

Congress of the United States
Washington, DC 20515

August 7, 2020

President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump:

We are writing to reiterate our request that you direct the Federal Emergency Management Agency (FEMA) to waive all of the traditional cost-share requirements for major disaster assistance for Massachusetts during the COVID-19 pandemic. Given that we initially asked this in an April 17th letter to you which has gone unanswered, we are renewing our request for a waiver and request a written response.

Following a request from Governor Charlie Baker, the major disaster declaration for Massachusetts was approved on March 28.¹ As of July 27, the cumulative caseload in Massachusetts reached 108,562 confirmed cases and 8,317 people have died. Disaster declarations are pivotal in state and municipalities response to emergencies – including public health disasters like the COVID-19 pandemic - and provide critical resources to agencies and organizations doing frontline work to control the spread and mitigate various harms to communities. While we are glad that the federal aid has been made available by the declaration, we remain concerned that the 75/25 percent federal-state cost-share can be prohibitive and hinder the ability of our communities to properly respond to this crisis.

The Commonwealth of Massachusetts and local governments across the state are experiencing massive budget shortfalls and revenue loss due to the pandemic. A March 2020 study by the Center for State Policy Analysis projected a tax revenue shortfall of \$1.8 billion to \$3 billion over the next 15 months. The analysis also added that this current crisis differs greatly from other economic events due to the precipitous pace of decline and predicted “shortfalls ranging from \$540 million to \$753 million in fiscal 2020, and from \$1.2 billion to \$2.6 billion in fiscal 2021.”² The Massachusetts Department of Revenue released its May monthly revenue reports showing tax collections \$320 million short of projected overall revenue. State Budget officials expect a

¹ Boston CBS, Trump Approves Major Disaster Declaration In Massachusetts For Coronavirus, March 28, 2020 <https://boston.cbslocal.com/2020/03/28/coronavirus-president-trump-approves-major-disasterdeclaration-massachusetts-covid-19/>

² WBUR, “Projected Tax Revenue Shortfall In Mass. Sets Up Tough Budget Math, Tufts Researchers Say,” Katie Lannan, March 31, 2020, <https://www.wbur.org/bostonmix/2020/03/31/dramatic-revenue-drop-billions-coronavirus>.

total of \$2.253 billion short of projected tax revenue for the year. The shortfalls account for a 6.5% decline from fiscal year 2019 collections - fiscal year 2021 began on July 1st.³ Municipalities have had to lay off and furlough staff in schools, libraries, and various departments providing services to constituents,⁴ contributing to Massachusetts' setting the highest unemployment rate in the country in June at 17.4%.⁵

As discussed in our previous letter, FEMA is authorized to increase the federal cost-share to one hundred percent for emergency work, including Direct Federal Assistance under 44 CFR §206.47(d) "if warranted by the needs of the disaster."⁶ Furthermore, there is precedent for waiving the cost-share requirements of disaster relief – President George W. Bush waived the requirements following the September 11, 2001 terrorist attacks.⁷ The economic crisis Massachusetts cities, towns, and municipalities face due to the COVID-19 pandemic has created dire need for this federal relief.

On behalf of the Commonwealth of Massachusetts, its local elected officials, and its residents, we respectfully reiterate our support for you to direct FEMA to increase the federal cost-share to one hundred percent and waive all applicable cost-sharing requirements related to the COVID-19 pandemic disaster. Thank you again for your attention to this matter and your prompt consideration. We appreciate your timely and comprehensive reply.

Sincerely,



Elizabeth Warren
United States Senator



Edward J. Markey
United States Senator

³ WBUR, Statehouse News Service, "May Revenue Report Shows Mass \$2.25B Short on Taxes," Matt Murphy, June 4, 2020, <https://www.wbur.org/bostonmix/2020/06/04/massachusetts-department-of-revenue-may-report-shortfall>

⁴ Boston Globe, "Coronavirus Pandemic is Wreaking Havoc on Municipal Finances, with More Pain to Come," Matt Stout, May 5, 2020, <https://www.bostonglobe.com/2020/05/15/nation/coronavirus-pandemic-is-wreaking-havoc-town-finances-with-more-pain-come/>.

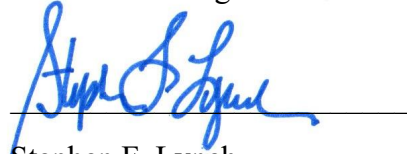
⁵ WBUR, "Mass. Unemployment Rate Rises to 17.4%, Worst in the Country," Callum Borchers, July 17, 2020, <https://www.wbur.org/bostonmix/2020/07/17/massachusetts-unemployment-rate-worst-country>.

⁶ Federal Emergency Management Agency, Federal Register Notice, "Disaster Assistance; Cost-share Adjustment," April 21, 1999, <https://www.govinfo.gov/content/pkg/FR-1999-04-21/pdf/99-9934.pdf>.

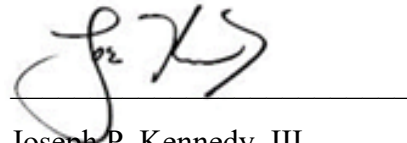
⁷ Congressional Research Service, "FEMA Disaster Cost-Shares: Evolution and Analysis," Jared Broan and Bruce Lindsay, April 4, 2013, <https://fas.org/sgp/crs/homesec/R41101.pdf>



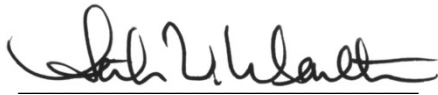
Richard E. Neal
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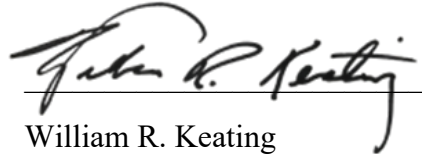
Seth Moulton
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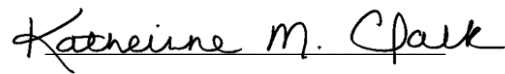
Lori Trahan
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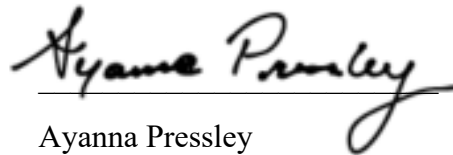
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CC:

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