



In the Next Relief Package, Congress Must Meet the Needs of the Moment and Build a Foundation for a Just Recovery

Organizational Sign-On Letter to New York City’s Congressional Delegation

Jennifer Jones Austin
CEO & Executive Director

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Dear NYC-area Member of Congress,

The 59 undersigned New York City-based organizations acknowledge and deeply appreciate the commensurate efforts Congress has made thus far to address the COVID-19 public health emergency, and we stand alongside you in our commitment to serve New Yorkers during this crisis.

We strongly urge you to swiftly and substantially build on the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The extent and duration of public health measures required to control the spread of COVID-19 is uncertain, but the resulting deep and unequal economic downturn is underway here in New York City.

Robert S. Bridges, Jr.

Richard A. Debs

Rev. Dr. Thomas P. Grissom, Jr.

Robert H. Gutheil

Mitchell Lee

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Dr. Patricia G. Morisey*

Phoebe R. Stanton

* In memoriam

Sowing the ‘New Strain of Inequality

A recent [report](#) released by the Center for New York City Affairs (CNYCA) estimates that 1.2 million New York City jobs (27% of all private jobs in the city) will be lost by the end of April, a number far greater than recent estimates in the 500,000 range from the city’s Independent Budget Office or the Mayor’s Budget Office. Those Estimates are averaged over the next 9-12 months while the CNYCA’s estimates capture the real magnitude of job losses now being felt.

With most local service businesses closed and drastic social distancing measures ordered to check the spread of the deadly coronavirus, the devastating economic impacts is much different than during a recession

- 85% (or 1 million) of the job losses have been concentrated in mostly low-wage service industries like restaurants retailing, the arts, and neighborhood services
- 68% of the job losses are occurring among persons of color
- 64% among workers earning less than \$40,000/year; only 10% among those earning more than \$100,000 annually
- 54% of job losses amount immigrant workers, with an estimated 192,000 undocumented workers losing jobs but not eligible for unemployment insurance
- 34% of all young adults lost jobs

Major unemployment claims processing problems have held down the volume of New York claims reported to date. In states like Michigan and Pennsylvania, 31-33 percent of all private workers have already filed claims. It is important that our leaders understand the true magnitude of job losses imperiling the well-being of millions of New Yorkers and the importance of prompt Washington action to provide necessary economic and fiscal relief to workers, small businesses and the New York City and State governments.



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Fortunately, there are proven policy prescriptions to preempt the economic afflictions millions in New York City alone will suffer. Moreover, to ensure that relief is aligned with the national recession and states’ distinct recessions, relief measures must be tied to economic conditions rather than an arbitrary calendar date by using “triggers” based on job market conditions to determine when assistance would phase up or phase down.

The 59 undersigned organizations represent human service providers, faith organizations, and policy experts. We commend the swift action taken in the first set of relief packages.

We are asking New York City’s congressional delegation to swiftly and substantially build on the (CARES) Act by protecting New York City and State’s fiscal solvency and ability to provide services, providing economic security, assisting nonprofits, safeguarding public health, and laying the groundwork for shared prosperity by supporting the full range of recommendations found in this letter’s appendix in the fourth relief package.

[See the Response Team's full set of recommendations in the attached appendix.](#)

This Letter was Prepared by the New York Federal Tax and Budget Response Team. The Response Team works together to protect and strengthen federal human services programs and policies that support low- to middle-income New Yorkers. We are a state-based coalition whose members include FPWA, Catholic Charities Archdiocese of New York, UJA-Federation of New York, Fiscal Policy Institute, New York Housing Conference, LiveOn NY, Human Services Council of New York, United Neighborhood Houses, Food Bank For New York City, Urban Justice Center, Children’s Aid, and Nonprofit New York. Together, the umbrella organizations represent hundreds of faith-based and human-service organizations and serve together more than 3 million New York City residents each year.

- Asian American Federation
- Brooklyn Community Services
- Calvary Fellowship AME Church
- Catholic Charities Archdiocese of New York
- Center for Family Life
- Children’s Aid
- Children of Bellevue, Inc.
- Chinese-American Planning Council
- Cypress Hills Local Development Corporation
- The Door
- East Side House Settlement
- Ece On The Move
- ExpandedED Schools
- Fiscal Policy Institute
- Food Bank For New York City
- FPWA



