

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Senators Want Federal Innovation Centers to Help State and Local Governments.**

A group of 16 democratic senators wrote a letter to congressional leadership urging them to relax regulations that prevent two federal innovation hubs from quickly partnering with state and local governments, as the IT systems of lower levels of government struggle to handle coronavirus-related inquiries.

The letter, dated April 22, calls for additional emergency funding for the General Services Administration's Technology Transformation Service and the Office of Management and Budget's U.S. Digital Service to provide IT assistance to state and local governments.

The senators wrote that TTS and USDS have the technologists and resources to assist state and local governments, whose systems are overwhelmed by the vast amount of citizens applying for government help, like unemployment or small business loans.

However, red tape makes it difficult for the entities to partner below the federal level. TTS' rules mandate that it must establish an Intergovernmental Cooperation Act agreement that could take up to three to four months to formulate, the letter said. OMB policies also require a waiver for states to use "best-in-class" digital products developed by TTS.

"The COVID-19 pandemic has overwhelmed state and local government benefits systems due to unprecedented numbers of applications and outdated systems," the senators wrote. "More than 22 million Americans have filed unemployment claims in the past four weeks alone. News reports abound showing hours-long hold times for Americans seeking assistance with unemployment claims, small business loans and grants, and other emergency programs. These federal programs, which are administered by the states, are of the utmost importance to American workers and businesses."

The senators called for \$50 million for the USDS for new technologists to help state and local governments and a reduction on restrictions on working with state and local governments. As for TTS, the senators asked for \$25 million in emergency appropriations for the Federal Citizen Services Fund, which provides funding for engagement opportunities for public-facing government programs. The letter also asked that regulations preventing partnership be waived.

"During this national emergency, when speed is vital for millions of Americans, red tape is preventing the federal government's skilled technologists from helping the state and local agencies that need them most," the senators wrote.

The letter notes that many states are using legacy systems to serve its citizens. For example, the letter adds, New Jersey is running a system that uses COBOL code, a legacy program language, prompting its governor to call for COBOL programmers to help the state.

The letter is signed by Sens. Ron Wyden, D-Ore., Sheldon Whitehouse, D-R.I., Kyrsten Sinema, D-Ariz., Kirsten Gillibrand, D-N.Y., Kamala D. Harris, D-Calif., Sherrod Brown, D-Ohio, Edward J. Markey, D-Mass., Doug Jones, D-Ala., Mazie Hirono, D-Hawaii, Bob Menendez, D-N.J., Mark Warner,

D-Va., Jacky Rosen, D-Nev., Cory Booker, D-N.J., Dick Durbin, D-Ill., Gary Peters, D-Mich., and Chris Van Hollen, D-Md.

The letter is addressed to Senate Majority Leader Mitch McConnell, R-Ky.; Senate Minority Leader Chuck Schumer, D-N.Y.; Speaker of the House Nancy Pelosi, D-Calif.; House Majority Leader Steny Hoyer, D-Md.; and House Minority Leader Kevin McCarthy, R-Calif.

**Federal Times**

by Andrew Eversden

Copyright © 2024 Bond Case Briefs | [bondcasebriefs.com](https://bondcasebriefs.com)