



March 31, 2020

The Honorable Mitch McConnell
Majority Leader
S-230, U.S. Capitol
Washington, DC 20510

The Honorable Charles Schumer
Senate Minority Leader
S-221, U.S. Capitol
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Schumer,

The National Association of Counties (NACo) and the 3,069 counties we represent thank you for your leadership and swift action over the last several weeks to confront both the public health crisis caused by COVID-19, as well as the economic challenges associated with this unprecedented situation.

We are appreciative that the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) provides much-needed assistance at the state and local levels through the establishment of the \$150 billion Coronavirus Relief Fund to address new, essential expenditures incurred due to the COVID-19 public health emergency.

We are writing today for your assistance in clarifying the congressional intent under Title IV, Sec.

601. Specifically, we would appreciate any guidance or insights on the following:

- Are units of local government **below** 500,000 population eligible as a subgrantee of the state?
- For the 45 percent of funds reserved for units of local government within the allocation for each state, does this cap apply to both local government entities above 500,000 population **and** those below the 500,000 population threshold?
- Are revenue losses **beyond** those anticipated in the most recent budget an eligible use of funds by the states, tribes and units of local government?

Like all sectors of America, our nation's counties are impacted directly by this pandemic. In addition to dramatic losses in various tax and user fee revenue streams, counties own or support 903 hospitals and critical access care facilities, operate nearly 825 long-term care facilities and manage or support over 1,900 regional and local public health departments – *the boots on the ground for the Centers of Disease Control and Prevention (CDC)*. We are also investing heavily in building new surge treatment capacity, expanding behavioral health services, caring for the elderly, youth and at-risk populations, cleaning our jail and courthouse facilities, and leading overall local public health and public safety efforts.

As representatives of the public servants on the front lines of battling this unprecedented pandemic, counties are committed to working with both Congress and the U.S. Department of Treasury to implement this legislation and achieve our common goal of protecting the health and well-being of our residents.

Sincerely,

Mary Ann Borgeson
NACo President