

Sponsors: New York Association of Public Power; Northern California Power Agency; Blue Ridge Power Agency; Los Angeles Department of Water and Power; Orlando Utilities Commission; Delaware Municipal Electric Corporation; Vermont Public Power Supply Authority

The Need for a Strong Federal Response to the Economic Crisis Caused by the COVID-19 Pandemic

1 On January 21, 2020, the U.S. confirmed its first-known coronavirus infection. Since then, more than 25
2 million Americans have contracted the COVID-19 virus and more than 400,000 Americans have died
3 from this horrible disease. On March 13, 2020, President Trump declared the COVID-19 coronavirus
4 pandemic a national emergency, and by April 11, 2020, had declared that the epidemic had caused a
5 major disaster in all 50 states and four territories and authorized reimbursements to states through the
6 Federal Emergency Management Administration for emergency protective measures.

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8 Quarantines to slow the spread of this disease resulted in more than 25 million Americans losing their
9 jobs from February through March of 2020, with 10 million Americans remaining unemployed by
10 December, and another 5 million Americans having simply abandoned the job market. The U.S. economy
11 shrank by nearly \$2 trillion in the first two quarters of 2020 and by September the gross domestic product
12 remained nearly \$1 trillion below the level a year before. As a result of these trying circumstances, tens of
13 millions of Americans will owe nearly \$40 billion on natural gas and electric utilities by March of 2021,
14 according to the National Energy Assistance Directors' Association.

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16 Public power utilities have taken extraordinary steps to continue operating under these unprecedented
17 circumstances while keeping workers and customers safe, including redesigning work procedures and
18 work sites to meet Center for Disease Control recommendations; acquiring COVID-19 testing, personal
19 protective equipment (PPE), and other equipment; and building virus contact tracing programs and
20 applications. They have also quarantined and isolated workers in their homes or on-site to ensure
21 reliability and partnered with local organizations or set up shops internally to create and manufacture PPE
22 and sanitizer.

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24 Public power utilities have taken unprecedented steps to help their customers meet the financial burdens
25 caused by the pandemic and pandemic quarantining, including waiving late fees and penalties; foregoing
26 power shutoffs; and seeking out state and local aid for their customers. They have also sought to secure
27 funding for, and access to, federal programs providing assistance to utility customers, including the
28 Coronavirus Relief Fund, the Low Income Home Energy Assistance Program, and Community
29 Development Block Grants for Coronavirus Response.

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31 President Biden has stated it is a top priority of his Administration to address the effects of the pandemic
32 and has called on Congress to draft another COVID-relief package. The House of Representatives has
33 started drafting legislation, which will seek to assist Americans hard hit by COVID-19 and to help the
34 economy recover. These efforts build upon earlier efforts by Congress, which passed multiple COVID-
35 relief packages in 2020 that were signed into law. Throughout 2020, the American Public Power
36 Association advocated for policies to help electric utilities continue to deliver electricity while keeping
37 their employees and customers safe and to assist residential and business customers in need.

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39 **NOW, THEREFORE, LET IT BE RESOLVED:** That the American Public Power Association
40 (APPA) believes that Congress should immediately provide an emergency \$10 billion supplemental
41 appropriations for the Low Income Home Energy Assistance Program increase income thresholds for
42 eligible households, and increase the amount of funding that can be used for administrative expenses to
43 ensure that these funds go to the households that need this critical relief; and

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45 **BE IT FURTHER RESOLVED:** That APPA believes that the Federal Emergency Management
46 Administration should move swiftly to reimburse public power utilities for the costs of emergency
47 protective measures in response to the COVID-19 pandemic, including by approving the costs for steps
48 taken by public power utilities to ensure the life and safety of public power workers and customers; and

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50 **BE IT FURTHER RESOLVED:** That APPA believes that federal agencies, including the Departments
51 of Treasury and Housing and Urban Development, should work to ensure that utility customer relief
52 programs benefit all customers, including public power utility customers; and

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54 **BE IT FURTHER RESOLVED:** That APPA believes that Congress should treat public power utilities
55 the same as other employers by granting them payroll tax credits to offset the cost of federally mandated
56 emergency paid sick leave and emergency paid family leave; and

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58 **BE IT FURTHER RESOLVED:** That APPA believes that Congress should help state and local
59 governments reduce the cost of existing debt by immediately reinstating the ability to issue tax-exempt
60 advance refunding bonds.

Adopted at the Legislative & Resolutions Committee meeting

March 2, 2021

Sunsets in March 2029