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Goddard Riverside
Grace Congregational Church of Harlem
Grand Street Settlement
Greater File Chapel Baptist Church
Greater New York Labor-Religion Coalition
Harlem Children's Zone
Heights and Hills
Human Services Council of New York
Interfaith Assembly on Homelessness and Housing
IQM
Japanese American Social Services, Inc.
JCCA
Kingsbridge Heights Community Center
LEAP
LIFT-New York
LiveOn NY
Metro New York Health Care for All
Mosholu Montefiore Community Center (MMCC)
Nazareth Housing Inc.
New York City Anti-Violence Project
New York Housing Conference
New York State Council of Churches
Nonprofit New York
Reality House
RiseBoro Community Partnership
SCAN-Harbor
Services for the UnderServed
Stanley Isaacs Neighborhood Center
St. Matthew's Community AMEC of Hollis
St. Nicks Alliance
Stryckers Bay Neighborhood Council
Supportive Housing Network of New York
The Family Center
The Jewish Board of Family & Children's Services
UJA-Federation of New York
Union Settlement
United Methodist City Society
United Neighborhood Houses
United Way of New York City
Urban Justice Center
YWCA of the City of New York



New York Federal Tax and Budget Response Team

COVID-19 Next Relief Package Recommendations

The Response Team's recommendations are included in the *organizational* and *individual* sign-on letters to New York City's congressional delegation, urging them to swiftly and substantially build on the Coronavirus Aid, Relief, and Economic Security (CARES) Act in the next COVID-19 relief package. We are asking *organizations* and *individuals* to join us in urging Congress to protect New York City and State's fiscal solvency and ability to provide services, provide economic security, assist nonprofits, safeguard public health, and lay the groundwork for shared prosperity by supporting the full range of recommendations.

PROTECT NYC AND NY STATE'S FISCAL SOLVENCY AND ABILITY TO PROVIDE SERVICES

Coronavirus Relief Fund: Avoiding a prolonged recession will depend on states' ability to respond to the crisis without enacting deep budget cuts. New York State is expected to receive \$7.543 billion from the Coronavirus Relief Fund, of which New York City is expected to receive **\$1.5 billion**. The total state allotment is equal to just five percent of the \$150 billion available for all states, even as New York is reporting **more than thirty percent** of all confirmed COVID-19 cases in the U.S. and thirty-five percent of deaths. Moreover, the State is forecasting **\$10 to \$15 billion less than previously expected in tax revenue** as a result of COVID-19 measure, and New York City is anticipating revenue losses in the range of **\$4.8 billion to \$7.4 billion** in FY20 and FY21. In other words, state fiscal relief falls significantly short.

- Congress should provide substantially more federal fiscal relief — such as, at the very least, the **\$500 billion** the National Governors Association is requesting. Relief should be distributed based on each state's share of coronavirus cases and potential *restrictions* on its use to fill revenue shortfalls should be eliminated.

PROVIDE ECONOMIC SECURITY

Unemployment: The Department of Labor calculated that approximately 22 million in the U.S. are unemployed. In New York City, experts are predicting that the unemployment rate will skyrocket to **22 to 31 percent**.

- Congress should allocate more administrative funding for state agencies.
- Congress should ensure that any Unemployment Insurance includes triggers based on the health of the economy in a particular state, rather than being tied to an arbitrary date.
- Congress must also include a mandatory minimum of **26 weeks of regular benefits**, and 60 percent wage replacement.
- Congress should expand unemployment insurance reimbursement funding to 100 percent for organizations that self-insure. This will be of **particular importance** to employers, such as nonprofits, who self-insure and currently only receive 50 percent reimbursement for their unemployment insurance claims.

Housing: In New York City, there are already nearly **79,000 homeless people and one million rent burdened households**. Additional housing and homeless assistance are critical to provide additional emergency relief. **Data** from the National Multifamily Housing Council's rent payment tracker found that only 69 percent of households had paid their rent through April 5th, a decline from March 5th when 81 percent paid.

- Congress should support H.R. 6314, Emergency Rental Assistance Act of 2020, which will grant \$100 billion in [emergency rental assistance](#) and expand eligibility for the duration of the pandemic through the Emergency Solutions Grant (ESG).
- Congress should include at least \$11.5 billion in ESG funding to aid those currently homeless to supplement the \$4 billion already achieved by the CARES Act.
- Congress must ensure all renters are subject to the same consistent rental policy, therefore there should be a [national moratorium on evictions and foreclosures](#), and include a mechanism to avoid being choked off by debt when the recovery begins.

Supplemental Nutrition Assistance Program (SNAP): Before the public health emergency, there were 1.2 million New York City residents who were food insecure, and by the end of April, there will be [1.2 million newly unemployed](#) in the City.

- Congress should increase the SNAP maximum allotment level by 15 percent above the \$15.5 billion in funding enacted in the Families First Act.
- Congress should increase the minimum SNAP benefit from [\\$16 to \\$30 per week](#).
- Congress should suspend all SNAP administrative rules that would terminate or weaken benefits, such as stringent work requirements and restrictions on states' ability to extend benefits beyond three months.

