

SUPPORT EMERGENCY ASSISTANCE TO STATE AND LOCAL GOVERNMENTS
Urge Leadership to provide additional funding and flexibility for the State and Local Coronavirus Relief Fund

Dear Colleague,

Please join us in requesting additional funding and flexibility for the State and Local Coronavirus Relief Fund in future coronavirus relief packages. State and local government budgets are bearing the burden of additional coronavirus-related costs and diminishing revenue. Congress must provide a replenishment of the Coronavirus Relief Fund and allow recipients of the funding to use funds to replace lost revenue.

The deadline to sign on to the letter is **NOON Thursday, April 9**. To sign on or if you have any questions, please reach out to Collin Davenport in Rep. Connolly's office at Collin.Davenport@mail.house.gov.

Sincerely,

Gerald E. Connolly
Member of Congress

Charlie Crist
Member of Congress

DEAR COLLEAGUE LETTER BELOW:

April XX, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, U.S. Capitol
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy,

We appreciate your leadership and efforts to protect the health and economic well-being of the American people during the COVID-19 pandemic. We fully support the assistance provided to state and local governments in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. We write to request robust further assistance and flexibility for state and local governments in the next coronavirus relief package.

Our first priority must be to ensure the State and Local Coronavirus Relief Fund included in the CARES Act meets urgent needs. The CARES Act provided \$150 billion provided to the Fund, a welcome down payment on the emergency needs of state and local governments. It is clear, however, that states and local governments need more. We request that the Coronavirus Relief Fund receive significant additional funding in future coronavirus relief legislation, including a minimum of an additional \$150 billion in the forthcoming relief package.

Additionally, we have heard concerns from governors, state representatives, mayors, local county officials, and government budget departments that the current \$150 billion in the Fund cannot be used the authorized uses for the Fund could be too restrictive and inhibit the ability to compensate for

revenue lost due to the COVID-19 pandemic. It is precisely due to the implementation of federal guidance on social distancing, quarantine, and isolation that state and local government revenue projections are contracting at an alarming rate. Social distancing policies around the country are meant to limit the spread of COVID-19 and are needed to protect vulnerable populations and avoid overwhelming hospitals. We support these and other public health measures that effectively stem the spread of COVID-19, and do not want federal funding guidelines to disincentivize the continued implementation of necessary efforts to fight the COVID-19 pandemic. The federal government cannot tie the hands of our intergovernmental partners during this crisis. While we support broad guidance from the federal government on proper use of Fund resources, we request a statutory fix to allow explicitly for replacement of lost revenue to be included as an approved use of the Fund. This clarification would allay the concerns of governors, mayors, and counties across the country and allow them to focus on fighting this pandemic on the front lines.

These priorities are by no means a comprehensive list of the urgent needs of state and local governments. For example, it is clear the federal government must do more to coordinate the procurement and distribution of personal protective equipment and COVID-19 testing. We also urge consideration of additional increases to Federal Medical Assistance Percentages for Medicaid funding; increases in the federal cost share of response and recovery efforts carried out by the Federal Emergency Management Agency; and strengthening of the municipal finance market, similar to actions taken in the wake of the 2008 financial crisis with Build America Bonds.

We believe these emergency measures will help our state and local partners with their life-saving efforts to combat the COVID-19 pandemic. We respectfully request that these proposals be given every possible consideration for inclusion in the next coronavirus relief package.

Sincerely,

Gerald E. Connolly
Member of Congress

Charlie Crist
Member of Congress