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J. LUIS CORREA
46TH DISTRICT, CALIFORNIA
Congress of the United States
House of Representatives
Washington, DC 20515

February 28, 2024

HOUSE DEMOCRATIC CAUCUS
SENIOR WHIP
HOUSE COMMITTEE ON HOMELAND SECURITY
RANKING MEMBER, SUBCOMMITTEE ON BORDER
SECURITY, FACILITATION, AND OPERATIONS
SUBCOMMITTEE ON INTELLIGENCE
AND COUNTERTERRORISM
HOUSE COMMITTEE ON THE JUDICIARY
RANKING MEMBER, SUBCOMMITTEE ON THE
ADMINISTRATIVE STATE, REGULATORY REFORM,
AND ANTITRUST
SUBCOMMITTEE ON IMMIGRATION INTEGRITY, SECURITY,
AND ENFORCEMENTS

Dear Mr. Nelson,

Thank you for reaching out about the Affordable Connectivity Program and its impact. I greatly appreciate hearing from you and welcome the opportunity to answer your questions.

As I'm sure you know, the Affordable Connectivity Program has played a large role in bridging the digital divide for families in our community. The program has made high-speed internet more affordable, enabling access to vital services like telehealth, remote work, and online education. Thanks to this initiative, we've been able to reduce broadband costs by approximately \$17 million annually for 47,000 households in our district. However, the program is currently winding down; it is no longer accepting new applicants and current beneficiaries will receive benefits until the program's funding runs out in April 2024. Currently, and unfortunately, there is no clear path for its reauthorization in Fiscal Year 2024.

But let me be clear: I remain committed to advocating for the continuation of this program, because of how many people it impacts in our community, and proudly joined over a hundred of my colleagues in urging House and Senate leadership to allocate sufficient funds to prevent the program's lapse and ensure long-term funding. As we await a resolution, there are still options available for our community to keep access to their benefits. Folks can reach out to their internet service provider directly to discuss how the end of the program might impact their bills and to ask about any alternative discount programs they may offer. Additionally, other federally-funded programs provide monthly discounts on phone and internet services, such as the California LifeLine Program. More information on qualifications and the enrollment process for this specific program is available at www.californialifeline.com.

Rest assured, I will keep your concerns in mind as I work with my colleagues in Congress to support the Affordable Connectivity Program and ensure it gets the funding it needs to continue to serve the countless Orange County families who rely on it. In response to your additional request, I have attached a copy of my letter to Attorney General Merrick Garland and Treasury Secretary Janet Yellen to this letter for your reference.

Please continue to reach out to my office with any questions you may have.

Sincerely,



Congressman Lou Correa

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January 31, 2024

The Honorable Merrick B. Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear AG Garland and Secretary Yellen,

I write to express concern regarding allegations of improperly managed public funds from the City of Anaheim (City) by two 501(c)(6) nonprofit entities. On January 30, 2024, the California State Auditor released its audit of the public funds that the City disbursed to the Anaheim Chamber of Commerce (Chamber) and the Anaheim and Orange County Visitor and Convention Bureau (Visit Anaheim).ⁱ In light of these findings, I ask that your agencies investigate this matter in order to determine whether any federal laws were broken, or any federal funds misappropriated.

The audit determined that the City had failed to maintain proper oversight policies that lead to questionable, and possibly illegal, use of funds. Specifically, the audit found that “Visit Anaheim subcontracted with the Chamber to provide work related to promoting Anaheim’s tourism and convention industries. Visit Anaheim did this without the required written permission from the city and absent appropriate oversight from the city.”

The City unnecessarily paid Visit Anaheim \$6.5 million during the COVID-19 pandemic for an economic recovery contract despite the fact that Visit Anaheim already had millions in tourism district assessment reserves, according to the State’s audit. The audit found that the City’s lack of oversight misled Visit Anaheim to award \$4.4 million in taxpayer dollars to the Chamber for unallowable services, including lobbying on proposed federal, state, and local legislation; meeting with elected officials; and supporting resort-friendly candidates through the Chamber’s political action committee.

The source of these funds remains unclear, given that the City reported through its Coronavirus State and Local Fiscal Recovery Funds filing that “[w]e allocated **\$6.5 million** in federal coronavirus assistance dollars to Visit Anaheim, which books events at the Anaheim Convention Center and promotes Anaheim as a place to visit.”ⁱⁱⁱ This fact raises the possibility that federal funds were used for improper political activities.

The findings of the state audit raise serious concerns for my constituents, and the initiation of a federal investigation into this matter is in the best interest of taxpayers. I urgently request that you investigate whether any federal laws were broken by the City, Chamber, or Visit Anaheim.

I thank you for your immediate attention to this issue. If you have any questions, please don't hesitate to reach out to my staff at Ngoc.Nguyen@mail.house.gov.

Sincerely,



J. Luis Correa
Member of Congress

CC: The Honorable Danny Werfel
Commissioner
U.S. Internal Revenue Service
1111 Constitution Avenue NW
Washington, DC 20224

CC: The Honorable Christopher A. Wray
Director
Federal Bureau of Investigation
935 Pennsylvania Avenue NW
Washington, DC 20535

ⁱ California State Auditor, "City of Anaheim: It Has Not Properly Managed Tourism-Related Contracts and Millions of Dollars in Related Funds," January 30, 2024. <https://auditor.ca.gov/reports/2023-133/index.html>

ⁱⁱ "City of Anaheim Recovery Plan State and Local Fiscal Recovery Funds 2022 Report," <https://www.anaheim.net/DocumentCenter/View/45167/Coronavirus-State-and-Local-Fiscal-Recovery-Funds-program-report-July-2022>