The County of Los Angeles’ fiscal outlook has been significantly impacted by the Novel Coronavirus. In the current fiscal year, the County anticipated receiving at least $5.9 billion in state and local sales tax revenues to fund critical public health, safety, transportation and infrastructure programs which directly impact the County’s 10 million residents.

The state and local sales taxes also help to fund vital health and human service programs for the County’s most vulnerable individuals, children, and families, including child welfare services, mental health, and social service and financial assistance.

County services funded by state and local sales taxes include:

- Public Safety Programs $1.3 Billion
- Social Services $1.3 Billion
- Child Protective Services $1.1 Billion
- Mental Health Services $935.2 Million
- Health Services $432.6 Million
- Homeless Services $398.0 Million
- Public Health Programs $97.0 Million
- Diversion and Reentry Services (for Justice-Involved Populations) $52.8 Million
- Transportation $28.9 Million
- Other Public Programs $83.0 Million

Recent analysis conducted by Moody’s Analytics for the Wall Street Journal, found that in Los Angeles County the daily output has fallen by 35% due to business closures. If State sales tax were to drop by 25% or $1.4 billion in the current fiscal year, it would result in drastic cuts to local programs – many of which are needed to continue addressing the pandemic, and to help County residents survive the short and long-term fallout from this event.

The County also relies on other funds connected to having a robust California and local economy. These funds include local sales taxes, dedicated personal income taxes, property taxes and other fees to additionally bolster municipal services, including funds for social services, roads, fire services, among others. For example, local sales taxes were projected to provide at least $38.2 million for regional transportation this fiscal year.

Of particular note, the County’s sales tax dedicated to addressing the long-standing homelessness crisis, is estimated to have a $55.9 million shortfall in Fiscal Year 2020-21 and a $98.1 million shortfall in Fiscal Year 2021-22. Although the County has made major strides to address the needs, the worsening economic factors caused by this pandemic and the projected loss of critical revenues, could greatly exacerbate the region’s homelessness problem.