

## Press Release



# AAF President Douglas Holtz-Eakin Testifies on Providing Financial Aid to States During the Pandemic

ALLISON EDWARDS | SEPTEMBER 10, 2020

In testimony before the House Financial Services Committee this afternoon, AAF President Douglas Holtz-Eakin discusses the unique nature of the current recession and its impact on state- and local-government finances.

His central points:

- The recession induced by the coronavirus pandemic has been dramatic and rapid, potentially disrupting the tax and other revenue streams for state and local governments;
- States and localities faced the brunt of the public health crisis, incurred costs for first responders, health professionals, and other direct impacts of the COVID-19 pandemic; and
- This recession is like no other, and historical relationships between the economic cycle and state-local finances will not provide good guidance for the financial needs of the sub-federal sector.

[Watch the Hearing](#)  
[Read the Testimony](#)