

April 27, 2020

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

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

Re: Flexible Stimulus Funds and COVID-19 Relief for Cities and Counties

Dear Speaker Pelosi and Leader McCarthy:

On behalf of the International City/County Management Association's 13,000 members, the city and county managers on the front lines who work with our state and federal partners to respond to the COVID-19 pandemic, I am writing to you to express our appreciation for your efforts to help our nation address this public health and economic crisis.

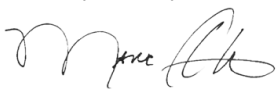
As you know, the fiscal situation is dire for cities and counties that have incurred large, unbudgeted costs to respond to the pandemic at the same time that local government revenues have plummeted. These localities are furloughing employees, imposing hiring freezes, and making plans to lay off employees. Without immediate fiscal aid, they have no choice but to lay off more employees, just when the economy can least absorb a higher level of unemployment.

Much more needs to be done to stabilize the situation and to ensure that our local governments have the basic resources required to protect our communities, including these priorities:

1. Allow all local governments, including those with a population under 500,000, to be eligible to receive direct grants for emergency COVID-19 expenditures. Amend the language in the CARES Act to include COVID-19 revenue shortfalls in the calculations.
2. Waive all federal cost share requirements for FEMA grants. Raising the federal cost share has been done after many major disasters, including Hurricane Sandy (2012), the flooding in Louisiana (2016), and Hurricane Irma (2019).
3. Make state and local governments eligible for the emergency paid leave tax credits that were provided to the private sector in the Families First Coronavirus Response Act.
4. Restore Advance Refunding of Tax-Exempt Bonds (H.R. 2772): Restoring the ability for governments and other qualifying entities to advance refund tax-exempt municipal bonds would free up billions of dollars that governments and nonprofits could spend on other projects.

I urge your support of these priorities so that our nation's cities and counties can continue to provide essential public health and safety services. We very much appreciate all that you have done to help our communities respond and recovery from this unprecedented crisis.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read 'Marc A. Ott', written over a light blue grid background.

Marc A. Ott
Executive Director
International City/County Management Association