Child Care: The \$3.5 billion allocated for childcare in the CARES Act is a fraction of the [\\$50 billion required](#) to continue childcare, aftercare and early childhood education for poor and low-income children and families.

- Congress should provide safe childcare options for essential workers by covering the cost and ensuring the availability of safe childcare options for those on the front lines.

Nationwide Moratorium on Utilities: The continuation of utilities services is critical for everyone. In particular, low-wealth communities and communities of color are at risk of being disconnected from utilities due to lack of payment.

- Congress must protect at risk Americans by instituting a nationwide moratorium on all electricity, water, internet, and other utility-shut-offs, and include a mechanism to avoid being choked off by debt when the recovery begins.

Cash Payments: Millions of Americans who have provided their bank account information to the IRS and have filed either their 2018 or 2019 tax returns, have received their Economic Impact Payment. However, [approximately 70 million American families](#) will have to wait at least a month for their payment for tax filers that have not opted for direct deposit returns. Without the support of the impact payment, these families will often turn to high cost alternatives like bank overdrafts to pay for basic needs. Furthermore, although the Impact Payment does provide some relief, the assistance is not adjusted for cost of living.

- Congress should follow the model of [Senators Bennet, Brown, Booker, King Jr., Murphy and Schatz's proposal](#) by including another direct impact payment in the next stimulus bill of quarterly payments of \$2,000 per American. These payments will phase out over time until unemployment drops to [less than half of a percentage point](#) above the levels before the COVID-pandemic damaged the American economy.
- Congress should also crack down on exploitative overdraft fees that banks charge consumers during the COVID emergency by adopting, for example, [The Stop Overdraft Profiteering Act of 2018](#) introduced by Senators Booker and Brown



- *Congress should expand eligibility for direct cash payments for low-income families and individuals who were excluded from the first round of cash payments, including tax filers with ITINs as well as Social Security Numbers (SSNs), immigrants, undocumented residents, some members of mixed-status families, individuals who do not file federal income taxes, elderly dependents, adults with disabilities, and all other excluded dependents.*
- *Congress should ensure these checks reflect cost of living. For cities such as San Francisco and New York City, where cost of living is very expensive, the stimulus check for most individuals and families would barely be enough to cover one month's rent.*

Don't Exclude Immigrants: Immigrants who pay state and federal taxes and have an ITIN, but lack Social Security cards, are being left out of receiving cash assistance from the CARES Act. Moreover, there are nearly [10 million undocumented immigrants](#) who will also be ineligible to receive any assistance from the COVID stimulus bill.

- *Congress should expand eligibility for direct cash payments to include tax filers with ITINs and undocumented immigrants.*
- *Congress should ensure all immigrant workers are eligible for unemployment insurance.*
- *Congress should halt immigration enforcement actions that would deter immigrants from seeking health services.*

Paid Leave for Family Caregivers: Many older adults and people with disabilities of all ages will no longer have access to their normal source of care through adult day programs or already limited availability of home care workers and will need to rely on family caregivers. Nationally, family caregivers provide [90 percent](#) of all home healthcare for no pay, and now, under COVID-19, at personal risk. In NY State there are [2.5 million](#) such family caregivers.

- *Congress should [expand paid leave](#) to people who are caring for loved ones with a serious medical condition like Alzheimer's or dementia who have not been quarantined or show symptoms of COVID-19.*

Incentive Pay for Essential Workers: Essential workers on the frontline deserve proper compensation for putting themselves at risk of exposure to COVID-19.

- *Congress should include in the next stimulus bill a [Heroes Fund](#), through which the federal government would finance "premium pay" of an additional \$25,000 (approximately \$13 per hour) for essential frontline workers.*
- *Congress should include a \$15,000 recruitment incentive for health and home care workers and first responders to attract and secure the workforce needed to fight the public health crisis.*
- *Congress should ensure incentive pay is not limited to health care workers by including all essential workers, such as security guards, cafeteria works, grocery store clerks, post office workers, delivery men and women, cleaners, and front desk staff.*

ASSIST NONPROFITS

Financial Support: Together, the Response Team umbrella organizations represent hundreds of faith-based and human-service organizations and collectively serve more than three million New York City residents each year. Our members are essential partners in this work and will have to address new needs with fewer resources. While the CARES Act established emergency loan programs, such as the Paycheck Protection Program (PPP) for small and mid-sized nonprofits and businesses to keep their staff on payroll, the program has already run out of money and the Treasury [has yet to say](#) whether PPP's replacement program, Main Street Lending Program, will be accessible to non-profits. *(The interim package, known as the Paycheck Protection Program and Health Care Enhancement Act, did enhance funding by \$350 billion, but that is likely to be [woefully insufficient](#).)*



- Congress should pass legislation that creates a *stream of funding for treasury loans* that is exclusive to nonprofit organizations.
- Congress should also *increase funding for state formula grants* and programs that can provide a rapid infusion of cash to nonprofit organizations.

