The COVID-19 Recession

Without direct local aid, America’s cities will continue to fight this pandemic with both arms tied behind their backs.

As revenue is decreasing due to the coronavirus pandemic, expenditures keep increasing for cities across the nation.

Of those negatively impacted by COVID-19:
- 90% have experienced a revenue decrease.
- 76% have experienced an expenditure increase.

29%, or an estimated 6,000 Cities, Towns and Villages, did not receive any aid or funding from the CARES Act Coronavirus Relief Fund based on our survey results.

62% of cities did not receive additional CARES Act funds from a federal agency or program, including FEMA or HUD.

With less revenue and more expenses, cities have been forced to make cuts.

- 37% of cities have had to implement hiring freezes, wage holds, layoffs, and/or furloughs.

Cities of all sizes will face significant challenges in providing the fundamental services their residents rely on every day.

- 89% of Large Cities
- 71% of Mid-sized Cities
- 52% of Small Cities

This problem will not just go away. In fact, it’s going to get worse.

71% of Cities, Towns and Villages believe their government’s condition will worsen if Congress does not pass another stimulus.

The road to economic recovery runs through America’s cities. Significant federal assistance is far overdue and must be provided directly to cities of all sizes now.

This isn’t a red issue or a blue issue – this is an American issue. Cities from both Democratic and Republican Congressional districts are calling on the federal government to step up.

Methodology: NLC’s survey was conducted between November 11 and November 20, 2020, with 901 individual cities responding. Responses divided evenly between Democratic and Republican districts and represented 49 states and the District of Columbia. Large cities > 500,000; Mid-sized cities 50,000-499,999; Small cities < 50,000.