AFL-CIO LEGISLATIVE ALERT

February 11, 2021

Dear Representative:

On behalf of the AFL-CIO, I am writing to urge you to include \$350 billion in unrestricted aid to states, counties, local governments, tribes and territories in the reconciliation package you will mark up later this week.

The public health crisis and the economic downturn caused by the pandemic have put state and local governments in an impossible bind: the demand for vital public services has increased while revenue has plummeted. Because states must balance their operating budgets, they have been forced to cut spending and jobs at the same time that demands on the public health system, social services, and education have been increasing to keep up with the pandemic. In December 2020, the National League of Cities surveyed more than 900 municipalities and reported that, of those negatively affected by COVID, 90 percent suffered a drop in revenues this year, with an average revenue drop of 21 percent, and 76 percent experienced an expenditure increase due to COVID.

Since the start of the pandemic, over 1.4 million public service workers have been laid off due to these budget shortfalls. Included in those layoffs have been firefighters, police officers, EMTs and other front line workers. This makes no sense. Congress must act to protect these essential public service jobs.

We must learn from the mistakes made during the recovery from the last recession. It is now widely accepted that our failure to provide sufficient fiscal assistance during the Great Recession prolonged the downturn and caused unnecessary suffering. Congress must not make that same mistake again.

Providing emergency aid to state and local governments is necessary to stabilize the economy and get the spread of the virus under control. We urge you to include the administration's proposed \$350 billion state and local aid package in the reconciliation bill that will be considered later this week.

Sincerely,

William Samuel, Director Government Affairs