

Dear Speaker Pelosi and Minority Leader McCarthy:

The COVID-19 pandemic has caused widespread economic hardship in New Hampshire. In addition to the loss of jobs and shuttering of small businesses, the sharp economic downturn brought on by the virus is expected to produce a significant reduction in state and local tax revenue. Unfortunately, this shortfall could force cities and towns across our state to drastically curtail essential services and lay off workers at the worst possible time for our communities. For the sake of the citizens we serve, we therefore respectfully request that you provide robust funding for local governments in the next COVID-19 response package and take action to ensure that small to mid-sized municipalities and counties can access direct federal assistance.

The increased costs and severe decline in revenue stemming from the pandemic are already forcing local governments in our state to grapple with tough choices. A recent survey of 127 towns and cities in New Hampshire (54%) estimated that COVID-19 related expenses have collectively exceeded \$7.6 million over the past five weeks, with that number expected to rise to \$27.2 million by the end of this year. These costs cover everything from overtime pay, equipment, and emergency response for police officers and firefighters to increased demand for social services and welfare services. In addition, the estimated financial impact to counties is \$13 to \$17 million over the next 6 months. Absent a dramatic increase in aid from the federal government, we will be forced to contemplate deep budget cuts that will undermine the safety, security and well-being of the communities we serve.

Unfortunately, our ability to meet the challenges posed by COVID-19 is significantly hindered by a provision of the CARES Act that bars communities with populations below 500,000 from accessing direct federal aid. No unit of local government in our state currently exceeds this arbitrary threshold – Hillsborough County, the largest county in New Hampshire, has a population of only 406,000. Because of this unfair and unnecessary limitation, all of New Hampshire has effectively been cut off from direct federal support for local communities at a time when our budgets have come under unprecedented strain.

But even more troubling is the loss in revenue that towns and cities are experiencing and will continue to experience. Although CARES Act funding and other funds like FEMA can be used for expenses directly related to COVID-19, no current funding source addresses revenue replacement for local governments. According to the survey, 58% are already experiencing revenue declines—and the worst is yet to come, as property tax payment delinquencies are expected to increase significantly, further straining municipal budgets. The effects will be long-term and significant, leading to further cuts in public services and public sector employment in the months to come. Borrowing is an option for some towns and cities, but borrowing brings with it new costs for municipalities and their taxpayers as well. However, even the municipal bond market has been severely impacted by this crisis, and may not even be available to all localities.

For these reasons, we strongly urge you to provide direct relief to struggling local governments of all sizes commensurate with the scale of the dire fiscal, economic, and public health challenges we face. Indeed, without generous assistance from the federal government, counties and municipalities across our state will find it increasingly difficult to provide the services that keep our residents healthy and safe. Simply put, it would be completely unacceptable for the federal government to stand idly by as local governments across our state and our nation are forced to lay off first responders, health care professionals, sanitation workers, educators, and

other critical public employees in the midst of a pandemic and a crushing economic downturn.

Thank you for your urgent attention to this request and for your leadership during this difficult time.

Sincerely,

Mayors from across New Hampshire

/s/

Paul Grenier
Mayor of Berlin

/s/

Charlene Lovett
Mayor of Claremont

/s/

Jim Bouley
Mayor of Concord

/s/

Robert Carrier
Mayor of Dover

/s/

Tony Giunta
Mayor of Franklin

/s/

George Hansel
Mayor of Keene

/s/

Andrew Hosmer
Mayor of Laconia

/s/

Timothy McNamara
Mayor of Lebanon

/s/

Joyce Craig
Mayor of Manchester

/s/

Jim Donchess
Mayor of Nashua

/s/
Rick Becksted
Mayor of Portsmouth

/s/
Dana Hilliard
Mayor of Somersworth

/s/
Caroline McCarley
Mayor of Rochester

County Commissioners from across New Hampshire

/s/
Commissioners of Belknap County

/s/
Commissioners of Carroll County

/s/
Commissioners of Cheshire County

/s/
Commissioners of Coos County

/s/
Commissioners of Grafton County

/s/
Commissioners of Hillsborough County

/s/
Commissioners of Merrimack County

/s/
Commissioners of Rockingham County

/s/
Commissioners of Strafford County

/s/
Commissioners of Sullivan County

Town Officials from across New Hampshire

/s/
Rick Hiland

Town of Albany, Board of Selectmen, Chair

/s/

Elizabeth Dionne
Town of Alton, Town Administrator

/s/

Bill Duschatko
Town of Bedford, Town Councilor

/s/

Nik Coates
Town of Bristol, Town Administrator

/s/

Thomas Holmes
Town of Conway, Town Manager

/s/

Jessica L. Hatch (Chair), Lyn H. England, and James D. Phelps
Town of Danbury, Board of Selectmen

/s/

Dave Caron
Town of Derry, Town Administrator

/s/

Ryan Aylesworth
Town of Enfield, Town Manager

/s/

Julia Griffin
Town of Hanover, Town Manager

/s/

Troy Brown
Town of Litchfield, Town Administrator

/s/

Andrew Dorsett
Town of Littleton, Town Manager

/s/

Kevin Smith
Town of Londonderry, Town Manager

/s/

Mark Chamberlain
Town of Lyndeborough, Board of Selectmen, Chair

/s/

Paul Dargie
Town of Milford, Board of Selectman

/s/

Stephen Fournier
Town of Newmarket, Town Manager

/s/

David Jodoin
Town of Pembroke, Town Administrator

/s/

Bob Belmore
City of Somersworth, City Manager

/s/

Bill Hutwelker
Town of Swanzey, Board of Selectman

/s/

Peggy Pschirrer
City of Walpole, Board of Selectmen, Chair

/s/

Leslie Palmer
Town of Webster, Town Administrator