



The Honorable Donald J. Trump  
 President of the United States  
 The White House  
 1600 Pennsylvania Avenue, NW  
 Washington, D.C. 20500

The Honorable Steven T. Mnuchin  
 Secretary of the Treasury  
 1500 Pennsylvania Avenue, NW  
 Washington, D.C. 20220

The Honorable Nancy Pelosi  
 Speaker of the House of Representatives  
 United States House of Representatives  
 1500 Pennsylvania Avenue, NW  
 Washington, D.C. 20515

The Honorable Mitch McConnell  
 Majority Leader of the Senate  
 United States Senate  
 Washington, D.C. 20510

The Honorable Charles E. Schumer  
 Minority Leader of the Senate  
 United States Senate  
 Washington, D.C. 20515

The Honorable Kevin McCarthy  
 Minority Leader of the House of  
 Representatives  
 United States House of Representatives  
 Washington, D.C. 20515

March 21, 2020

Dear Mr. President, Secretary Mnuchin, Madam Speaker, Majority Leader McConnell, Minority Leader Schumer, and Minority Leader McCarthy:

We write to alert you to an urgent issue that directly affects all state and local governments, public agencies, and employees.

H.R. 6201, the Families First Coronavirus Response Act, which was signed into law on March 18, 2020, creates paid sick leave and family medical leave requirements for all state and local public agency employers. As we have all come to realize, it is imperative that people stay home if they are sick or to take care of a sick family member, especially in this crisis, and paid leave is critical for families to weather this global economic collapse. We support this provision.

Unfortunately, the bill treats private companies and public employers very differently. Both are required to provide paid sick leave, but only private sector employers will receive a tax credit to

offset the costs. Public sector employers are explicitly prohibited from receiving those same tax breaks, even though local governments, and most public agencies, pay payroll taxes.

We strongly urge you to include a provision in the Coronavirus Aid, Relief, and Economic Security Act, the next COVID-19 supplemental appropriations legislation, to strike Secs. 7001(e)(4) and 7003(e)(4) from H.R. 6201 and explicitly clarify that state and local governmental employers and public agencies, including those exempt from 26 USC 3111, fully qualify for both the Section 7001 and Section 7003 credits.

Local governments, public water and sanitation agencies, public hospital districts, and other public agencies provide critical services and infrastructure for all of your constituents and first responders. In this crisis, state and local governments and public agencies are facing unprecedented demands for emergency efforts that strain their resources, along with demands for measures to defer bills and taxes that are the governments' and agencies' sources of revenue. Unlike the Federal government, we cannot run deficits in response.

The recent supplemental appropriations bills not only fail to assist local governments and public agencies in any meaningful way, it penalizes them by specifically cutting them out of the tax credits that would help offset new leave requirements from the federal government. It is imperative that this change be made, and that future supplemental appropriations assist rather than penalize local governments and public agencies.

As local governments and public agencies, we are working hard to assist our communities in this crisis. We, our employees, and our constituents and ratepayers need assistance from the Federal government during emergencies.

Sincerely,



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City Manager  
City of Aliso Viejo



Michael Parmer  
Assistant City Manager  
City of Avalon



Jim Barrett  
General Manager  
Coachella Valley Water District



Blair King  
City Manager  
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Valley Center Municipal Water District