Federal Policy Priorities for an Equitable COVID-19 Relief and Recovery

The emergency triggered by COVID-19 lays bare the structural failures of an economy that devalues workers and commodifies basic necessities, including health care, housing, and clean water. Unfortunately, the relief packages so far have not done enough to address the challenges facing the one in three people living in or near poverty in the US. As we navigate our way through this public health and economic crisis, we must meet the needs of all people while building a bridge to a more equitable and climate-safe future. That requires designing our policies with the most vulnerable in mind, ensuring all will benefit. Recently, we released our principles for a “common sense, street-smart recovery” that outlines how we can achieve this: center racial equity, put people first, invest in community infrastructure, build an equitable economy, and protect and expand community voice and power. Congressional leaders must embrace these principles and ensure the next legislative package goes further to help those most in need fully recover. The following policy priorities must be part of the next COVID-19 relief package.

**Policy Priorities**

**Ensure access to health-care services**

In order to address this public health crisis, Congress must first and foremost ensure that everyone has access to free testing and care, and that no one is discouraged from seeking the help they need. This is particularly important for low-income communities and communities of color who are facing greater exposure to the coronavirus, yet are less likely to have health insurance. This also includes ensuring no one’s immigration status will be questioned when seeking assistance. Hospitals and health-care facilities must make it clear in all languages that immigration status will not be questioned, and should take steps to ensure immigration enforcement officials are not permitted in buildings.

**Guarantee pay and financial relief tied to economic conditions**

As communities across the country continue to shelter-in-place to protect the public from the spread of COVID-19, businesses closed their doors and nearly one in six workers have lost their jobs. People are facing barriers to accessing their unemployment benefits, and as a result struggle to buy groceries, pay their bills, and cover the cost of housing. The initial stimulus funding was an important start, but policymakers risk repeating the mistakes from the 2008 crisis.
by withdrawing fiscal support too soon. Congress must ensure those impacted by the crisis receive support quickly, and link much-needed relief to economic conditions rather than arbitrary deadlines.

☑️ Cover payroll costs. To protect businesses and workers, Congress must cover companies' payroll costs for laid-off workers for as long as economic conditions warrant it. Impacted employers should be eligible to receive grants to help cover salaries, wages, and benefits for furloughed or laid-off employees, plus operating costs. [See: The Paycheck Security Act]

☑️ Expand safety net programs. The Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security (CARES) Act provided enhanced unemployment compensation, nutrition assistance, direct payments, and other targeted support to households. This was important initial support, but the crisis continues. Congress must continue these critical supports to ensure the public is financially secure as we address the virus, and that the safety net can serve as a springboard toward greater mobility once this crisis has subsided.

☑️ Invest directly in small and very small businesses. Nearly 300 publicly traded companies have received more than $1 billion in funds meant for small businesses from the Paycheck Protection Program. This includes 43 companies with more than the 500-worker cap to qualify for the program. Reports also estimate that 90 percent of businesses owned by people of color have not been able to access funds. As millions of firms risk closure at this time, Congress must ensure that very small businesses and minority-owned businesses gain access to these critical resources. [See: The Saving Our Street Act]

Support workers and create jobs to meet community needs

Essential frontline workers are critical to our response to the coronavirus. Health-care workers, warehouse stockers, grocery clerks, food service workers, delivery drivers, and many others are risking exposure to the virus to keep our country running. Many describe working longer hours without protective gear, sick leave, or childcare. In addition to addressing their immediate needs, we must ensure policies going forward serve all workers. This includes recognizing that many of the jobs lost during this period will not return. The federal government needs to get people back to work on projects that address community needs.

☑️ An Essential Workers Bill of Rights. Companies that are operating at this time must provide essential workers with health and safety measures, premium compensation, protections for collective bargaining agreements, paid sick leave and medical and family leave, protections for whistleblowers, an end to misclassifying workers as contractors to avoid covering benefits, and health care. Congress must also hold corporations responsible for meeting these responsibilities. [See: Essential Workers Bill of Rights]

☑️ Federal job guarantee. To ensure an inclusive recovery and a more resilient future economy, Congress needs to enact a federal job guarantee: a public option for a job with living wages and full benefits on projects that meet long-neglected community needs. The program would be funded by the federal government and administered locally, with significant community input to identify critical needs in terms of physical and social infrastructure.
Increase housing stability

Even before the massive spike in unemployment, the nation was facing a housing affordability crisis where 21 million renters and 17 million homeowners were paying more than 30 percent of their income on housing bills, making them extremely vulnerable to income disruptions. In addition, an estimated 553,000 people experience homelessness on any given night in the United States, a dangerous living situation that's being exacerbated by the coronavirus outbreak.

