

DELIVERY via ELECTRONIC AND USPS

April 17, 2020

**The Honorable Ron DeSantis
Governor, State of Florida
The Capitol
400 South Monroe Street
Tallahassee, FL 32399-0001**

Dear Governor DeSantis:

On behalf of Florida's 67 counties and 412 cities, the Florida League of Cities and the Florida Association of Counties want to thank you for your leadership during this unprecedented pandemic. Our two organizations greatly appreciate the flexibility and authority you have given local governments to deal locally with the issues that are most affecting their neighborhoods and business communities.

With the passage of the Coronavirus Aid Response and Economic Security (CARES) Act on March 27, Congress and President Trump committed over \$8 billion in federal stabilization funds for Florida's state and local governments as we respond to COVID-19. The CARES Act funding that is allocated for local governments provides direct federal assistance to local governments with populations over 500,000. In Florida, this excludes 55 of 67 counties and all (411) but one city (Jacksonville). The remaining funds will be given to the state for distribution.

County and city governments have been, and remain, on the front line in direct response to the COVID-19 emergency. They are supporting county health departments and authority-owned hospitals; funding and equipping of first responders and other public safety officials; conducting emergency management operations; maintaining critical infrastructure; increasing funding for coroners/medical examiners and indigent burial; and addressing the needs of seniors citizens, homeless and our jail population. Local governments are also incurring significant overtime costs for essential workers, especially among our public safety and public health employees, due to the increased demand for their services and a shortage of available staff as a result of increased sick leave from exposures or illness.

At the same time as these increased service and financial demands, city and county governments (like the state) are likely to soon see substantial revenue losses, particularly from lower sales tax collections due to the dramatic and ongoing downturn in economic activity.

As you know, Florida's allocation from the CARES Act is approximately \$8.328 billion or 6% of total funds set aside for states (although Florida's population is approximately 6.6% of the total U.S. population). The legislation provides that of each state allocation, 55% is reserved for the state and 45% of the allocation is reserved for direct payments to eligible local government jurisdictions (that exceed 500,000 in population). However, if the 45% reserved for eligible local government jurisdictions is not completely distributed, any remaining balance of this sub-allocation reverts back to the state, in addition to the original 55% reserved for use at its discretion.

Below is a calculation of the distribution of the CARES Act funds for Florida and the 12 direct assistance recipients:

\$8,328,221,072 for Florida

55% Reserved for State of Florida: **\$4,580,521,590**

45% Reserved for Eligible Local Governments: **\$3,747,699,482**

The direct local assistance allocations reduce the allocation made to the state government (keeping the state allocation constant) and are equal to the product of

- ▶ the state or territory allocation amount;
- ▶ the percentage of the state or territory population served by the local government; and
- ▶ 45%.

Jurisdiction	2019 Population	% of State	x	State Allocation	=	Product 1	x	45% Factor	=	Jurisdiction Allocation
<i>Miami-Dade County</i>	2,716,940	12.65%		8,328,221,072.10		1,053,522,397		45%		454,085,079
<i>Broward County</i>	1,952,778	9.09%		8,328,221,072.10		757,210,450		45%		340,744,702
<i>Palm Beach County</i>	1,496,770	6.97%		8,328,221,072.10		580,388,495		45%		261,174,823
<i>Hillsborough County</i>	1,471,968	6.85%		8,328,221,072.10		570,771,256		45%		256,847,065
<i>Orange County</i>	1,393,452	6.49%		8,328,221,072.10		540,325,841		45%		243,146,628
<i>Pinellas County</i>	974,996	4.54%		8,328,221,072.10		378,065,074		45%		170,129,283
<i>Duval County</i>	957,755	4.46%		8,328,221,072.10		371,379,693		45%		167,120,862
<i>Lee County</i>	770,577	3.59%		8,328,221,072.10		298,799,432		45%		134,459,744
<i>Polk County</i>	724,777	3.37%		8,328,221,072.10		281,039,994		45%		126,467,997
<i>Brevard County</i>	601,942	2.80%		8,328,221,072.10		233,409,416		45%		105,034,237
<i>Pasco County</i>	553,947	2.58%		8,328,221,072.10		214,798,844		45%		96,659,480
<i>Volusia County</i>	553,284	2.58%		8,328,221,072.10		214,541,759		45%		96,543,791
										2,472,413,692

Based on the above chart, eligible Florida local governments would be able to receive approximately \$2.472 billion in direct federal assistance. However, this sum is approximately \$1.275 billion less than the total sub-allocation reserved for eligible Florida local governments of \$3.747 billion. According to the provisions of the CARES Act, the remaining balance of approximately \$1.275 billion would revert to the State of Florida for use at its discretion.

It is this \$1.275 billion that the Florida Association of Counties and the Florida League of Cities write to you about. We respectfully request that you earmark or set aside this money to provide direct assistance to local governments that were not direct beneficiaries of CARES Act dollars. This would provide these non-direct-allocation governmental bodies the funding necessary to make payments for programs that comport with the requirements and restrictions of the CARES Act funds.

The Florida League of Cities and the Florida Association of Counties are working together to develop a recommended distribution formula for this \$1.275 billion and will be providing that to your office shortly.

We greatly appreciate your consideration of this important matter, and we look forward to working with you to address the concerns of the 466 local government bodies in Florida that did not receive direct funding from the CARES Act.

If you have questions or need additional information, please don't hesitate to contact Mike Sittig at msittig@flcities.com or by phone at 850.222.9684 or Ginger Delegal at gdelegal@fl-counties.com or 850.294.9295. If we can assist you in any way as we begin to open up the state for business, please do not hesitate to contact us.

Sincerely,

Virginia "Ginger" Delegal



FAC Executive Director



Michael Sittig



FLC Executive Director

