Our country is in a health crisis, and now we are on the brink of an economic crisis. As we work to slow the spread of COVID-19 and protect the most vulnerable in our society, we must also recognize that some of the very things that will keep our communities safe will pose financial hardship for many families.

During an economic slowdown, Americans lose jobs and income. With a coronavirus-triggered contraction, those losses will likely hit low-income workers hardest as the travel and service industries contract, schools close, and people self-isolate for health reasons. Low-income Americans are the least likely to have a financial cushion, and even without a recession, nearly 4 in 10 Americans can’t afford an unexpected $400 expense. As hours are reduced or jobs get cut, these families will have no money available to pay for basic needs like rent, groceries, or medicine. We need to move quickly to provide cash to those who will be hardest hit economically.

The Emergency Money to the People plan can quickly provide families with an economic lifeline alongside other necessary policies to respond to this public health and economic crisis.

Emergency Money to the People is one way to ensure that American families have the money they need to help weather this crisis. The Earned Income Tax Credit (EITC) is a proven recession-fighting tool, has historically received bipartisan support, and is something we can do right now to put money in the hands of those who need it most. Emergency Money to the People will target dollars effectively while reducing inequality, stimulating the economy, and counterbalancing recessionary impacts that hit people of color the hardest.

The Emergency Money to the People plan will quickly and efficiently provide more money to more people by expanding EITC credits. Importantly, the plan will target the lowest-income Americans who are already facing the worst effects of the economic crisis by providing money to those with no earnings, while also expanding eligibility to more in the middle class. To provide needed income now and as Americans weather uncertainty, the Emergency Money to the People plan provides an immediate payment as well as quarterly payments.

As our country faces a global pandemic, we must all work together to support the most vulnerable in our society. In the coming days and weeks, there will be many important public health and economic stabilization policies. Emergency Money to the People is an urgent and essential response and should be a part of a broad, inclusive strategy to stabilize families and our economy.

Signed,

Economic Security Project
Brishen Rogers, Temple University Law School; Roosevelt Institute (organizations listed for identification only)
Caring Across Generations
Children’s HealthWatch
Community Change
Darrick Hamilton, Economist
Demand Progress
Economic Security for Illinois
Expecting Justice
Income Movement
Kirwan Institute for the Study of Race and Ethnicity
Nonprofit Finance Fund
San Francisco Office of Financial Empowerment
Springboard to Opportunities
Universal Income Project
Zoo Labs

economicsecurityproject.org/emergencymoney