- **Increase Emergency Solutions Grants.** People who are unhoused and contract COVID-19 are more likely to be hospitalized and require critical care. Without addressing the needs of this population, as many as 20,000 people who are homeless could require hospitalization, which could also exacerbate the spread of the virus and overwhelm hospital systems. Congress took an important first step by providing $4 billion in Emergency Services Grants in the CARES Act, but at least another $11.5 billion—that can also be applied to more permanent housing solutions—is necessary to respond to the homelessness crisis.

- **Pass a national moratorium on evictions and foreclosures.** In the CARES Act, Congress passed a moratorium on evictions and foreclosures for federally subsidized housing, a critical step to ensure people can remain at home during this public health and economic crisis. Many states and jurisdictions passed their own eviction and foreclosure moratoriums, but this patchwork response is insufficient and may cause confusion as this is a national crisis. Congress must pass a national, uniform moratorium on evictions and foreclosures during the duration of the crisis.

- **Cancel rent and mortgage payments and expand affordable housing.** Rent cancellation is also necessary to ensure renters and people with mortgage payments are not responsible for months of back payments, which would likely cause mass evictions at a later date. Congress should establish a relief fund for landlords and mortgage holders to cover losses from the cancelled payments and create an affordable housing acquisition fund—and a first right of purchase—to fully finance the purchase of private rental properties by nonprofits, public housing authorities, cooperatives, community land trusts, and states or local governments to increase the availability of affordable housing during this downturn. At a minimum, Congress should ensure renters have access to emergency rental assistance. [See: Rent and Mortgage Cancellation Act]

Expand access to clean water

The current COVID-19 public health crisis is unveiling the fragility of our public systems and is bringing to light what we have known all along—dependable drinking water, clean water, and wastewater infrastructure are critical to public health. Before this crisis, over a third of US households were already at risk of inability to pay water bills. And nearly 77 million Americans are served by drinking water systems with one or more Safe Drinking Water Act violations. At the onset of the COVID-19 crisis, around 2,800 families in Detroit alone had no running water. This is particularly concerning as washing our hands is our first line of defense against the virus.

- **Ban utility and water shutoffs.** All public and private utilities should halt any utility shutoffs during this crisis, restore service to households currently experiencing a shutoff, provide water delivery to all households with contaminated water systems, and institute a water affordability subsidy for low-income households. [See: Emergency Water is a Human Right Act]

- **Invest in America’s crumbling water infrastructure systems.** The link between public health and clean water could not be clearer. Due to deferred maintenance and underinvestment in American and tribal water and wastewater systems, as many as a third of Americans face unaffordable water bills. By investing in climate-resilient water infrastructure, we can employ workers and firms from communities most at risk of toxic or unaffordable water to rebuild safe water futures. [See: Water Affordability, Transparency, Equity and Reliability Act]
Minimize the impact of COVID-19 on people in jails and prisons

It is imperative to protect the 2.3 million people in the US who are exposed to overcrowded and unsanitary conditions in prisons and jails. This will also mitigate the spread of the coronavirus as people in prisons and jails interact with staff and other visitors, and free up financial resources that can be dedicated toward much-needed health and economic investments. The size of the population in federal prisons is 12 to 19 percent over capacity, and more than 5,000 people in prison and jails have been infected by COVID-19. Some states have taken action to free people, commuting sentences for those set for release this year. The federal government must take actions to support more jurisdictions in stemming the spread of the virus.

✔️ Early release for incarcerated people. The federal government must provide resources to help state and local jurisdictions release as many people as possible, including basic resources to support successful reentry into their communities. Although the Federal Bureau of Prisons has directed the transfer of some people in prisons to their homes, we recently joined over 150 organizations in asking Attorney General Barr to rescind his guidance to use PATTERN—a racially biased assessment algorithm—as a factor in determining release decisions. Similarly, federal funding to states and local jurisdictions should not be predicated on utilizing biased algorithms that leave tens of thousands of people—mainly people of color—locked up and unprotected.

✔️ Prioritize funding to people, not law enforcement. In the third relief bill, $850 million was unnecessarily earmarked for law enforcement instead of dedicating those urgently needed resources to support critical priorities, such as public health systems, housing, and/or direct support for struggling families and people returning from prison. Rather than an expanded police presence to enforce stay-at-home orders in a way that further criminalizes Black and Brown people, law enforcement should be socially distancing from civilians to limit the potential transmission of COVID-19.

Protect our democracy

The pandemic has made this election season uniquely vulnerable to tampering, suppression, and low turnout. Not long after Wisconsin held in-person elections—over the objections of the state's governor—at least 40 cases of COVID-19 directly linked to Election Day were reported in Milwaukee where polling locations were cut from 108 to five. Because of an array of discriminatory laws and practices such as voter ID laws, purging voter rolls, and restricting access to polling places, people of color already face persistent barriers to exercising their right to vote, which will only be amplified during this pandemic.

