

**Jason L. Shelton, Mayor of Tupelo, Mississippi**

**Representing Tupelo, Mississippi**

**July 8, 2020**

**Hearing: Examining the National Response to the Worsening Coronavirus Pandemic**

Chairman Thompson, Ranking Member Rogers, and distinguished members of the Committee on Homeland Security, I would like to begin by thanking you for the opportunity to be with you today remotely to discuss the ongoing devastating impact of Covid-19 to our great Nation, and, more specifically, to our local governments. The adverse impact of the public health crisis and the corresponding economic crisis caused by Covid-19 has had a direct negative impact on the ability of local governments all across our Nation to provide the basic government services that every American depends on in carrying out their normal day to day activities such as getting to work, providing for their family, and having safety and security in their own community.

As you are aware, nearly 3 million Americans have already been diagnosed with Covid-19 and the number of deaths from Covid-19 is in excess of 130,000. While some loss of life due to the deadly global pandemic is likely unavoidable, in my opinion many of these deaths could have been prevented by a quicker and more uniform response by our Nation's Commander-in-Chief and his administration. Rational, stable, and consistent leadership, based upon medical and scientific data, is desperately needed from our Nation's highest office during this very real viral pandemic. Unfortunately, that is missing at the moment.

In the last six months, we have seen leaders of nations all over the globe respond to this deadly pandemic with rational science based decision making and genuine concern for their citizens and their economies. We have seen leaders from all over the world step up and rise to the occasion. It is past time to see that type of leadership here in the greatest country on earth.

We must, as a Nation, listen to our scientists and our health care providers in responding to a medical crisis. If other nations have the ability to flatten the curve and reduce the number of deaths, then we also have that ability in the United States of America. Our Nation has 4.25% of the world's population, but over 20% of the world's Covid-19 cases. Our Nation has 4.25% of the world's population, but over 20% of the world's Covid-19 deaths. That is a failure of leadership. This failure, in addition to the exacerbated public health crisis, has caused a tremendous amount of harm to our Nation's economy. The medical crisis and the economic crisis are interrelated and one cannot be fixed without fixing the other, and these two simultaneous crises are directly contributing to the hardships being faced by American families, American businesses, and local governments all across our Nation.

My purpose here today is to speak to the hardships facing local governments which are on the front line of responding to our Nation's health and economic crises. Mayors, municipal board members, county and parish leaders, and countless other local officials are doing all that they can to flatten the curve in their communities. Local officials are making local policies based upon the recommendations of Dr. Anthony Fauci and the National Institute of Allergy and Infectious Disease, the Surgeon General, the Center for Disease Control, state agencies, and their local

medical communities. Their efforts, however, are being hamstrung by the lack of rational, stable, and science based leadership from the White House.

In Tupelo, for example, by Executive Order, we recently instituted a mandate to wear masks or face coverings at indoor businesses. The request for our city to mandate this policy was made by the North Mississippi Medical Center, our Nation's largest rural hospital, which is based in Tupelo, Mississippi, and the Tupelo Economic Recovery Task Force – a bi-partisan group of approximately 40 business and community leaders in our city. While it appears that the majority of our citizens support and are in voluntary compliance with the Executive Order, a sizable number of people in our area are adamantly opposed to masks or face coverings for a number of reasons, none of which are science based. The opposition is largely based upon conspiracy theories and what appears to be unofficial right wing political propaganda. Many people appear to be of the belief that Covid-19 is simply a hoax designed to hurt the President politically. The President has an obligation as the leader of our Nation in both words and deeds to dispel these rumors and encourage our citizens to take every precaution to prevent the spread of Covid-19.

Because of these unchecked conspiracy theories and rumors, local leaders have an increasingly difficult time enacting common sense measures to protect both the health of their citizens and their local economies. That compounds the needs of local governments which I am here to speak of today.

I have attached hereto as “Exhibit A” to my opening statement a narrative of the efforts of Tupelo, Mississippi to combat Covid-19, help our citizens, and re-boot our local economy.

A summary of those efforts are as follows: we instituted our emergency protocol on February 24, 2020 and formed our administrative team to respond to Covid-19 at that time; between February 24, 2020 and April 30, 2020 I executed 17 separate Executive Orders to do my best to combat the deadly virus and each of these orders were ratified and adopted by our City Council.

Among the measures enacted by Executive Order and adopted by our City Council was a mandate for our citizens and businesses to follow “The President’s Coronavirus Guidelines for America.” The Tupelo Economic Recovery Task Force also proposed and our city adopted the “Tupelo Economic Recovery Guidelines” which were formulated based upon the President’s “Reopening of America” guidelines.

