

WATERLOG

NEW IDEAS IN COASTAL RESILIENCY

June 15th, 2020

Local Governments Need Federal Funds Now

Having worked in Washington for 40 years, nothing Congress does amazes me anymore. I'm going to leave my reminiscences about "Back in the Day" to another post but back in the day elected officials got into heated arguments and then usually figured out a way to come to an agreement. Today, that obviously usually doesn't happen. However, there is one thing they should agree on: Getting corona virus stimulus aid directly to local governments.

With such a staggering unemployment rate, bankruptcies aplenty, and small businesses closing, it amazes me is that a bipartisan congress doesn't see the need to get more money flowing directly to the level of government that's closest to the people. Thousands of local governments are paying significantly increased costs to fight the virus. As a result, they are forced to cut services and lay off workers to keep their budgets balanced. Most can't use loans because their indebtedness has already been capped by state laws. Right now, any local government that relies on summer tourism is being battered by the health-based reluctance of people to travel. Coastal communities are especially hard hit since beaches are the largest summer destination for day-trippers and vacationers. Many of them count on summer revenues to fund a significant part of their annual budgets. Those revenues are already in a tailspin. Of course, this extra level of fiscal crunch applies to any community with natural or man-made attractions, no matter where they are located.

States got \$150 billion from the last stimulus (called the CARES Act), with some of that to be shared with local governments with populations of 500,000 or more. Since they also are suffering from the costs of responding to the virus as well as decreased tourism, many states need even more aid. July 1st is the beginning of the 2020-2021 fiscal year for many state and local governments, and they are already cutting programs and furloughing workers. Of the funds the CARES Act provided to states, not all states have been passing along a portion of local governments. **That's why the next infusion of federal fund needs to go directly to local governments.**

There will be details to be worked out, but that's what it took to get the bipartisan CARES Act passed, and that's what it will take for the next stimulus that we so badly need. Local elected officials and civic leaders, regardless of political affiliation, should email their congressional representatives now and tell them not only that they need money but why. Now is the time because this has to happen by July, or it won't happen at all.

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