

Congress of the United States  
Washington, DC 20510

May 4, 2020

The President  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20502

Dear Mr. President:

The COVID-19 crisis has created unprecedented challenges for the State of Maine and its many small cities and towns. Our local communities are at the front lines of this crisis, and the measures they are taking to protect public health and safety have created serious and unexpected financial hardships. As lawmakers consider additional responses to help mitigate the economic impact of the coronavirus, we write to highlight the great financial strain our state and local governments are experiencing as a direct result of COVID-19, and to express support for providing additional federal assistance to states and municipalities that have lost substantial revenue resulting from the pandemic.

Unforeseen public health expenditures related to the pandemic, along with reduced economic activity related to stay-at-home orders, have led to reduced revenues for our state and local governments. Our restaurants, retailers, bars, small hotels, and so many more businesses have had to close their doors. These Main Street businesses are the heart of many communities and a major source of revenue for our state and local governments.

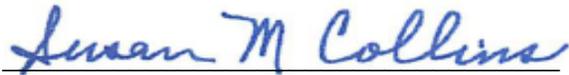
Income and sales tax revenues account for approximately 85 percent of Maine's state revenues. As these sources decline, the losses will be felt across the board – at public schools, in health care programs, in highway and bridge infrastructure needs, and in other essential services paid for by state and local governments. Municipalities expect to see less from the state revenue sharing program, along with reduced revenue from excise taxes on vehicles, building and other permit fees, and potentially property taxes. We must act now to protect vital local services to prevent furloughs of public servants, including police, firefighters, medical professionals, and educators.

We are encouraged by your willingness to discuss legislative initiatives to provide fiscal relief to state and local governments for lost revenue. The CARES Act provided direct relief to state and local governments with pandemic-related expenses, and we strongly support affording the states flexibility in administering these funds, including that decisions on allocations within a state be left to the governor. While the State of Maine received \$1.25 billion under the CARES Act, Maine's 487 municipalities were not eligible for direct assistance because the Act prevented all but the largest U.S. cities from receiving direct money due to the population threshold. Nor do any Maine municipalities meet the county or city size threshold to be eligible for loans from Treasury's Municipal Liquidity Facility.

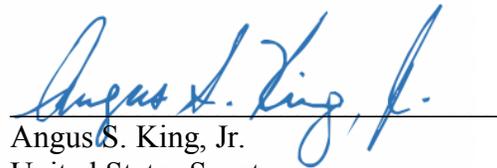
The economic situation presented by our state and local governments is alarming. They are facing revenue shortfalls and having to reduce or suspend community services in the midst of this crisis. We must work together to help all of our communities using a variety of actions, including federal assistance. When we provide federal assistance, it should reach all of our communities including those that are small and rural, be flexible to meet state needs, and be geared toward all concerns related to COVID-19.

We look forward to continuing to work with you and our colleagues in Congress to help the State of Maine, its communities, and the American people overcome the coronavirus crisis.

Sincerely,



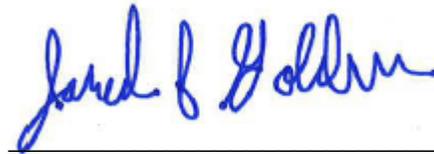
Susan M. Collins  
United States Senator



Angus S. King, Jr.  
United States Senator



Chellie Pingree  
Member of Congress



Jared F. Golden  
Member of Congress