



# COVID-19 ECONOMIC STABILIZATION PLAN

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As the United States endures one of the most tumultuous economic periods in our history, workers, families, and businesses are rightly concerned about staying afloat while the public stays inside and keeps their distance from one another in response to the COVID-19 outbreak.

Congress has enacted a \$8.3 billion funding package to support state and local health agencies, vaccine treatment and development, and loans for small businesses. Last week, the House passed legislation to provide for free COVID-19 testing, emergency paid sick leave, paid family and medical leave, and expanded unemployment insurance. These policies were a good start, but still do not do enough.

While we continue to focus on the medical needs to combat this virus like more testing, hospital equipment and capacity, and assistance for our most vulnerable communities, we are also working to develop a plan to help Oregonians and small business dealing with this economic emergency as well. I have spoken with many small business owners in the Portland area as well as employers who are being laid off, and in my opinion, there hasn't been adequate assistance provided to people and businesses experiencing economic losses as a result of COVID-19. People can't afford to wait any longer.

That is why I am calling for Congress to immediately pass an emergency economic stabilization package to stem the tide of layoffs and closures while we get the public health emergency under control. This package must:

- Target assistance to people and businesses who need the help the most and not repeat the mistakes of the past by enriching those at the top;
- Stabilize small- and medium-sized businesses and their workers to keep them afloat;
- Provide immediate support and social equity; and
- Strengthen the social safety net for the long-term, not just in response to the COVID-19 pandemic.

Specifically, to stabilize workers and businesses during this crisis, we should:

- Supply a Universal Basic Income of \$2,000/month to account for lost wages;
- Provide direct funding to businesses to pay their employees and avoid bankruptcy;
- Expand Unemployment Insurance to cover up to 12 months of lost wages, and eliminate waiting periods and work search requirements;
- Temporarily allow businesses who continue to pay their workers to use this year's net operating losses to obtain a refund for taxes paid in prior years;
- Create a temporary employee retention tax credit to encourage affected businesses keep employees on the payroll; and
- Invest capital across affected industries to keep workers employed in exchange for preferred stock that allow for taxpayers to be made whole when businesses recover.

In the financial meltdown of 2008, the federal government bailed out institutions that were "too big to fail" while paying too little attention to the workers who needed help the most. Today, in the case of small- and medium-sized businesses and their workers, there are too many to fail. The federal government must provide immediate financial support to keep people employed and financially stable. Our communities can't afford to lose a generation of local businesses and workers. Congress must act swiftly to provide immediate economic stabilization for the next 12-16 months and put the structures in place for social reform so the nation never again has to grapple with these challenges.