✔️ Increase options for voters to participate in safe elections. The next federal legislative response must include resources to help state and local governments expand access to voting while also ensuring the health and safety of citizens. Congress must help states move to vote by mail, while also increasing the number of polling places to ensure social distancing for people who must vote in person. This will require extended early voting periods, same day registration, and measures to improve the safety and efficiency of voting. [See: VoteSafe Act]
Provide financial support for state and local governments

State and local governments must be well-positioned to support residents and partner with communities to ensure the 100 million people who are economically insecure in this country emerge from this crisis stronger. The pressures on state and local budgets from addressing the current public health and economic crisis are expected to be significantly worse than those experienced during the Great Recession. Already, a record number of people are turning to states for Medicaid, unemployment benefits, and other forms of public assistance all while state revenue streams, such as sales taxes, are declining. Experts estimate that state budget shortfalls could total $500 billion over the next year. Because state and local governments must balance their operating budgets, even during a recession, these increased costs will lead to cutting programs and laying off 300,000 to 1 million public employees, including teachers. This is particularly troubling as the public sector has been a critical source of employment for Black workers. While federal policymakers have provided some emergency fiscal relief, states urgently need more substantial funding through both Medicaid and flexible funding streams. Congress should also give direct aid to local governments for critical public services, such as public transportation and utilities, which are seeing huge losses in revenue.

Transparency and Accountability

Following the 2008 financial crisis, we witnessed corporations receive massive bailouts only to continue with the sorts of risky practices that undermine the stability of the economy. Private sector actors were also able to profit off of the crisis, exploiting marginalized people and making recovery more challenging. Congress has started down this path once again. We must learn from these failures and ensure that public and private entities are accountable to the public.

Support community engagement in setting recovery priorities

In times of disaster, state and local leaders often forgo community engagement for the sake of expediency, spending millions in federal relief without community oversight. In reality, community engagement is more important than ever as residents are uniquely positioned to be the agents and owners of community change. A top-down recovery will not capture the long-term knowledge, wisdom, and experience that residents and community leaders have to offer. Excluding them will only make long-term, sustained recovery harder and will reinforce existing inequities.

- **Invest in local broadband and digital infrastructure.**
  As policymaking has transitioned to virtual spaces that require digital engagement, many community members and leaders have found that they lack the infrastructure, and in some cases technological literacy, to participate in processes that will have profound impacts on their future. Federal legislation must include investments in state and local governments’ capacity to build out the appropriate digital infrastructure to specifically address the digital divide facing low-income communities and people of color, deploy state and local digital policymaking platforms that do not exclude those with limited access, and implement initiatives to promote inclusivity, privacy, and safe usage.

- **Set cross-sector tables for oversight.** Congress should also direct local leaders to set cross-sector tables bringing together government agencies, electeds, human-services nonprofits and community organizers for governance, implementation, and oversight. This table should collectively identify the most vulnerable residents and their roadblocks to receiving services and benefits. It should also establish specific demographic goals and track outcomes, investments, and results for these populations.
Track data on COVID response

Racial and ethnic disparities and economic inequities can only be eliminated if high-quality information exists to track immediate problems and underlying social determinants, as well as to guide the design and application of culturally specific medical, public health, and economic development approaches. We need to begin tracking and reporting on COVID-19 testing, cases, and health outcomes using data disaggregated by race, ethnicity, primary language, gender, disability status, geographic location, and socioeconomic status. The most useful data on health outcomes is further disaggregated within broad racial groups, such as the Asian population, to understand divergent experiences by ancestry [See: Equitable Data Collection and Disclosure on COVID-19 Act of 2020]. It is also critical to track the flow of federal spending by race, income, and place to ensure investments (or underinvestments) don’t reinforce existing disparities.

Stop corporate bailouts

As businesses have closed their doors to follow stay-at-home orders, more than 33 million people have applied for unemployment benefits in just under two months. At the same time, conservative congressional leaders have pushed for corporate bailouts and liability protections for employers who make employees work in unsafe conditions, prioritizing profits over people. Congress must cease the corporate bailouts, and ensure any funding already distributed to corporations is used to support workers as well as state and local recovery efforts, to prevent further concentrating economic and political power at the top. Corporations are also using this moment as an excuse to exert pressure on elected leaders to roll back labor, health, and environmental standards to protect their bottom lines. These rollbacks put people's health and well-being at risk and should not be considered.

Conclusion

From Hurricane Katrina to the 2008 financial collapse, we have seen how recovery efforts that do not deliberately center low-income communities and communities of color only serve to reinforce persistent disparities. We must act differently this time, or these communities will continue to be the most vulnerable in subsequent crises. As America undergoes a profound demographic shift amid rising inequality and persistent racial inequities, equity is a moral imperative, a potent antidote to inequality, and the path to an inclusive new economy. It is time for Congress to pass COVID-19 relief legislation that meets the needs of all people, matches the scale of the problem, and builds a bridge to a more equitable nation.