

THE UNITED STATES CONFERENCE OF MAYORS





May 27, 2021

The Honorable Charles E. Schumer Majority Leader United States Senate Washington, DC 20510

The Honorable Mitch McConnell Republican Leader United States Senate Washington, DC 20510 The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, DC 20515

Dear Majority Leader Schumer, Speaker Pelosi, Republican Leader McConnell and Republican Leader McCarthy:

On behalf of the nation's mayors, cities and counties, we write to express our adamant opposition to any proposal that would detrimentally recoup and repurpose funds allocated to local governments from the American Rescue Plan Act. These federal funds were provided to local governments to address the ongoing impacts of the coronavirus pandemic and are essential to providing emergency assistance to households and small businesses, maintaining critical government services, driving economic recovery and addressing the ongoing public health crisis.

America's cities and counties - who are on the front lines of this pandemic - have been working hard since enactment of the American Rescue Plan Act to develop implementation plans that will help spur an equitable economic recovery across the nation. Local governments are using these critical recovery funds to invest in public safety, vaccine distribution, housing and rental assistance, local economic support, economic and workforce development, broadband expansion, social safety-net services, hospitality and tourism development, and hazard pay for public employees.

Despite the obvious and critical need for these dollars, there have been recent Congressional proposals to clawback these funds. We oppose these proposals, both in general and as a pay-for for infrastructure.

Local governments have long been doing our part to fund the nation's infrastructure needs - and we need a stronger federal-local partnership, not a weaker one. For example, local governments fund nearly all of the nation's investments in wastewater, drinking water and stormwater infrastructure, including over \$130 billion in 2018 alone. These funds are generated primarily through customer rates and user fees, which often result in an undue and disproportionate financial burden on low, moderate, and fixed-income households. Local governments have also led the way to close the digital divide in the United States, which has persisted despite the more than 500 community broadband networks built by localities and the billions spent by communities on device distribution and broadband subscription subsidies before and during the pandemic.

In order to help our economy further recover and compete globally for decades to come, we continue to urge Congress to pass a comprehensive infrastructure package that addresses our nation's transportation, water, clean energy, broadband and workforce development needs, but not at the expense of reducing funds already authorized under the American Rescue Plan Act. Local leaders are ready to partner with Congress and the Administration to rebuild our nation's infrastructure, while supporting the continued economic recovery from the coronavirus pandemic.

Thank you for your leadership on these critical issues. We look forward to working with you on a long-term infrastructure plan that supports local governments in moving America further forward toward a sustainable and equitable economic recovery. We hope you will stand with local governments to prevent any proposed recoupment of already enacted emergency resources.

If you have any questions, please do not hesitate to contact us: USCM Chief of Staff Ed Somers at 202-744-9223 / <u>esomers@usmayors.org</u>; NLC Senior Executive and Director of Federal Advocacy Irma Esparza Diggs at 202-626-3176 / <u>diggs@nlc.org</u>; or NACo Director of Government Affairs Mark Ritacco at 202-942-4286 / <u>mritacco@naco.org</u>.

Sincerely,

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Tom Cochran CEO and Executive Director The U.S. Conference of Mayors

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Cc: United States Senate United States House of Representatives