



State of New Mexico

Michelle Lujan Grisham

Governor

May 20, 2020

The Honorable Peter T. Gaynor
Administrator
Federal Emergency Management Agency (FEMA)
500 C Street, N.W.
Washington, DC 20472

Through: Regional Administrator Tony Robinson
FEMA Region VI
600 N. Loop 288
Denton, TX 76209

Dear Administrator Gaynor:

I write to respectfully request that FEMA waive all cost-sharing requirements for assistance under President Trump's Major Disaster Declaration for the State of New Mexico, 4529-DR, for the State's response to the pandemic caused by the novel coronavirus disease 2019 (COVID-19).

Under the regulations promulgated pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207 (the Stafford Act), FEMA may waive cost-sharing requirements and increase the federal cost-share to 100% for emergency work, including direct federal assistance, "if warranted by the needs of a disaster." 44 CFR § 206.47(d). It is appropriate and warranted under the current circumstances—a global pandemic with far-reaching consequences for New Mexico's public health, economy, and society—that the federal government provide full resources and support to the State of New Mexico's response and relief efforts connected with COVID-19.

The President and the federal government have already recognized the extreme and unprecedented magnitude of the COVID-19 disaster both nationally and locally. On January 31, 2020, Secretary of the United States Department of Health and Human Services Alex M. Azar II declared a public health emergency throughout the United States due to COVID-19. On March 13, 2020, President Trump issued a nationwide emergency declaration due to the COVID-19 pursuant to Section 501(b) of the Stafford Act based on his determination that "an emergency exists for which the primary responsibility for response rests with the United States because the emergency involves a subject area for which, under the Constitution or laws of the United States, the United States exercises exclusive or preeminent responsibility and authority." 42 U.S.C. § 5191(b). I appreciate that determination and agree with the President on that point wholeheartedly. In further recognition of the local and national effects of COVID-19, President Trump then issued a Major Disaster Declaration for the State of New Mexico on April 5, 2020.

The State of New Mexico has also acted quickly to combat the spread of COVID-19 and to mitigate its potentially devastating effects. That is why I declared a state of public health emergency on March 11, 2020, the date that the first COVID-19 cases were confirmed in our State. That emergency declaration has allowed the State to divert resources and funding, including tens of millions of dollars of emergency funding, to mobilize a rapid and comprehensive response to the COVID-19 public health crisis. Indeed, as of May 8, 2020, the State estimated that it had expended approximately \$90 million in COVID-19 response and relief efforts. That amount will continue to grow.

Our local communities in New Mexico, including the sovereign tribal governments in our State, have also acted quickly and dedicated significant resources to fighting COVID-19. Local governments are in the process of gathering documentation to submit to FEMA for project reimbursement; while the magnitude of the submissions is unknown, we do know that over 100 New Mexican entities have registered with FEMA to submit projects and we anticipate that number to double within the coming months.

Although the quick reactions of state and local authorities have undoubtedly saved lives in New Mexico, our resources are already strained by a public health crisis of unprecedented magnitude in modern times. The initial federal cost-sharing and direct federal assistance that was authorized under the Stafford Act, including Emergency Protective Measures (Category B), has been set at 75%.

We are grateful that FEMA has authorized this level of cost-sharing, but in the long-term it will not be enough. Early projections predict revenue shortfalls in the billions for the State in each of the next few fiscal years. Unfortunately, COVID-19 has already had significant negative effects on the health, economic prospects, and wellbeing of New Mexicans and we expect that its impacts will be felt in years to come. That is why I am reiterating my request for 100% federal cost-sharing for New Mexico's COVID-19 response effort, which I first made in my letter to President Trump requesting a Major Disaster Declaration on April 2, 2020.

While our state and local response efforts have been robust, COVID-19 threatens severe and long-lasting impacts in the State of New Mexico that a federally-funded response could help to alleviate. Only 100% federal cost-sharing can maximize the opportunity to create a coordinated and flexible response by the states and the federal government to combat COVID-19, minimize its impacts, and help all Americans through this difficult time. Without additional federal assistance, state resources will continue to be strained at an unsustainable level. That is why I respectfully ask that you waive the FEMA cost-sharing requirements for the State of New Mexico and increase the federal cost-share to 100%. Thank you for your partnership and for your consideration of this request.

Sincerely,



Michelle Lujan Grisham
Governor of New Mexico