



Alert – Key Actions for Local Governments to Secure Additional Federal Coronavirus Relief Funding

(9/18/2020) Voices of Local Officials Needed as Federal Talks Stall in Congress

Sustainable Strategies DC alongside other federal advocates for local communities including the National League of Cities, the National Association of Counties, the U.S. Conference of Mayors – and many of you – have been hard at work advocating for additional federal stimulus legislation in response to the coronavirus crisis. Key priorities for more federal action include support for local governments, critical relief funds to sectors in dire need, and help to rebuild our communities in the wake of these difficult COVID-19 challenges. Despite efforts, negotiations between the parties in Washington D.C. will likely remain stalled for the foreseeable future. To ensure your critical needs are met, we are renewing our call for your direct communication with your Members of Congress and their staff to ensure that they realize the need for relief and are pressed to take action. Please contact the team at Sustainable Strategies DC at www.StrategiesDC.com if you like additional support and assistance on your advocacy to Congress on these critical issues.

To summarize the state of play as of Friday, September 18:

The House passed the \$3.4 trillion “HEROES Act” in May 2020 to fund relief for many struggling sectors, including nearly \$1 trillion for fiscal relief for besieged municipalities, states, territories, and tribal governments. Difficult and short negotiations between Congressional Democrats and the White House fell apart in late August, even after the Democratic leaders offered to drop the HEROES Act relief by more than a trillion dollars to \$2.2 trillion. It was not until mid-September that the Senate majority offered a “skinny” package of \$300 billion in targeted stimulus funds, which failed to receive enough votes within a day of its introduction as it was deemed inadequate for the needs of the nation by many Senators. See <http://www.StrategiesDC.com/covid-19-resources-.html> for more information

On September 15, the bipartisan House “[Problem Solvers Caucus](#)” introduced a proposed \$1.5 trillion stimulus package called the “March to Common Ground” in an effort to break gridlock on coronavirus legislation and once again encourage negotiators to come back to the table. The 50-member bipartisan Caucus, led by Co-Chairs Reps. Josh Gott Heimer (D-NJ) and Tom Reed (R-NY), developed and came together in support of the framework after extensive outreach to stakeholders and constituents over a six-week period. This package includes, among other provisions, \$500 billion in proposed funding for state and local government fiscal relief, which is detailed below. On September 16, President Trump said publicly that he was interested in this proposed Common Ground package stating, “I’d like to see the larger numbers” for federal COVID

stimulus legislation; however, on September 17, Democratic leadership in Congress panned the \$1.5 trillion package and said that the \$2.2 trillion HEROES Act compromise remained the starting point for negotiations.

March to Common Ground Key Provisions:

Support for Local Governments & States

- \$130 billion remaining from CARES Act's Coronavirus Relief Fund for more flexible use on documented past state & local COVID expenses
- \$130 billion in new money for documented, future state & local COVID expenses (through the end of 2021)
- \$120.3 billion in new money for documented local general revenue shortfalls (through end of 2021)
- \$250 billion in new money for documented state general revenue shortfalls (through end of 2021)
- Tribal and territorial governments allocations of relief resources
- Improvements to Main Street Lending Program
- \$12 billion for broadband hotspots in underserved communities
- \$400 million for safe and secure election expenses

Support for Key Sectors and Families

- \$240 billion for expanded Paycheck Protection Program resources
- \$25 billion for testing and contact tracing
- \$30 billion for healthcare provider support including for tele-health expansion
- Support for families and individuals including \$316 billion in SNAP, WIC, rental assistance and stabilization, student loan forbearance, and direct stimulus checks
- \$120 billion in unemployment benefit resources
- \$145 billion for school and childcare needs
- \$15 billion for the U.S. Postal Service
- Extension of Census deadlines to ensure a full count

More info on the Problem-Solvers Caucus proposal can be reviewed using the following PowerPoint link:

https://problemsolverscaucus-gottheimer.house.gov/sites/problemsolverscaucus.house.gov/files/wysiwyg_uploaded/PSC%20March%20to%20Common%20Ground%20COVID%20Framework%209.15.20_0.pdf

Call to Action:

On September 17, the National League of Cities issued a statement commending the March to Common Ground framework for federal stimulus legislation, and its focus on relief for state and local governments. See <https://www.nlc.org/article/nlc-statement-on-problem-solvers-caucus-march-to-common-ground-covid-19-relief-framework>.

Nobody knows what the correct and achievable level and focus of federal stimulus legislation should be – but all of us in local government know that Congress must act to preserve our communities and help us rebuild from this unprecedented COVID crisis. Therefore, it will be important for Senate and House leadership to hear from their constituents that funding for localities

is essential. This alert urges you to keep in touch with your Members of Congress and their staffs to stress how important it is to get real compromise and action on a COVID stimulus package. We encourage you to stay engaged with efforts of the national organizations representing local governments, such as the National League of Cities and its “Cities Are Essential” campaign, at www.nlc.org/topics/health-wellness/covid-19.

As we all know firsthand, public servants, and the public services they provide, are at the frontlines of this pandemic, yet precipitous tax revenue losses coupled with additional expenditures have generated massive holes in public budgets that have undermined or eroded effective recovery efforts. To ensure that there are necessary resources for cities, counties, and states to recover and rebuild from the virus crisis, the team at Sustainable Strategies DC urges local government leaders to advocate the following to Congress for additional coronavirus funding. Time is of the essence. *Talking points are provided here to help facilitate an effective advocacy pitch and honest dialogue with your Congressional delegation or their staff members about your locality’s need for funding.*

- 1. Provide New Direct and Flexible Resources to Localities to Support Long-term Recovery:** Additional coronavirus legislation should appropriate new direct resources to localities for recovery efforts, including coverage for revenue and operational losses, economic development efforts, infrastructure development, and other activities that create jobs. Without funding available over and above what is needed to shore up budget local budgets, cities will continue to their Capital Improvements.

***Talking Point Prompt:** What essential services and infrastructure projects will you have to put on hold or cut without the provision of funding? Will lack of funding directly impact your locality’s coronavirus response and recovery efforts? Have you, or will you, have to furlough or otherwise impact your municipal employees? How are these impacts disrupting local programs and initiatives?*

- 2. Allow for Flexibility in Use of Additional Coronavirus Legislation:** The federal resources that have been previously allocated by Congress are not enough for cities, counties, and states to tackle the public health crisis, maintain critical government operations, recover economically, and maintain fiscal viability. Further, the Coronavirus Relief Fund created by Congress in the CARES Act in March 2020 is important, but so restrictive in its eligible uses that it is not working to solve local and state fiscal crisis.

***Talking Point Prompt:** What struggles, and administrative burdens has your locality had accessing additional funding? Have they slowed or impeded your coronavirus response efforts or other key municipal activities? Share if you have received money from the Coronavirus Relief Fund from your state. If so, how much? How has it fallen short of your critical needs or how have these funds helped support your coronavirus response to date?*

Please contact Sarah.Marin@StrategiesDC.com or (202) 308-7125 with any questions.