             |
| Child and Family Support Services             | Pilgrim Rest Foundation, Inc.                   |
| Coconino County Board of Supervisors          | Pinnacle Prevention                             |
| Community Alliance Against Family Abuse       | Progress Arizona                                |
| Community Bridges, Inc. (CBI)                 | Resilient Health                                |
| Community Food Bank of Southern Arizona       | Rio Salado Behavioral Health Systems, Inc.      |
| Community Health Associates                   | Sahuarita Food Bank & Community Resource Center |
| Community Medical Services                    | Society of St. Vincent de Paul, Phoenix         |
| Cornucopia Community Advocates                | Sojourner Center                                |
| Crisis Response Network                       | Sonoran Prevention Works                        |
| Desert Palm United Church of Christ of Tempe  | Sun Produce Cooperative                         |
| Duet: Partners in Health and Aging            | United Church of Christ, ASU Campus Ministry    |
| Flagstaff Family Food Center                  | United Food & Commercial Workers Local 99       |
| The Haven                                     | Valley of the Sun United Way                    |
| Human Resource Training, Inc.                 | Vitalyst Health Foundation                      |
| ICM Food & Clothing Bank                      | William E. Morris Institute for Justice         |
| Jewish Family and Children’s Services         | Women’s Foundation of Southern Arizona          |
| Living Faith Christian Center                 | Women's Health Coalition of Arizona             |