



# CORONAVIRUS

# EXPLAINER

## PROGRESSIVE CAUCUS ACTION FUND

## Put Money in People's Pockets

Last updated December 15, 2020

On December 12, the Congressional Progressive Caucus (CPC) sent a [letter](#) outlining the need for stronger COVID-19 relief provisions to help families struggling during the pandemic. This letter comes as a [bipartisan group of senators](#) are pushing for a \$908 billion COVID-19 relief proposal.

**Here are 5 ways to put additional money in people's pockets:**

### 1. Enhanced UI Benefits

To date, 41 million Americans have benefited from the enhanced UI provided by the CARES Act. However, many of those workers will lose their extended benefits on December 26, which would lead to a loss of 5.1 million jobs due to a reduction in consumer spending and a cut of 1.5 percentage points off of GDP. [Approximately 6.2 million women, 2.3 million Black workers, and 2.6 million Latinx workers](#) are at risk of losing UI benefits if not extended. If extended UI benefits and expanded eligibility were combined with the \$300/week federal UI supplement in the bipartisan proposal, [7.6 million fewer individuals and 2.6 million fewer children](#) would be in poverty in January 2021. Raising the federal UI supplement to \$600/week, as proposed by the CPC, would further [close the median monthly budget gap](#) from \$1,587 to \$387 for a one-parent, one-child household.

### 2. Direct Payments

The CARES Act included a one-time payment of \$1,200 per adult (phased out for incomes between \$75,000 and \$99,000) and \$500 for each child under 17 years old. The bipartisan proposal contains no additional direct payments even as families are on the edge of financial ruin. Sixty percent of Black non-college-educated households and half of Latinx non-college-educated households would [be unable to cover household expenses](#) after a \$400 emergency. The CPC has called for an additional direct payment of \$2000 to help struggling families meet their basic needs.

### 3. Housing and Homelessness Assistance

The federal eviction moratorium in effect until December 31, 2020 has been a lifeline for families in economic distress. The bipartisan proposal only provides \$25 billion in rental assistance and extends the moratorium for one month. An estimated [4.7 million renters](#) are facing eviction in 2021 without an extended moratorium or the additional assistance supported by the CPC.

### 4. Expanded SNAP Benefits

A [New York Times analysis](#) shows that SNAP grew by 17% from February 2020 to May 2020 -- 3 times faster than in any previous 3-month period. However, the average SNAP benefit per person was only \$125/month, or [\\$1.39 per person per meal](#). The bipartisan proposal includes \$13 billion in emergency food assistance. The CPC called for expanded SNAP benefits to address rising food insecurity.

### 5. Increased Funding for State, Local, and Tribal Aid

States, localities, and tribes are both major service providers and major employers. Facing budget shortfalls due to the loss of tax revenue and increased spending associated with COVID-19, they have [laid off or furloughed over 1 million workers](#) -- more than during the Great Recession. The bipartisan proposal needlessly holds \$160 billion in state, local, and tribal aid hostage to a provision giving corporations legal immunity when workers and consumers are put at risk. To ensure that state and local governments can provide essential services and keep over 1 million workers on payroll, the CPC called for increased state and local aid in COVID-19 relief.