Dear Members of Congress,

Our country faces a bleak future as our economic crisis worsens with no relief in sight. Millions of Americans have run out of whatever stabilizing support they got from the CARES Act -- the last relief Congress authorized. As a result of the pandemic-related downturn, almost half of American households have experienced serious financial trouble, including struggling to afford food and housing costs. One need to look no farther than the lines of cars queued up for miles to pick up a food box from our nation’s overwhelmed food banks to appreciate exactly how bad things are.

The economic disaster, stunning in its depth and breadth, demands a massive and immediate response that provides relief now and stimulus for the future. We need recurring direct payments until the economy recovers—Emergency Money to the People—with at least one more payment in any stimulus package that passes before the end of 2020.

Recurring direct payments provide effective relief at the scale of the crisis. The CARES Act provided multiple types of critical relief, including expanded unemployment insurance (UI), but the one-time $1200 checks were a primary reason that poverty fell by over 4 million people (and rose quickly when aid ran out). Two more checks would prevent 14 million people from falling into poverty, 3.5x more than UI and SNAP expansions alone.

Recurring direct payments address the most unequal recession in modern times. Low-wage workers have lost far more jobs than higher earners, and even among those who have stayed employed, the majority are earning less than before. As well, Black and white workers have regained jobs unequally, resulting in a doubling of the employment gulf between these groups. Payments should cover immigrant workers and their families, which includes millions of U.S. citizen children.

Recurring direct payments boost spending and support small businesses. Direct payments increase spending by people at all income levels, especially lower-income households. People spent CARES Act checks quickly, and most spent it on basics like food, housing and utilities. Importantly, small businesses saw a sharp increase in revenue, especially those in rural communities.

Recurring direct payments will speed the recovery. The 2009 recession demonstrated that the cost of doing too little is a slow recovery that can take a decade. In contrast, if relief is big enough it could shave years off of this recession. That’s why bipartisan experts agree now is the time to go big.

Finally, recurring direct payments are popular across the political spectrum. Checks are the quickest, most direct, and effective way to get money into people’s pockets and communities, providing support and creating stability as we recover together. It’s no surprise that recent polling found that 76% of voters support recurring direct payments until the economic crisis ends, and 70% of swing district voters say the government should spend what it takes to address the crisis.

It makes sense to extend relief to keep businesses afloat and help keep wages flowing, and it is essential to fund state and local governments. At the same time, we must also keep families afloat
through recurring direct payments, expanded unemployment insurance, and food/housing aid to those in need. Solutions that focus only on employers and wage replacement will inevitably leave some people out and leave some people short.

The need is urgent. The response must be bold. We urge you to provide recurring direct stimulus checks, lasting until the economy recovers, to combat the virus and rebuild an economy that works for everyone.

Sincerely,

All Home
Bay Area Regional Health Inequities Initiative
Building Skills Partnership
Caring Across Generations
Center for Popular Democracy
Children's Defense Fund-CA
Children's HealthWatch
Children’s Defense Fund
COFI
Community Advocates Public Policy Institute
Community Change Action
Economic Security IL
Economic Security Project Action
Faith in Action Fund
Food for People
Gerald Huff Fund for Humanity
Golden State Opportunity
Goodwill San Francisco
Heartland Alliance
High Ground Institute
Humanity Forward
Illinois Coalition for Immigrant & Refugee Rights
Income Movement
Kairos Center for Religions, Rights and Social Justice
LatinxVoice
LIFT
Los Angeles Regional Food Bank
LSS of NORTHERN CALIFORNIA
Main Street Alliance
MoveOn
MyPath
NETWORK Lobby for Catholic Social Justice
New America CA
NextGen California
Niskanen Center
ParentsTogether Action
People’s Action
POWER-PAC IL
Progressive Change Campaign Committee
Public Citizen
RESULTS
San Francisco-Marin Food Bank
Second Harvest of Silicon Valley
Shriver Center on Poverty Law
Small Business Majority
The Forum for Youth Investment
The Women's Building
United Food & Commercial Workers
United for Respect
United Ways of California
Universal Income Project
Voices for Progress
Women Employed
Working Families Party