

Direct Aid to Local Governments Talking Points 3.1 – 3.7

- Budget relief and vaccine distribution cannot come quickly enough for America's cities and towns. **The Senate cannot waiver** on the relief package now – **the American Rescue Plan Act of 2021 (ARP) provides aid that America's 19,000 municipal governments urgently need to lift restrictions, ensure public health, and help residents return to the workforce.**
- All 19,000 cities and towns, including small and rural communities, have stepped up over the past year in response to the COVID-19 emergency. All of America's municipalities have been harmed by the collective one-year **\$90 billion loss of revenue, and have made billions more in emergency budget expenditures. ARP provides \$65 billion in aid to municipalities.**
- With municipalities facing a combined \$90 billion revenue shortfall, the \$65 billion allocated for municipal governments under the bill is too small to provide for a dollar for dollar replacement of lost revenues, so there is **no chance for ARP to provide local governments with a level of funding that is greater than the level of need.**
 - [insert your loss / need story here]
- Local governments are required to balance their budgets annually, regardless of revenue challenges. Without the state and local aid in the American Rescue Plan Act – which will finally reach all 19,000 of America's hometowns – local governments will have few alternatives beyond budget driven job cuts and reductions in services for households and small businesses. **The most efficient way to help local governments maintain operations and services, while also carrying out emergency measures, is to permit the use of federal aid for addressing revenue shortfalls.**
 - [insert your story on reduction of services]
- Threadbare budgets are turning setbacks into crisis - Federal aid for America's 19,000 cities, towns and villages is an immediate priority.
 - According to data from the Bureau of Labor Statics (BLS), from March 2020 – December 2020, local government jobs (excluding education related losses)

have declined by more than 220,000. The average decline for local government jobs is over 3.5% per state.

- Local government job cuts strike at the heart of cities' capacity to be part of the nation's economic recovery. The first major post-pandemic tests, such as the unusual winter weather that recently affected America's south, are an early warning, and Congress must hear the alarm. **Fiscal conditions are not improving for local governments.** Threadbare budgets and thinned-out municipal workers are weakening local governments and turning **local and regional setbacks into crises with national economic consequences.**