



NEWS The United States Conference of Mayors

1620 Eye Street, N.W. • Washington, D.C. 20006
Phone (202) 293-7330 • Fax (202) 293-2352
E-mail: info@usmayors.org URL: usmayors.org

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Contact: Andy Solomon
(202) 861-6766

WEAK ECONOMY, HOMELAND SECURITY COSTS HIT CITIES HARD; MENINO CALLS FOR BIPARTISAN ECONOMIC SUMMIT

WASHINGTON – America’s cities have been hard hit by the continuing weak national economy and the costly demands of homeland security, Boston Mayor Thomas Menino, President of the U.S. Conference of Mayors, said today, in remarks at the National Press Club. He pressed for direct homeland security funding for cities and proposed a national, bipartisan summit to formulate a comprehensive plan for economic revitalization.

“America rallied as one after September 11 and after the decision was made to invade Iraq,” Mayor Menino said. “Now, we need the same sense of purpose about putting our neighbors back to work and preventing more of them from receiving pink slips.”

He called on President Bush to bring together the leadership of Congress, governors, mayors, business and labor leaders, and university presidents to draft a unified plan for economic revitalization in the next 60 days.

Mayor Menino also offered specific ideas for creating jobs and spurring economic growth in America’s cities, including –

- ✓ Direct homeland security funding for cities and their first responders
- ✓ Investing in housing production
- ✓ Offering a flexible and balanced federal transportation program
- ✓ Targeted tax cuts that would serve as investments in housing, job training, health care, and education – e.g. a tax credit for families purchasing their first computer

U.S. metropolitan areas lost nearly 650,000 jobs last year, leading Mayor Menino to say, “This isn’t economic recovery. It’s economic misery for more and more American families.”

Across the country, cities are facing some of the tightest budgets – and most difficult budget choices – in decades. Mayor Menino recently submitted a budget with 1700 potential layoffs, on top of a payroll already reduced by 500 positions this year. He said strategic investments by the federal government could help spur job growth in cities.

“Cities are the economic engines that drive regions forward,” said Mayor Menino. “But the state and federal governments want us to get there on an empty tank of gas.”

He again pushed for direct homeland security funding, saying most U.S. cities have yet to receive any federal homeland security assistance. A study by the U.S. Conference of Mayors estimated that cities nationwide spent more than \$2.6 billion in additional security costs between September 11, 2001 and the end of 2002. Costs have continued to rise dramatically since then – an extra \$70 million per week nationwide due to the war and national high threat alert. These additional costs come on top of a recession and continued weak economy that has already severely pinched city budgets.

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The U.S. Conference of Mayors is the official nonpartisan organization of the nation's 1,183 cities with populations of 30,000 or more. Each city is represented in the Conference by its chief elected official, the mayor. The primary roles of the Conference of Mayors are to promote the development of effective national urban/suburban policy; strengthen federal-city relationships; ensure that federal policy meets urban needs; provide mayors with leadership and management tools; and create a forum in which mayors can share ideas and information. The Conference will hold its 71st Annual Meeting June 5-10, 2003 in Denver. More information is online at www.usmayors.org.