August 6, 2020

The Honorable Mitch McConnell
Senate Majority Leader
S-230 Capitol Building
Washington, DC 20510

RE: Support COVID-19 Aid for States and Localities

Dear Majority Leader McConnell:

The City of Beverly Hills joins the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties and the National Governors Association in a clarion call to Congress to include direct emergency fiscal assistance to states and localities in the upcoming COVID-19 relief package under negotiations. State and local governments both large and small need federal help now if we are to avoid massive layoffs that will undermine our fight against the pandemic and further weaken our economy.

COVID-19 is very much a natural disaster but unlike the damage wrought by a hurricane, tornado, earthquake, flood or wildfire for instance, this pandemic is national in scope and its duration is measured not in hours or days but in months, if not years. The federal government must respond to the novel coronavirus and provide financial relief to impacted communities like it does for other natural disasters. Moreover, if the economy of my home state of California – the fifth largest economy in the world – sinks into a deep recession or, for that matter, the economies of Florida and Texas falter, the country as a whole is not far behind. By helping states and localities survive this pandemic, the federal government helps itself.

Because of the sudden and protracted closure of our local economy, Beverly Hills is experiencing one of the most precipitous declines in revenue in our City’s history. As a result of the pandemic, the City anticipates a $39.3 million deficit next fiscal year and a $23.9 million deficit in the following fiscal year. In fact, our budget analysts predict deficits through Fiscal Year 2024-25. While our local tax base decreases, the City is incurring COVID-19 expenditures in providing critical services to our residents, which further exacerbates our budget shortfall. The City estimates it has spent over $3.1 million to date in direct costs related to the pandemic. Without direct federal assistance, the City will have to implement significant budget cuts affecting everything from capital improvement projects to personnel, including first responders and frontline workers.
In closing, state and local governments are seeking financial assistance so we may continue our mutual fight to contain and defeat this virus and contribute to our nation’s economic recovery that is vital to our national interest. Thank you again for your leadership on such a critical matter facing the nation.

Sincerely,

Lester J. Friedman
Mayor, City of Beverly Hills