



131 W. Wilson St., Suite 505  
Madison, Wisconsin 53703  
phone (608) 267-2380; (800) 991-5502  
fax: (608) 267-0645  
league@lwm-info.org; www.lwm-info.org

January 27, 2021

The Honorable Senator Ron Johnson  
328 Hart Senate Office Building  
Washington, DC 20510

The Honorable Senator Tammy Baldwin  
709 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Representative Bryan Steil  
Wisconsin's 1<sup>st</sup> Congressional District  
1526 Longworth House Office Building  
Washington, DC 20515

The Honorable Representative Mark Pocan  
Wisconsin's 2<sup>nd</sup> Congressional District  
1727 Longworth House Office Building  
Washington, DC 20515

The Honorable Representative Ron Kind  
Wisconsin's 3<sup>rd</sup> Congressional District  
1502 Longworth House Office Building  
Washington, DC 20515

The Honorable Representative Gwen Moore  
Wisconsin's 4<sup>th</sup> Congressional District  
2252 Rayburn HOB  
Washington, DC 20515

The Honorable Representative Scott Fitzgerald  
Wisconsin's 5<sup>th</sup> Congressional District  
1507 Longworth House Office Building  
Washington, DC 20515

The Honorable Representative Glenn Grothman  
Wisconsin's 6<sup>th</sup> Congressional District  
1427 Longworth HOB  
Washington, D.C. 20515

The Honorable Representative Tom Tiffany  
Wisconsin's 7<sup>th</sup> Congressional District  
1719 Longworth HOB  
Washington, DC 20515

The Honorable Representative Mike Gallagher  
Wisconsin's 8<sup>th</sup> Congressional District  
1230 Longworth HOB  
Washington, DC 20515

Dear Wisconsin Congressional Delegation:

The League of Wisconsin Municipalities, representing over 600 cities and villages and their elected leaders, urges you to pass a fourth Coronavirus stimulus package that includes direct financial assistance to local governments that can be used to back fill revenue reductions caused by the pandemic. As you negotiate the details of the next federal relief package please bear in mind our comments below, which reflect lessons learned from the shortcomings of the formula and process for distributing CARES Act Coronavirus Relief Fund dollars to state and local governments.

Only three local governments in Wisconsin, each with more than 500,000 residents, were provided direct assistance under the CARES Act Coronavirus Relief Fund. Specifically, the City of Milwaukee, Milwaukee County, and Dane County. As a result, the remainder of the 600 Wisconsin municipalities below the 500,000-population threshold were excluded from a guaranteed minimum level of direct assistance and had to wait for the state to distribute CARES Act dollars, which they eventually did. Federal aid for localities included in the next pandemic relief package should not be contingent on time-consuming state determinations and processes. Rather, federal intervention to prevent the decline of local

*YOUR VOICE. YOUR WISCONSIN.*

government operations should take the form of direct allocations of aid to all local governments to ensure all cities and villages have the opportunity to access federal aid where it is needed to maintain essential government operations and services.

We urge federal lawmakers to adhere to the following principles for direct intervention and prevention of local government fiscal decline resulting from the COVID-19 pandemic:

- 1. Emergency funding should be fair and appropriate for each and every local government, with no minimum population threshold for eligibility.** Residents, households, and small businesses should not tolerate a preventable decline in local government operations as a result of being excluded from emergency federal assistance.
- 2. Aid should be directly allocated through familiar and proven government revenue sharing programs.** We join the National League of Cities in recommending an allocation formula based on the Community Development Block Grant program (CDBG) as approved by the House in the HEROES Act. Relying on a CDBG framework would eliminate the time-consuming need to stand up a completely new administrative or regulatory framework as was required by the CARES ACT CRF. CDBG is also the most familiar revenue sharing mechanism for states and localities.
- 3. Entanglement of state and local funding should be minimized.** A lack of clarity burdened the CARES Act Coronavirus Relief Fund from the start, resulting in confusion, delays, and infighting among primary and secondary grant recipients. Federal aid for states and localities should be allocated through three distinct funding streams for state government, municipal government, and county government. Overall federal aid for municipal and county governments should be provided at equal levels.
- 4. Eligible expenditures should be targeted to the widespread health and economic consequences of COVID-19,** including unavoidable room tax, parking fee, and other revenue shortfalls resulting from federal, state, and local measures to contain the spread of coronavirus.

The next relief package should include appropriate guard rails that can ensure federal assistance is appropriately allocated and spent to address losses and recovery related to COVID-19.

- 1. Congress should enact guardrails to ensure additional federal intervention does not exceed reasonable levels of assistance to any municipal government;** and that the public can be confident that taxpayer funds are appropriately spent.
- 2. To safeguard against funding levels greater than appropriate to meet the responsibilities delineated to municipal governments,** allocations for non-entitlement municipalities ought to be capped at 75% of their total annual budget.
- 3. To safeguard against expenditures for long-standing unfunded liabilities,** pension funds should be designated an ineligible expenditure.

## **FEMA Improvements**

To help local governments offset the costs associated with the current national emergency response to this ongoing pandemic, Congress should include key provisions within H.R. 8266, the FEMA Assistance



131 W. Wilson St., Suite 505  
Madison, Wisconsin 53703  
phone (608) 267-2380; (800) 991-5502  
fax: (608) 267-0645  
[league@lwm-info.org](mailto:league@lwm-info.org); [www.lwm-info.org](http://www.lwm-info.org)

Relief Act of 2020, including adjusting the FEMA cost-share for all COVID-19 related Emergency and Major Disaster declarations to 100 percent. Additionally, Congress should include provisions within H.R. 8266 that would adjust the FEMA cost -share for all emergencies and major disaster declared in 2020 to not less than 90 percent federal and 10 percent non-federal, as well as a vital provision that would clarify that FEMA – under COVID-19 declarations – should continue to reimburse for certain expenses including personal protective equipment (PPE) for public schools, public transit, public utilities, courthouses and other government buildings and services.

### **Conclusion**

Thank you for considering our thoughts and recommendations as you negotiate a fourth federal stimulus package in response to the pandemic. We strongly urge you to include a flexible federal assistance component to bolster Wisconsin's cities and villages; and to make local leaders part of the solution to our nation's economic recovery. If you have questions or need more information about Wisconsin cities and villages, please contact Curt Witynski, League Deputy Executive Director, at 608-354-3003 or [witynski@lwm-info.org](mailto:witynski@lwm-info.org) or Toni Herkert, Director of Government Affairs, at [therkert@lwm-info.org](mailto:therkert@lwm-info.org)

Sincerely,

*Jerry Deschane*

Jerry Deschane, Executive Director  
League of Wisconsin Municipalities