

Congress of the United States
Washington, DC 20515

February 9, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives

The Honorable Chuck Schumer
Majority Leader
U.S. Senate

The Honorable Mitch McConnell
Minority Leader
U.S. Senate

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives

Dear Speaker Pelosi, Majority Leader Schumer, Leader McConnell, and Leader McCarthy:

As people across the country struggle to pay rent and put food on the table, we write to express our strong opposition to reducing access to economic impact payments in the next COVID-19 relief package. Narrowing eligibility requirements for these Economic Impact Payments (“survival checks”) from previously established levels found in the bipartisan CARES Act and the second stimulus package will hurt millions of families and our nation’s recovery.

Reducing eligibility of economic impact payments would exclude many people from crucial, much-needed relief. Economic impact payments would likely use 2019 tax data to measure an individual’s income. However, this data does not reflect the fact that millions of people lost their jobs in 2020, due to COVID-19—the very condition that necessitates survival checks. In addition, millions more suffered reduction in hours or pay, experienced contracts being cancelled or lost a business. Data from people who filed for unemployment shows that more than 20 percent of those earning between \$50,000 and \$70,000 were food insecure.¹ This is a 16 percent increase from 2019 and explains why food banks across the country are struggling to serve communities.²

In addition, survival checks are the sole opportunity for many people to bridge the economic crisis they face. Only 24 percent of people who have lost work have received unemployment insurance.³ This number, though alarming, certainly is not surprising. Many workers were ineligible for unemployment because they had to stay home and take care of their

¹ Eliza Forsythe, “Understanding Unemployment Insurance Coverage in Early 2021,” University of Illinois, Urbana Champaign (Feb. 1, 2021) <http://publish.illinois.edu/elizaforsythe/files/2021/02/understanding-unemployment-insurance-coverage-in-early-2021-version-feb-1-2021.pdf>.

² *Id.*

³ *Id.*

children or felt unsafe returning to their workplace due to either the difficulties of maintaining physical distancing or reckless workplace safety policies. Others left out include those who were already experiencing long-term unemployment as well as young people who did not have jobs prior to the pandemic, such as recent graduates. Many others have experienced difficulty navigating the unemployment system or, in some cases, earned so little that they did not qualify for the unemployment insurance threshold in their state.

The COVID-19 pandemic has financially devastated millions of people across the country, across income backgrounds. Sixty-three percent of Americans report living paycheck to paycheck since the COVID-19 pandemic began. Among this population, 53 percent say they were not living paycheck to paycheck before the pandemic hit.⁴ Close to half say that they have exhausted their emergency savings, and eight out of 10 say they would not be able to cover the cost of a \$500 emergency.⁵

Black, Indigenous, people of color, and women have been particularly hard hit as they experience steep declines in employment. Workers of color are frequently the first fired and the last hired.⁶ In December 2020, 100 percent of the 140,000 jobs lost were held by women.⁷ Black, Latinx, and Asian women are bearing the brunt of this as they are experiencing higher rates of long-term unemployment.⁸ Yet even as these communities experience higher rates of unemployment, they are less likely to receive unemployment insurance. Research shows that Black and Latinx workers' unemployment claims are rejected at a disproportionately higher rate compared to White workers.⁹

For the millions of people nationwide who are unemployed, economic impact payments are survival checks. Indeed, they may be the only form of relief that people receive, in particular among communities of color that face barriers to obtain assistance. Narrowing eligibility requirements despite continued bipartisan support in the 117th Congress, such as with the recently introduced *Coronavirus Assistance for American Families Act*, H.R. 795, would risk providing struggling families and an economy in turmoil with too little support. We must ensure robust access to these survival checks to ensure an equitable and robust economic recovery for those individuals affected and the families that depend on them.

⁴ Megan Leonhardt, *63% of Americans have been living paycheck to paycheck since Covid hit*, CNBC (Dec. 11, 2020) <https://www.cnbc.com/2020/12/11/majority-of-americans-are-living-paycheck-to-paycheck-since-covid-hit.html>.

⁵ *Id.*

⁶ Monée Fields-White, Vivian Graubard, *et al.*, *Unpacking Inequities in Unemployment Insurance*, NEW AMERICA (Sep. 17, 2020) <https://www.newamerica.org/pit/reports/unpacking-inequities-unemployment-insurance>.

⁷ Annalyn Kurtz, *The US economy lost 140,000 jobs in December. All of them were held by women*, CNN (Jan. 8, 2021) <https://www.cnn.com/2021/01/08/economy/women-job-losses-pandemic/index.html>.

⁸ Claire Ewing-Nelson, *All of the Jobs Lost in December Were Women's Jobs*, NATIONAL WOMEN'S LAW CENTER (Jan. 2021) <https://nwlc.org/wp-content/uploads/2021/01/December-Jobs-Day.pdf>.

⁹ Nova Safo, *Black, Latino workers much more likely to have unemployment claims rejected, analysis finds*, MARKETPLACE (Jul. 31, 2020) <https://www.marketplace.org/2020/07/31/workers-of-color-unemployment-insurance-claims-approval-disparity>.

Sincerely,


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Member of Congress

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