

FOR IMMEDIATE RELEASE
July 22, 2011

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MAYORS URGE WASHINGTON TO FOCUS ON RAISING DEBT CEILING, JOB CREATION AND INFRASTRUCTURE

Los Angeles, CA – With ten days left before the looming Congressional deadline to raise the debt ceiling, fifty of the nation’s mayors, led by US Conference of Mayors (USCM) President Mayor Antonio Villaraigosa, met in Los Angeles today to urge Congress and the Administration to reach an agreement on the debt limit to prevent default.

“Default will have an immediate and catastrophic impact on our cities, the implications are global, and economists agree. A credit downgrade will plunge us into a deep, double-dip recession,” said USCM President Los Angeles Mayor Antonio Villaraigosa. “We urge leaders in Washington to act now.”

At the USCM Summer Leadership Meeting, the mayors also discussed other critical issues and challenges facing America’s cities including job creation and rebuilding our nation’s infrastructure.

Congressional Research Service estimated that if the debt ceiling is not increased, “the federal government would have to eliminate all spending on discretionary programs.” That means every federal payment to cities will stop, either immediately or shortly after default. The cuts would eliminate support for housing and community development, CDBG, COPS, Home Land Security, job training, and transportation infrastructure.

Additionally, the security of local government’s tax-exempt bonds would be under threat. And cuts in Medicare, Medicaid and Social Security would take billions more out of local economies.

During their discussions, mayors pointed out that raising the debt ceiling isn’t a Democratic or a Republican issue. The debt ceiling was raised 17 times under Reagan, 4 times under Clinton, 7 times under George W. Bush, and has been raised 3 times under Obama.

As a quick and secure way to increase job creation, mayors also called on Congress to pass the Transportation Bill now. The current surface transportation bill is set to expire on September 30.

The Senate Bill will protect jobs and put people to work. The bill approved by the House proposes a thirty percent reduction in the nation’s transportation programs – dealing a devastating blow to local projects and local jobs. According to an analysis by the Federal Highway Administration, if these cuts go forward, a half-million Americans will lose their jobs in 2012 in the highway program alone. Another 130,000 will lose their jobs in the transit program.

More than 113 mayors across the country support America Fast Forward, a national plan which would create nearly 1 million jobs building American roads, bridges, rail, and other infrastructure needs more quickly with innovative federal financing tools that leverage local dollars.

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