June 29, 2020

The Honorable Mitch McConnell
Majority Leader, United States Senate
U.S. Capitol Building, Room S-230
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader, United States Senate
U.S. Capitol Building, Room S-224
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

We write today to advocate on behalf of states, territories, counties, cities and towns, all of which are experiencing historic budget shortfalls as they continue to respond to the pandemic. In less than two days, the budget years for 45 states and thousands of local governments will begin. Unlike the federal government, these state and local governments must begin their fiscal years on time and with a balanced budget. If the Senate fails to act immediately to support state and local governments, our nation’s recovery from the pandemic-induced recession will suffer and millions of Americans will needlessly be harmed.

Previous federal bills responding to COVID-19 provided important support, many through well-established grant programs, yet none allow for the replacement of billions of lost revenue due to COVID-19. More robust and direct stimulus is needed for state and local governments to both rebuild the economy and maintain essential services in education, health care, emergency operations, public safety and more.

As we move closer to the end of the budget year, furloughs and job cuts are on the table for many states and localities. These jobs losses not only affect the provision of government services, but also add to state unemployment. The damage will get far worse without federal assistance, forcing drastic cuts that will further delay and cancel infrastructure projects, as at least 26 states have announced construction delays for transportation projects. The loss of such projects will ripple through states’ construction industry, delaying recovery further.

State and local governments also purchase goods and services which add to the nation’s output, and in 2019, state and local governments’ purchases accounted for 11 percent of GDP. When these activities slow down, there is an effect on the nation’s economy. Alarming, CBO’s June letter on its forecast of Gross Domestic Product for 2020 and
2021 found that “state and local governments’ purchases of goods and services fell by $350 billion, making up 9 percent of the total decline in GDP.

Nearly 15 million Americans are employed by state and local governments. Teachers, first responders and emergency medical service workers are on the front lines of this crisis doing the essential work of the country. Government employment continues to suffer substantial losses with over 1.6 million state and local government jobs lost since March.

Leaders in Washington have expressed support for flexible fiscal aid to states and localities of all sizes. Yet months have gone by and our communities continue to suffer. Americans have a history of standing together in times of crisis and must do so now.

Sincerely,

Accelerate Indiana Municipalities
ACT, Inc.
AECOM
Alabama League of Municipalities
Alaska Municipal League
Alkermes
American Association of Port Authorities
American Beverage Association
American Federation of State, County and Municipal Employees
American Federation of Teachers
American Gas Association
American Hotel & Lodging Association
American Network of Community Options and Resources (ANCOR)
American Planning Association
American Public Human Services Association
American Public Power Association
American Public Works Association (APWA)
American Shore & Beach Preservation Association
American Society of Civil Engineers
AmeriHealth Caritas
Anthem
Arizona Association of Counties
Arkansas Municipal League
Arthritis Foundation
Association County Commissioners of Georgia
Association of Arkansas Counties
Association of County Commissions of Alabama
Association of Financial Guaranty Insurers
Association of Indiana Counties
Association of Minnesota Counties
Association of Oregon Counties
Association of Washington Cities
Axxess
BrightSpring Health Services
California Marine Affairs & Navigation Conference (CMANC)
California State Association of Counties
Center for Public Safety Management
Central Gulf Coast Chapter of the American Shore & Beach Preservation Association
CGI Communications, Inc.
Coast Builders Coalition
Colorado Municipal League
CompTIA - Computing Technology Industry Association
Connecticut Conference of Municipalities
County Commissioners Association of Ohio
County Commissioners Association of Pennsylvania
County Commissioners Association of West Virginia
County Executives of America
Credit Union National Association (CUNA)
Data Center Coalition
Delaware League of Local Governments
Dexcom
Esri, Inc
Florida Association of Counties
Florida League of Cities
Florida Shore & Beach Preservation Association
Georgia Municipal Association
GIIA
GoRail
Government Finance Officers Association
Great Lakes Dredge & Dock
IBM
Illinois Municipal League
Illinois State Association of Counties
Institute for Building Technology and Safety
International Association of Emergency Managers
International City/County Management Association
International Municipal Lawyers Association, Inc.
Internet Association
Intuit Inc.
Iowa League of Cities
Iowa State Association of Counties
ITC Holdings Inc.
Jersey Shore Partnership
Johnson & Johnson
Kansas Association of Counties
Kentucky Association of Counties
Land O'Lakes Inc.
Large Public Power Council
League of Arizona Cities and Towns
League of California Cities
League of Kansas Municipalities
League of Minnesota Cities
League of Nebraska Municipalities
League of Oregon Cities
League of Wisconsin Municipalities
Louisiana Municipal Association
Magna
Maine Municipal Association
Maryland Association of Counties
Maryland Municipal League
Massachusetts Coastal Coalition
Massachusetts Municipal Association
Michigan Association of Counties
Michigan Municipal League
Mississippi Association of Supervisors
Mississippi Municipal League
Motorola Solutions, Inc.
Municipal Association of South Carolina
NACBHDD and NARMH
National Association for County Community and Economic Development
National Association for Home Care & Hospice
National Association of Black County Officials (NABCO)
National Association of Bond Lawyers
National Association of County Collectors, Treasurers & Finance Officers (NACCTFO)
National Association of Counties
National Association of County Engineers
National Association of County Human Services Administrators
National Association of Home Builders
National Association of Regional Councils
National Association of State Auditors, Comptrollers and Treasurers
National Association of State Procurement Officials (NASPO)
National Association of State Treasurers
National Association of Towns and Townships
National Community Development Association
National Conference of State Legislatures
National Governors Association
National Emergency Management Association
National League of Cities
National Marine Manufacturers Association
National Organization of Black County Officials, Inc (NOBCO)
National Workforce Association
Nebraska Association of County Officials
Netsmart
Nevada Association of Counties
New Jersey Association of Counties
New Jersey State League of Municipalities
New Mexico Counties
New York State Association of Counties
New York State Conference of Mayors and Municipal Officials
NIC
North Carolina League of Municipalities
North Dakota Association of Counties
North Dakota League of Cities
NWEA
Ohio Municipal League
Oklahoma Municipal League
PACENation