Both the President’s Coronavirus Guidelines and the President’s Reopening of America Guidelines were well written and helpful in combating Covid-19 and would likely have had a tremendously positive impact had they been mandated nationally. Unfortunately, the President issued no such mandates and was highly critical of Governors and other leaders who actually mandated the very guidelines issued by the White House in their respective state or community. While the written documents called for a slow and measured approach based upon science and data, the public mandate from the President and many governors was contrary to what was contained in those written documents. This has greatly hampered the ability of local leaders to respond due to the President’s large and passionate following. This has had a direct adverse impact on the economy and financial ability of local governments all across the Nation to provide basic city services.

Due to the continued political climate surrounding Covid-19 our city continues to have difficulty in getting individuals and businesses to comply with safety measures to prevent Covid-19 related sickness and death in our city. This will prolong both the health and economic crises in our community.

Until we can slow the sickness and death in our community and across the Nation, it is impossible to truly stop the adverse economic impact to our local governments. That is why direct financial assistance to local governments for revenue loss is desperately needed.

On behalf of the citizens of Tupelo, Mississippi and as a member of the National League of Cities Small Towns Council, I would like to thank the members of this Committee and the Congress for acting swiftly to respond to the economic and medical crises caused by the deadly global viral pandemic of Covid-19. I applaud this body's swift bi-partisan effort to pass the various CARES ACT bills which provided much needed relief to individuals, hospitals, businesses, and state governments across the country. In today's highly politicized climate it is increasingly rare to see the leaders of both parties come together so quickly to pass such historic legislation. The legislation helped virtually every level of our society.

The purpose of me being here today, however, requires that I speak candidly regarding to this issue to the honorable members of this committee as to what I believe to be a significant oversight in the historic legislation.

Local governments under the acts were eligible for reimbursement for actual unbudgeted expenses incurred as a result of Covid-19. For many cities and local governments, however, the actual expenses incurred paled in comparison to the most significant harm incurred by local governments – the loss of revenue from the economic crisis caused by Covid-19. While the CARES ACT bills did many great things, the legislation unfortunately did not provide any means for local governments to recover lost revenue and went further to directly prohibit CARES ACT funds from being used to replace lost revenue by local governments due to Covid-19. I have attached a summary of the adverse financial impact to the City of Tupelo, Mississippi as “Exhibit B” to this statement.

By way of example, the State of Mississippi received over 1.2 billion dollars of CARES ACT funds and not a single dollar of those funds could be allocated to a local government to directly help the local governments of our state recover from the substantial loss of revenue due to Covid-19. Like in other states, municipal governments in Mississippi receive a substantial portion of their revenue from local sales tax. Tupelo, Mississippi receives approximately 50% of our annual budget revenue from sales tax collections. Due to the economic shut downs and societal shift to even more online shopping, that revenue, as indicated in Exhibit B, was greatly reduced for our city. The same is likely true for every local government in the country that depends on local sales tax revenue as a source of funding for their annual budget.

As Americans, we rightfully are often passionate about the larger issues that get debated in Washington, D.C. and in our respective state capitols, but it is at the local level where the rubber literally meets the road in American society.

The revenue loss in our city and in cities like us all across the nation may mean that streets do not get paved or repaired, that litter pick-up and debris removal does not occur, that first responders and other public safety workers are laid off or furloughed due to the economic hardships faced by local governments, and that the opening of new businesses are delayed because of backlogs in the permitting offices or for a lack of building inspectors in the city. Virtually every business in America has to interact with a local government and the city services need to be available and timely available to keep our local and our national economy moving forward.

While the federal and state governments have a large scale impact on our nation as a whole, the ability of every worker in America to actually get to work on time by way of a decent road or local transportation system depends on a capable and functioning local government. Every mom and pop business in our Nation has to depend on a local municipal or county (parish) government to make sure that the infrastructure is sound and that the community is safe to operate their business.

Fire fighters, first responders, police officers, code enforcement workers, sanitary water and waste removal, garbage and debris pickup, youth sports and adult recreation leagues, local parks, public works departments, and a host of other functions that have a very real and daily impact on the lives of every American are performed by the local municipal or county government where that person and their family lives. Those are the services being threatened by the loss of revenue to local governments due to the economic crisis caused by the health care crisis resulting from the global Covid-19 pandemic.

Former Speaker Tip O'Neill famously said that "all politics is local" and it is certainly true at this moment that while our Nation's response to Covid-19 may be debated in Washington, D.C. and in our respective state capitols, it is being felt the hardest in our local communities all across our great Nation.

As this Honorable Committee and this collective body continues to debate and deliberate upon our Nation's response to Covid-19, on behalf of all mayors and local officials and governments across our Nation, I would respectfully request that you consider direct payments for local governments to city and county (parish) governments for lost revenue. Unlike our Federal Government and even our state governments, our cities and counties (parishes), particularly in our small rural communities, do not have the ability to absorb significant revenue losses and also continue to provide the high level of services that our citizens and businesses expect and deserve.

Thank you again Chairman Thompson, Ranking Member Rogers and distinguished members of this Honorable Committee for allowing me the honor and privilege of being here today under this unique remote format to speak on behalf of our Nation's local governments.