

May 13, 2020

The Honorable Mitch McConnell  
Majority Leader, U.S. Senate  
317 Russell Senate Office Building  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader, U.S. Senate  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House, U.S. House of Representatives  
1236 Longworth House Office Building  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader, U.S. House of Representatives  
2468 Rayburn House Office Building  
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

As Congress works to deliver the American people an additional COVID-19 response package, we are writing to request flexible long-term and emergency supplemental funding to support state and local governments on the frontlines of the COVID-19 pandemic. Now more than ever, our state and local governments need robust and expedient relief so that we can continue to provide our residents with essential services.

In communities across the National Capital Region, state and local leaders are on the front lines of the public health response – deploying emergency operations, implementing stay-at-home orders, closing non-essential businesses, and other efforts to flatten the curve of new COVID-19 infections. The resulting decline in economic output and the unprecedented surge in unemployment have significantly altered the fiscal outlook for state and local governments in our region. Each of these communities need direct stabilization funds to combat the pandemic and to help foster the economic recovery that lies ahead. We strongly urge Congress to extend eligibility for direct stabilization funds to local governments with populations under 500,000.

According to recent economic projections from the Congressional Budget Office (CBO), states will lose \$650 billion over the next three years from budget shortfalls resulting from the pandemic. Moreover, recent estimates from the National League of Cities (NLC) show that nearly nine in ten cities (98%) with populations between 50,000 and 500,000 expect a shortfall because of the pandemic. These deficits are further compounded by recent data from the National Association of Counties (NACo) which shows that counties are facing a potential \$144 billion impact to our operating budgets through FY2021.

The public health and economic crisis created by this pandemic underscores the need for continuing fiscal aid which accounts for the skyrocketing costs and declining revenues for state and local governments in our region. We believe that expanding the overall amount of relief to state and local governments to \$500 billion in flexible federal funding is necessary to fill immediate budgetary gaps caused by critical revenue losses for essential utilities, highways, and other revenue generating public authorities. When properly funded, these investments promote opportunity and reduce inequities in our communities.

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In the absence of substantial and flexible fiscal relief, state and local governments in our region will likely respond to these enormous budget shortfalls by cutting spending and laying off public employees at a time when our communities are most in need. These layoffs and cuts will dampen the national economic recovery and could cause long-term harm to families and communities. Accordingly, we strongly urge Congress to allocate flexible long-term and emergency supplemental funding to support state and local governments on the frontlines of the COVID-19 pandemic.

We commend your leadership as you work to ensure our communities receive the relief we need to weather this crisis, and we welcome the opportunity to discuss this issue further with your team. If you have any questions, please reach out to COG's Executive Director Chuck Bean at [cbean@mwcog.org](mailto:cbean@mwcog.org) or (202)962-3260.

Sincerely,



Derrick L. Davis  
Chair, Board of Directors  
Prince George's County



Christian Dorsey  
Vice Chair, Board of Directors  
Arlington County



Robert C. White, Jr.  
Vice Chair, Board of Directors  
District of Columbia