

United States Senate

WASHINGTON, DC 20510

April 26, 2020

The Honorable Steven Mnuchin
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Mnuchin:

We write regarding the Treasury Department's Coronavirus Relief Fund Guidance to urge you to promptly revise your interpretation so states, Tribal, and local governments can use these funds to prevent further economic damage.

While the term "lost revenue" does not appear specifically in Title V of the Coronavirus Aid, Relief and Economic Security (CARES) Act, a plain text reading of the law leads to the logical conclusion that lost or delayed revenues are a direct cost created by the coronavirus that were never accounted for in any budget. Therefore, we believe it is fully within your authority and the intent of the CARES Act that these funds may be used to replace lost or delayed tax revenues and maintain public services. In the midst of an economic collapse, the intent of the entire CARES Act is to provide flexible help to a wide range of Americans. To prevent the flexible use of these relief funds is a choice that is neither required nor intended by law.

We are not alone in this view. Governors and Senators from both sides of the aisle have set aside ideology and urged you to follow the law as written instead of creating more bureaucratic red tape in the middle of a public health emergency and ensuing economic crisis. Of all the regulations that this Administration seeks to cut, it should start with this one.

We all have a common interest in preserving as much of our economy as possible so that we are well positioned for a robust recovery. A critical component of our economy is our state, Tribal, and local governments as they not only serve as customers for our local businesses, but also provide the essential services, such as effective law enforcement, public infrastructure, a strong education system, and other necessary conditions that provide the business certainty that make our country attractive to businesses and investors throughout the world. We should preserve and maintain this critical comparative advantage.

To avoid distracting states, Tribes, and localities from meeting the crisis at hand, the Treasury Department should publicly confirm that states, Tribes and localities may use these funds to maintain their essential services as the CARES Act clearly permits.

We thank you for your consideration and urge you to act promptly.

Sincerely,

Jack Reed
United States Senator

Charles E. Schumer
United States Senator

Patrick Leahy
United States Senator

Sherrod Brown
United States Senator

Tim Kaine
United States Senator

Doug Jones
United States Senator

Sheldon Whitehouse
United States Senator

Martin Heinrich
United States Senator

Mazie Hirono
United States Senator

Angus S. King, Jr.
United States Senator

Jon Tester
United States Senator

Amy Klobuchar
United States Senator

Kirsten Gillibrand
United States Senator

Edward J. Markey
United States Senator

Thomas R. Carper
United States Senator

Robert P. Casey, Jr.
United States Senator

Richard Blumenthal
United States Senator

Mark R. Warner
United States Senator

Ron Wyden
United States Senator

Chris Van Hollen
United States Senator

Tom Udall
United States Senator

Richard J. Durbin
United States Senator

Patty Murray
United States Senator

Bernard Sanders
United States Senator

Jeffrey A. Merkley
United States Senator

Tina Smith
United States Senator

Dianne Feinstein
United States Senator

Robert Menendez
United States Senator

Benjamin L. Cardin
United States Senator

Tammy Baldwin
United States Senator

Catherine Cortez Masto
United States Senator

Brian Schatz
United States Senator

Tammy Duckworth
United States Senator

Christopher A. Coons
United States Senator

Christopher S. Murphy
United States Senator

Jacky Rosen
United States Senator

Elizabeth Warren
United States Senator

Cory A. Booker
United States Senator

Margaret Wood Hassan
United States Senator

Jeanne Shaheen
United States Senator

Kamala D. Harris
United States Senator

Joe Manchin III
United States Senator

Michael F. Bennet
United States Senator

Kyrsten Sinema
United States Senator

Gary C. Peters
United States Senator

Debbie Stabenow
United States Senator