United States Senate

ARMED SERVICES HOMELAND SECURITY

COMMERCE, SCIENCE, AND TRANSPORTATION

BUDGET

SPECIAL COMMITTEE ON AGING

March 10, 2021

Dear Governors and Mayors:

Since the COVID-19 pandemic began, we have seen great collaboration at every level of government in response to this crisis. As the former Governor of Florida, I understand the arduous decision-making and budgeting process that each of you have undergone countless times in the past year. That is why, as local, state and federal partners have worked hand-in-hand to fight against COVID-19, I have advocated for the federal government to provide needed funding to support small businesses, assist the unemployed and develop life-saving vaccines. Prior to the recent partisan passage of President Biden's massive, wasteful and non-targeted \$1.9 trillion "American Rescue Plan Act," Congress passed five bipartisan COVID-19 relief packages dedicating almost \$4.5 trillion in federal spending, including nearly \$400 billion in taxpayer funding to state and local governments.

Now, as part of the *American Rescue Plan Act* spending package passed by Congressional Democrats this past week, state and local governments are set to receive an additional \$360 billion in taxpayer dollars, wholly unrelated to responding to the pandemic. Democrats rushed this spending through Congress without a single Republican vote and against growing evidence that local and state tax revenue did not suffer the massive downturn predicted when lock downs began. In fact, many state and local governments have seen revenue increases over the past year, like California, which is adding more than \$22 billion to its reserves.

I am writing you today with a simple and common sense request: each state and local government should commit to reject and return any federal funding in excess of your reimbursable COVID-19 related expenses. This commitment will serve the best interests of hard working American taxpayers and will send a clear message to Washington: politicians in Congress should quit recklessly spending other people's money.

The COVID-19 pandemic is a public health emergency. Just as it does for other major disasters, the federal government has an important role to play in helping state and municipal governments offset the costs of COVID-19 response. However, American taxpayer dollars should not be used as bonus cash to plug budget holes caused by decades of poor fiscal management. This is not a taxpayer-funded bailout; it is a reimbursement for specific, COVID-related expenses.

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As mayors and governors, you understand the importance of living within your means and budgeting responsibly so that you are delivering the best possible service to your communities, ensuring maximum return on any government spending and eliminating debt wherever possible. By rejecting and returning any unneeded funds, as well as funds unrelated to COVID-19, you would be taking responsible action to avoid wasting scarce tax dollars. After all, every dollar in this package is borrowed.

I will continue to do all I can to support federal efforts for the things that are most important to defeating this virus, including protecting families and small businesses. I look forward to working with you on these issues and ensuring that we have a sustainable and responsible path forward.

Sincerely,

Rick Scott

United States Senator