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Treasury Nominee Voices Support for State and Local Relief Funding.

Janet Yellen also said during a confirmation hearing that a cap on the federal deduction for state and local tax payments should be studied more before any changes are made to the policy.

The federal government will need to “act big” to address the financial fallout from the coronavirus pandemic and efforts should include funding for state and local governments, said Treasury Secretary nominee Janet Yellen during a Senate confirmation hearing Tuesday.

Acknowledging the country’s growing debt burden, Yellen told the Senate Finance Committee that the benefits of funding a robust recovery plan “will far outweigh the costs.” She also suggested that it would not be a good time to withhold funding from states and localities.

“Over the next few months, we are going to need more aid to distribute the vaccine; to reopen schools; to help states keep firefighters and teachers on the job,” Yellen said during her opening remarks. “We’ll need more funding to make sure unemployment insurance checks still go out; and to help families who are at risk of going hungry or losing the roof over their heads.”

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Route Fifty

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