Congress of the United States House of Representatives

Washington, **DC** 20515 August 10, 2020

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, D.C. 20515 The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

We write to express our support to include a deadline extension of ideally one year for State, local, Territorial, and Tribal governments to spend their Coronavirus Relief Funds.

As you are aware, COVID-19 has placed significant demands on communities, health care providers, schools, businesses, and other institutions. The CARES Act established the \$150 billion Coronavirus Relief Fund to be used to make payments for specified uses to states and local governments to cover certain costs, including: necessary expenditures incurred due to the public health emergency with respect to COVID-19; expenditures not accounted for in the budget most recently approved as of March 27, 2020, for the state or government; and costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

However, according to a recent report published by the Department of the Treasury Office of the Inspector General, less than 25% of the federal CARES Act resources allocated to state and local governments have been spent. Specifically, only \$34 billion out of the \$139 billion distributed through the Coronavirus Relief Fund has been expended.

As we continue to address challenges associated with COVID-19, it has become clear that additional flexibility will be required to ensure that CARES Act funding is appropriately utilized in a manner consistent with the intent of the law. The current deadline for State, local, territorial, and Tribal governments to receive the delivery and performances of services permitted to be funded under this Fund restricts many of these governments from establishing robust plans that would otherwise be responsive to COVID-19 and further the purpose for which Congress created the Coronavirus Relief Fund.

Two pieces of legislation have been introduced to address these concerns. H.R. 7854, the *LOCAL Act*, will extend the costs incurred deadline for states and local governments to use their Coronavirus Relief Funds by one year. Furthermore, H.R. 7631, *Coronavirus Relief Fund Local Government Flexibility Act*, extends the same deadline by three months.

Therefore, we respectfully request that any further legislation to address the COVID-19 pandemic include an extension of the deadline by ideally one year. We stand ready to work with your offices as this package further develops and look forward to a timely resolution.

Thank you, stay well, and we look forward to your response.

Sincerely,

Dam Thompson

Glenn "GT" Thompson MEMBER OF CONGRESS

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