



Congress of the United States
House of Representatives
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To Lisa B. Nelson and Jonathan Williams:

As the Chairman of the Republican Study Committee (RSC), I write today to applaud the American Legislative Exchange Council (ALEC) and partners for their work to oppose the use of COVID funding for state and local government bailouts. This work has aided efforts to restore fiscal responsibility and safeguard the ability for state and local governments to work, free from federal manipulation, towards the interests of their communities.

The role of any government is to protect access, for its constituents, to their God-given and individual rights to, life, liberty, and the fruits of their labors. It is not the role of government to take from those constituents to give to other governments to subsidize their budget shortfalls. During this unprecedented time, Congress has provided robust support to state and local governments to combat the pandemic. However, the Left has proposed draining hundreds of billions of dollars from Americans to bailout state and local governments that have mismanaged their budgets for decades. Not only would these proposals reward such governments at the expense of responsible ones, but it would also expand federal power over state and local governments.

As ALEC has correctly brought to public [attention](#), the creation of new federal grants come with strings attached in the form of new regulations. State and local governments that would want to turn down these grants would then find themselves at a disadvantage. They would be left watching their taxpayer's money forcibly sent to finance boondoggles in other states. The states that do take these funds would then have their power limited under the weight of federal regulations. The work of government is done best by the state and local governments closest to the people they represent. It is essential that these governments remain accountable to their constituents and not to unelected federal regulators or taxpayers in other jurisdictions.

It is vital that we recommit to respect the hard work of Americans and the role of federalism and the state and local governments. In opposing these bailouts, [RSC](#)¹, [ALEC](#)², and [conservatives](#)³ [around the nation](#)⁴ and [across the country](#)⁵ have reaffirmed our commitment to fiscal responsibility and the rights of our citizens. Accordingly, we write today to stand with ALEC and the over 1500 state and local government leaders and activists that have signed their letters regarding this matter.

Sincerely,

Rep. Jim Banks (IN-03)
Chairman, Republican Study Committee

¹ Letter to House Leadership Opposing Bailout of State and Local Governments with COVID-19 Relief, RSC (May 12, 2020) <https://rsc.banks.house.gov/sites/repUBLICANSTUDYCOMMITTEE.house.gov/files/documents/06122020%20RSC%20ASTE%20letter.pdf>

² State Leaders Say "No Thanks" to Federal Bailout, ALEC (July 28, 2020) <https://www.alec.org/articles/state-leaders-say-no-thanks-to-federal-bailout/>

³ Letter to House Leadership Opposing Bailout of State and Local Governments with COVID-19 Relief, AFP (May 13, 2020) https://americanforprosperity.org/wp-content/uploads/2020/05/HCBCoalition_5.13.20.pdf

⁴ No State & Local Government Bailouts in COVID-19 Relief Legislation, Conservative Action Project (May 8, 2020) <http://conservativeactionproject.com/no-state-local-government-bailouts-in-covid-19-relief-legislation/>

⁵ Coalition Letter Opposing Bailout of State and Local Governments with COVID-19 Relief, Mackinac Center for Public Policy (May 8, 2020) <http://www.mackinac.org/archives/2020/05/08/coalition-letter-opposing-covid-19-relief-legislation/>