



December 17, 2020

The Honorable Mitch McConnell  
Majority Leader  
S-230, U.S. Capitol  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
S-221, U.S. Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House  
H-232, U.S. Capitol  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
H-204, U.S. Capitol  
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

On behalf of the National Association of Towns and Townships (NATaT) and the more than 10,000 towns and townships we represent, thank you again your leadership in developing and passing the coronavirus relief packages to date.

It is our understanding that the next relief package will not include the additional state and local aid that our communities so desperately need. If that is indeed the case, we hope that negotiations in the 117<sup>th</sup> Congress will result in a bill that provides direct assistance to all units of local government – regardless of size – as we are on the front lines of this devastating pandemic. We appreciate the funding that has been allocated through previous relief bills, as well as the programs created to benefit our small businesses. We hope that you will consider the following as you finalize the next relief package.

- **Extend Coronavirus Relief Fund (CRF) deadline for one year to December 31, 2021.**
- **Enhance flexibility for CRF to allow funds to replace lost revenue.**
- **Expand the Paycheck Protection Program to include all 501(c) non-profit organizations.**
- **Increase the federal cost share for FEMA disasters.**

### **Extend CRF Deadline**

States and local governments must spend down all Coronavirus Relief Funds by December 31, 2020 or return the balance to the US Treasury. There has been significant uncertainty on how these funds can be spent without direct access to, and explicit guidance from, the US Treasury. This made it difficult for CRF recipients to make funding decisions in the limited time allowed to spend those funds. We hope you will consider extending the deadline to spend these funds to December 31, 2021 to allow CRF recipients to continue to invest in their communities in very meaningful ways.

### **Enhanced Flexibility for CRF**

States and local governments need more flexibility to use already appropriated CRF funding than is provided by the CARES Act. Amending CARES Act language to enhance flexibility for CRF by making “replacement of lost revenue” an eligible expenditure would make a significant impact on our towns and townships, as well as our states and other municipal governments.

### **Expand the Paycheck Protection Program to Include Non-Profit Organizations**

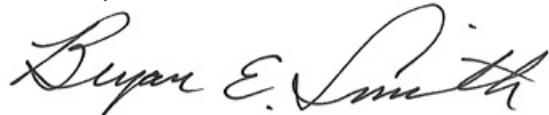
In addition to businesses with less than 500 employees, 501(c)(3) non-profit organizations and 501(c)(19) veterans organizations are eligible to apply for a loan through the Paycheck Protection Program (PPP). NATaT encourages Congress to allow all non-profit organizations, including Section 501(c)(4) and 501(c)(6) organizations, participate in the PPP.

### **Increase Federal Cost Share for FEMA Disasters**

To help local governments offset the costs associated with the emergency response to this ongoing pandemic, we hope Congress will consider including provisions of [H.R. 8266](#), *FEMA Assistance Relief Act of 2020*, in the next relief bill. Specific provisions that are a priority for NATaT are: (1) adjust the FEMA cost-share for all COVID-19 related Emergency and Major Disaster declarations to 100 percent; (2) 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; and (3) 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.

Thank you again for leadership and commitment to local governments and our residents as we all work together to mitigate the effects of this virus. Please let us know if you have any questions or if there are specific ways we can be helpful to you in this effort. If you need additional information or have any questions, please contact our Federal Director, Jennifer Imo, at [jimo@tfgnet.com](mailto:jimo@tfgnet.com) or 202.454.3947.

Sincerely,



Bryan Smith  
President, NATaT  
Executive Director, Township Officials of Illinois