

United States Senate

WASHINGTON, DC 20510

December 1, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington DC 20510

The Honorable Charles Schumer
Democratic Leader
United States Senate
Washington DC 20510

Dear Leader McConnell and Leader Schumer:

As the Senate considers the next coronavirus relief package, we urge you to include extensions of the Pandemic Unemployment Assistance (PUA) program and the Pandemic Emergency Unemployment Compensation (PEUC) program. We also urge you to include additional weeks of benefits for both programs. Right now, there are more than twice the number of Americans participating in these two programs combined as there are in the regular state unemployment system.¹ These workers are all facing job loss that has nothing to do with their skills, abilities, or performance.

Congress created these programs to patch up the holes in our social safety net during a global pandemic. Congress stood up the Pandemic Unemployment Assistance program to disburse benefits to workers who would normally not be eligible for unemployment assistance for a variety of reasons. These workers include employees with insufficient earnings or work history to qualify, domestic workers, freelance workers, contractors, and other workers in alternative work arrangements. Similarly, recognizing that most regular state unemployment programs provide only 26 weeks of coverage for workers (with some states providing as few as 12 weeks), Congress also created the Pandemic Emergency Unemployment Compensation program to provide an extension of unemployment benefits to the long-term unemployed who exhaust their regular unemployment benefits. Both of these programs are set to expire on December 26th, the day after Christmas.

As the virus surges going into the winter months, the loss of benefits at this time is particularly cruel. A recent report from The Century Foundation suggests that nearly 12 million workers could lose coverage once these programs expire over the holiday.² In other words, roughly 12 million American workers will lose benefits this season for a job they lost through no fault of their own. For many, the knowledge of this benefits cliff will hang over them while they celebrate Christmas morning, share a meal for Christmas dinner, or observe other holidays with

¹ Bureau of Labor Statistics, U.S. Department of Labor. November 19, 2020. "News Release: Unemployment Insurance Weekly Claims."

² Stettner, Andrew, and Elizabeth Pancotti. November 18, 2020. "12 Million Workers Facing Jobless Benefit Cliff on December 26." Report from The Century Foundation.

their families in the middle of what has already been a difficult and tragic year. Those who are socially distancing from their families for their safety as well as the nation's overall public health will likely experience this loss of federal financial assistance entirely alone.

What's more, the loss of emergency benefits compounds the hardships many families are already facing in this economy. Since May, researchers have found that roughly 8 million Americans have slipped into poverty.³ That is the equivalent of the entire population of Virginia or Washington (as well as the combined populations of Kentucky and Oregon) falling into poverty over the span of a few months. Right now, one in six adults with children report that their household did not have enough to eat in the last seven days.⁴ For Black and Latino households, that figure is roughly one in five.⁵ Still worse, nearly 30% of households with children are not caught up with their rent payments.⁶ In other words, going into this holiday season, millions of additional American families are living below the poverty line, unable to provide sufficient food for their households and likely facing evictions from their home.

To address the economic hardships workers are facing during this time, these programs should be extended with additional weeks of eligibility for workers. Around 4.4 million workers will have already run out of benefits by the end of the year, regardless of their surrounding economic situation, and millions more will exhaust them next year if Congress does not add additional weeks of eligibility to both programs. We know that this virus has hit certain industries and sectors harder than others, particularly in the service sector and in the arts. Many workers need additional weeks of eligibility in these programs because demand for their services or industry has cratered during the pandemic.

We know that it was the bipartisan intention of these emergency unemployment programs to provide all workers access to a safety net during this crisis, regardless of their worker classification status. Even the U.S. Secretary of Labor, Eugene Scalia, acknowledged in a Senate Finance Committee hearing on June 9th that these are important programs. On PUA, he noted that workers were “given financial support through the unemployment insurance benefit they received, which was a very good benefit for a closing economy.”⁷ Today, with more than 20 million Americans claiming unemployment insurance benefits in all of the programs offered,⁸ we are still in the middle of an unemployment crisis. In fact, the pandemic was the main impetus for the creation of these programs in March and, right now, we are averaging over five times the number of COVID-19 cases we had in the spring. It is clear that these programs are important

³ DeParle, Jason. October 15, 2020. “8 Million Have Slipped Into Poverty Since May as Federal Aid Has Dried Up.” The New York Times. Retrieved: <https://www.nytimes.com/2020/10/15/us/politics/federal-aid-poverty-levels.html>

⁴ Center on Budget and Policy Priorities. November 20, 2020. “Tracking the COVID-19 Recession's Effects on Food, Housing, and Employment Hardships.” Retrieved: <https://www.cbpp.org/sites/default/files/atoms/files/8-13-20pov.pdf>

⁵ Ibid

⁶ Ibid

⁷ U.S. Secretary of Labor Eugene Scalia. U.S. Senate Finance Committee hearing: “Unemployment Insurance During COVID-19: The CARES Act and the Role of Unemployment Insurance During the Pandemic.” June 9th, 2020. <https://www.finance.senate.gov/hearings/unemployment-insurance-during-covid-19-the-cares-act-and-the-role-of-unemployment-insurance-during-the-pandemic>

⁸ Bureau of Labor Statistics, U.S. Department of Labor. November 19, 2020. “News Release: Unemployment Insurance Weekly Claims.”

lifelines for workers during this crisis and need to be extended with additional weeks of eligibility.

Moving forward beyond this crisis, we will need to prioritize a dramatic update and reform to our unemployment system. Congress created the PUA and PEUC programs with the knowledge that our regular unemployment program is part of a patchwork system of worker benefits, inadequate for covering a nation facing an emergency public health crisis. The patchwork nature of American benefits does not disappear at the end of this crisis. With more than twice the number of workers presently participating in programs that did not exist before the passage of the CARES Act compared to regular programs, we will need to prioritize reforming our social safety net so that every American can gain access to a support system during times of need. Our social safety net should not require an Act of Congress to serve the American public well in the face of a disaster.

We appreciate your past support for the provisions in the CARES Act that created these programs to begin with and which intended for all workers to access a basic safety net. We owe the American public the peace of mind this holiday season that Congress will continue to support them during this crisis.

Sincerely,



Mark R. Warner
United States Senator



Ron Wyden
United States Senator



Michael F. Bennet
United States Senator



Christopher A. Coons
United States Senator



Kirsten Gillibrand
United States Senator



Sheldon Whitehouse
United States Senator



Benjamin L. Cardin
United States Senator



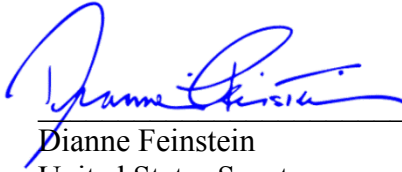
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United States Senator



Kyrsten Sinema
United States Senator



Chris Van Hollen
United States Senator



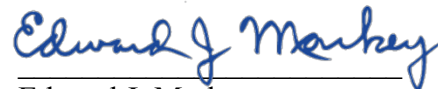
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United States Senator



Sherrod Brown
United States Senator



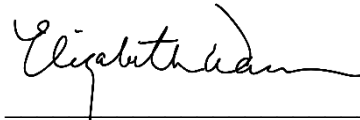
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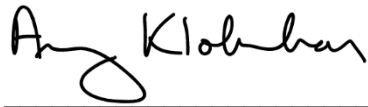
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United States Senator

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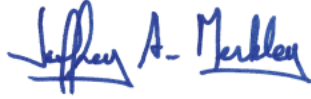
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