

United States Senate

March 20, 2020

Senator Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

Senator Chuck Schumer
Democratic Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Leader McConnell and Leader Schumer:

As the U.S. Senate works on a potential third COVID-19 package, I urge you to focus on addressing the effects this crisis is having on mainstreet businesses, rural communities, working families and institutions of higher education. I am spending many hours a day calling Montanans to directly hear about how COVID-19 is impacting Montana communities and gather their good ideas. Montanans stand ready to do their part. I ask that as we address the urgent health care crisis facing our nation, we also provide targeted assistance to the pillars of all of our communities as outlined above.

Montana's state government, localities, and tribal nations are stepping up to help Montana communities, but they cannot carry this burden alone. These entities are using all of their tools to help mainstreet businesses and working families, but most local and tribal governments do not have enough room in their budgets to tackle a crisis of this magnitude. Congress must ensure that these governments have adequate access to funding and the ability to borrow. The state of Montana and many local governments already have the infrastructure and economic development partnerships to effectively and quickly get help to communities. The more we leverage that expertise, the more successful these efforts can be.

Montana's small and mid-sized businesses are facing significant economic challenges because of the necessary steps being taken to contain this pandemic. We should be working with regulators to ensure financial institutions are able to work with small business borrowers and provide flexibility during these extraordinary circumstances. There are existing successful programs that should be expanded and examples from previous emergencies that can be replicated. Following the financial crisis, the State Small Business Stabilization Initiative (SSBCI) was incredibly successful in efficiently getting money from states to economic development partners. A similar SSBCI program should be developed for this crisis and modeled on states that had successful programs after the 2008 financial crisis. There is no better example than the work the state of Montana and our Community Financial Development Institutions (CDFI) did to swiftly get SSBCI funds into the hands of mainstreet businesses. As we look to help small businesses, we must lead on CDFI's experience at getting resources on the

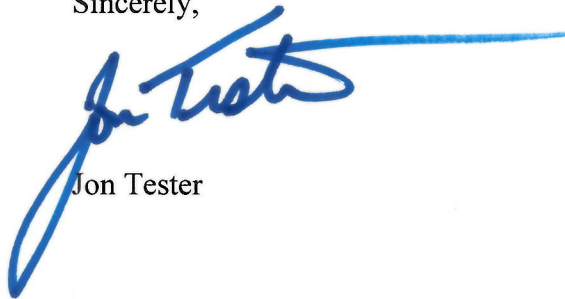
ground to impact economic development, workforce challenges, housing shortages and a variety of other issues facing our communities during challenging times.

The next legislative package Congress considers should build on what we know works. Communities in Montana and across the country would benefit from legislation providing more funding and streamlined requirements for the programs that they have experience using. These include revolving loan funds through the Economic Development Administration, Community Development Block Grants, and programs through the Small Business Administration. Rural America would particularly benefit from special emergency funding periods for programs through the Department of Agriculture, specifically the intermediary relending program. I have heard loud and clear from my constituents that it is critical the resources we provide are able to be used quickly and effectively to support mainstreet businesses and our communities.

As Montana schools, colleges, and universities shut down in response to the pandemic, many education leaders are also facing enormous fiscal challenges that must be addressed both to make up for canceled class time and to equip educational leaders for distance learning. The Montana University System alone will face a shortage of millions of dollars as a result of prorated refunds for campus housing, dining services, and course fees. Postponed athletic events and graduations will mean millions more in losses. In addition to these significant losses, education leaders from kindergarten up to post-doctoral professors and advisors have been forced to adapt lesson plans to online learning platforms. These costs are significant, particularly in school districts that have never utilized online learning. We must prioritize support for education to maintain America's global educational edge.

As the nation weathers this pandemic, I am acutely concerned about the primary issues that I am hearing from Montanans - supporting our workers, businesses, localities, and schools. There are many needs out there, but right now we must target those that are the most impacted. As such, I urge you to take swift action in crafting a bipartisan stimulus package to address these critical concerns. Thank you for your attention to this urgent matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Tester", with a long horizontal flourish extending to the right.

Jon Tester