March 26, 2020

The Honorable Mitch McConnell  
Majority Leader, United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker, United States House of Representatives  
Washington, DC 20515

The Honorable Charles Schumer  
Minority Leader, United States Senate  
Washington, DC 20510

The Honorable Kevin McCarthy  
Minority Leader, United States House of Representatives  
Washington, DC 20515

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

The National League of Cities (NLC) wants to thank you for your tireless work on the CARES Act. The CARES Act provides local governments funding to meet the immediate needs of residents, households, and small businesses on the economic margins. NLC applauds Congress for advancing a bill that does much to meet the needs of Main Street, in addition to traditional economic protections for Wall Street.

Although the CARES Act provides for many of the immediate needs of municipal governments to prevent economic decline, for the governments themselves and their residents, we think that it will prove to be insufficient for intermediate and long-term economic stabilization. This is especially true for legacy cities and other communities that never sufficiently recovered from the previous recession caused by the housing bubble.

The Coronavirus Relief Fund established under the CARES Act will primarily help states, and the potential impact on local budgets is largely unknown at this point because governors will have maximum flexibility to allocate resources from the fund as they see fit.

In a fourth stimulus bill, NLC would like to see:

- Changes to Coronavirus Relief Fund by:
  - Increasing the total allocation to $250 billion, instead of $150 billion;
  - Lowering the unit of local government threshold from 500,000 to 50,000.

- Provide governmental employers the access to tax credits for the paid sick and paid emergency leave that they are required to provide to employees.

We are ready to assist your efforts in any capacity, but especially as a means for establishing communications and coordination between federal authorities and local leaders. We are compiling resources for local leaders on our website at https://www.nlc.org/resource/coronavirus-response-resources-for-local-leaders. If NLC can be of further help to you in this crisis, please contact Irma Esparza Diggs, NLC Senior Executive and Director of Federal Advocacy, at 202-626-3176 or diggs@nlc.org.

Sincerely,

Clarence E. Anthony  
CEO and Executive Director  
National League of Cities