Charitable Deductions: The 2017 Tax Cuts and Jobs Act disincentivized charitable donations to nonprofits by *increasing the standard deduction*, and the CARES Act allowed individuals who have taken the deduction to write off up to \$300 in charitable donations. However, this will do little to increase giving.

- Congress should *increase the cap on the maximum deduction, provide incentives* for donations of cash and other financial instruments (e.g., stocks or bonds), and extend enhancements to July 2, 2021.

SAFEGUARD PUBLIC HEALTH

Defense Production Act (DPA): The President has not fully invoked the DPA. Because of competition among states, cities, hospitals, and federal agencies to access supplies and with little guidance from the Trump Administration, New York State has been paying about 15 times the usual price for protective masks, moreover, *New York City has resorted to manufacturing their own testing kits*. With New York expecting to *lose \$15 billion in spending and lost revenue*, paying exorbitant prices for protective personal equipment (PPE) is not a sustainable option.

- Congress should require the President to fully invoke the DPA, *specifically Title III and Title IV*. By invoking these titles, paired with targeted deregulation, massive purchase guarantees can act as a multiplier on American manufacturing capacity and shield private firms from possible antitrust suits that could occur while coordinating mass production of valuable resources, such as swabs, testing chemicals, and PPE.

COVIDCARE for All: *Economic Policy Institute (EPI)* estimates that nationally 9.2 million workers are likely to have lost their employer-provided health insurance in the past four weeks. In New York City, *The Center for New York City Affairs* has estimated that the pandemic has resulted in 1.2 million lost jobs, with as many as 800,000 newly unemployed New Yorkers without health insurance.

- Congress should increase the Medicaid match rate (FMAP) from 6.2 percentage points to 10 percentage points. Doing so would be comparable to the increase provided in the Great Recession's Recovery Act and would compensate New York in its recent surge of unemployment.
- Congress should support *S.3415 and Senate Resolution 505*. S.3415, or the Paid Sick Days for Public Health Emergencies and Personal and Family Care Act, which would expand the availability of paid sick time by requiring employers to provide a minimum amount of accrued paid sick time per workweek. Senate resolution 505 will continue supporting international partners to prevent and stop the spread of the Coronavirus, and it encourages the U.S. government to continue working with the WHO and other countries to achieve that goal.

Occupational Safety and Health Standards for Health Care Workers: CDC officials said data provided by states most closely tracking the occupations of people with the virus suggest that healthcare workers account for about *11% of all COVID-19 infections*. Health care workers on the front-line need critical supplies, PPE, and other necessary protections while they are working to protect and care for all those that have been infected by the pandemic.



- Congress should support [H.R. 6139/S.3475](#), COVID-19 Health Care Work Protection Act of 2020, which directs the Occupational Safety and Health Administration (OSHA) to issue an emergency standard requiring all employers to provide specific and necessary protection for workers.
- Congress must call on Labor Secretary Scalia to immediately issue an [emergency OSHA standard](#) requiring all employers to provide specific and necessary protection to workers to prevent COVID-19 exposure in the workplace.

LAY THE GROUNDWORK FOR SHARED PROSPERITY

Addressing immediate needs will not be sufficient. This crisis has laid bare inadequacies in our health care system, our patchwork of social safety nets, and inequities in the labor market, all of which were disproportionately experienced by people of color, immigrants, women, young adults, and low-income workers. Indeed, the [Center for New York City Affairs](#) found that of the 1.2 million jobs lost in New York City by the end of April, 64 percent are paid less than \$40,000 per year, 54 percent are foreign-born, and 68 percent are persons of color. By the end of April, one-third of 18-24 year olds will have lost their job, and New York City could see an increase of 800,000 newly uninsured. In other words, inequalities that were exacerbated during the decade-long recovery from the Great Recession will be intensified unless Congress addresses the underlying structural weaknesses in our economy now to lay the groundwork for a recovery in which everyone prospers.

- Congress should target investments – such as health care, caregiving, affordable housing, education, clean water, internet, and transportation infrastructure – to low-income areas and communities of color.
- Congress should heed lessons from the Great Recession, in which austerity at all levels of government resulted in deep cuts to public sector jobs. Ensuring cities and states have the resources to maintain their workforces and services will result in a speedier recovery and avoid a further deterioration of middle-class jobs – particularly among blacks, who were [30 percent more likely](#) to have a public sector job than non-Hispanic whites, and twice as likely as Hispanics.