



GREATER FORT BEND
ECONOMIC DEVELOPMENT
COUNCIL

April 30, 2020

The Honorable Ted Cruz
U.S. Senator
127A Russell
Washington, DC 20510

Dear Senator Cruz,

As you contemplate additional efforts to provide necessary relief related to the COVID 19 crisis I would implore you and your colleagues to tackle two essential issues soon.

First, we need clear guidance on indemnity for employers who have remained open or begin to reopen their business during this crisis. Businesses have hard enough decisions to make concerning maintaining or resuming operations, compliance with State and local regulations and still managing to pay the bills without the threat of lawsuits hanging over their heads. They should not face legal jeopardy from threat of lawsuits from employees or customers in the event an incident is traced to their business based on continuation or resumption of operations in compliance, or as a result of relaxation of, Emergency Orders enacted. This is an important measure to provide protection to an already fragile system as businesses grow their operations to get our economic engine working again.

Second, we must find practical solutions to address shortfalls in municipal operating budgets across the State and Nation. These entities provide critical services and have also been deeply impacted by the collapse of consumer spending caused by the worldwide and unexpected outbreak of the COVID 19 pandemic. Many have a high dependence on sales tax revenues as an essential part of their operating budgets and have been deeply impacted by the crisis.

I have proposed a simple yet effective means of addressing this issue. You simply take last year's actual sales tax receipts received in April - May compared to this year's COVID 19 impacted sales tax receipts for the same period and make up the difference for 2 months. This avoids all the political concerns about bailouts for prior and unrelated fiscal mismanagement, pension liability and extraneous relief requested by some but unassociated with the impacts of COVID 19. It provides 2 months of assistance to sales tax effected municipal governments for their deficits and is similar to assistance already provided to local businesses through the SBA PPP program in many cases. Most importantly, it can be centrally administered at the State Comptroller\Treasurer level to assure compliance and audit oversight.

While we understand this proposal does not cover all economic loss municipalities are experiencing such as fees, expected growth, etc. We believe this is a welcome and modest step forward in relief. It is measured, easily quantifiable and practical.

We recognize both issues are being discussed in Congressional circles as part of future relief efforts. I would encourage you to take up both issues sooner rather than later. Businesses are already opening around the country and will be objects of attack in the event the virus does not dissipate. In our discussions with our local municipalities, we also understand some are in critical need of assistance in as soon as 45-60 days. Lack of action will certainly impair services to constituents, cause hiring freezes and may result in furloughs in the near and long term.

As always, we are grateful for your help and representation of our great State. Please contact me if you have any questions or we can be of assistance to you in your efforts to address this critical assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey C. Wiley". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Jeffrey C. Wiley
President/CEO
Greater Fort Bend EDC