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April 20, 2020

Honorable Tony Evers
Governor, State of Wisconsin
115 East, Wisconsin State Capitol
Madison, WI 53702

DELIVERED VIA EMAIL

Dear Governor Evers:

As COVID-19 has impacted every aspect of our society, we are very appreciative of the open line of communication your office has provided to local government. As you are aware, counties have been incredibly active on the front lines of fighting the pandemic, allocating current and unbudgeted resources to public health, human services, court operations, emergency management, law enforcement, local jails, medical examiner offices, and a variety of other areas necessary to maintain the fabric of society. Not only is the pandemic creating immediate challenges, but the long-term effects of the pandemic on the demand for county services, coupled with the reduction in county tax revenues, necessitates assistance from the state and federal governments.

The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act appropriates \$150 billion to state, local, and tribal governments. The funds appropriated are to be used for expenses incurred in response to the public health emergency between March 1 and December 31, 2020. The National Association of Counties (NACo) has indicated the U.S. Treasury Department (Treasury) will be issuing guidance on the use of these funds in the near future.

Of the \$150 billion CARES Act allocation, Wisconsin is expected to receive an estimated \$2.3 billion. Of the \$2.3 billion allocation, a portion will be allocated as direct payments to local units of government in this state with a population of at least 500,000. Due to an unfortunate interpretation by Treasury, Milwaukee County will not receive the full \$165 million payment approved by Congress, but will instead receive a direct payment of \$62 million. As a result, Dane County and the City of Milwaukee are the only local governments in Wisconsin that will receive a full direct allocation from Treasury. After full payment to Dane County and the City of Milwaukee and partial payment to Milwaukee County, the remaining funds will be paid to the state for state and local government COVID-19 related expenses. Based upon the guidance from federal agencies, we understand that you, as Governor, have sole discretion in determining how

MARK D. O'CONNELL, EXECUTIVE DIRECTOR

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these federal funds are allocated. In addition, Treasury has previously indicated that the state may, at its discretion, use the funds provided to cover eligible expenses of any local unit of government.

We write at this time to respectfully request that, as Governor, you take action consistent with that of your colleagues from across the nation and allocate 30% of Wisconsin's federal allocation to counties. This would be similar to the approaches taken by California (45%), Alabama (45%), West Virginia (45%), Idaho (30%), and Maryland (28%), all of which have allocated a specified percentage of federal funds received to local governments. In conversations with others around the country, many states are currently negotiating similar allocation percentages with their local government partners.

In the interest of expediency, we ask that you allocate the resources for this pandemic to each county on a per capita basis. We also request Milwaukee County receive the full amount the county should have received under the direct federal allocation. Our entire state has been affected by COVID-19 and a per capita distribution will ensure that every part of our state receives critically needed resources to address the COVID-19 pandemic.

We greatly appreciate the partnership you have shown local government during this statewide challenge and look forward to your favorable consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark D. O'Connell". The signature is fluid and cursive, with the first name "Mark" and last name "O'Connell" clearly distinguishable.

Mark D. O'Connell
Executive Director

cc: Assembly Speaker Robin Vos
Senate Majority Leader Scott Fitzgerald
Assembly Majority Leader Jim Steineke
Senate President Roger Roth
Joint Committee on Finance Co-Chair John Nygren
Joint Committee on Finance Co-Chair Alberta Darling
Wisconsin County Officials
National Association of Counties