NEW YORK

United States Senate

WASHINGTON, DC 20510-3203

June 11, 2020

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Avenue, Northwest Washington, D.C. 20500 The Honorable Mitch McConnell Majority Leader United States Senate Washington, D.C. 20510

Dear President Trump and Majority Leader McConnell:

As you know, the public health and economic crises caused by the COVID pandemic disproportionately affect communities of color. I write to you today to express my strong concerns with the lack of action on the HEROES Act – a fourth comprehensive COVID-19 legislative package – and particularly the impact that continued inaction will have on communities of color.

Despite the recent jobs gains reported last week, unemployment is still over three percentage points higher than it ever was during the Great Recession. Moreover, African-American unemployment has risen slightly in recent weeks. We must take action on additional legislation so that Congress can provide communities of color with critical support, much of which is included in the HEROES Act. The following items represent some of those investments:

Essential Frontline Workers. As you know, a significant portion of essential workers who provide critical services are minorities. According to study by the Center for Economic Policy and Research, 41.2 percent of all essential workers are African-American, Hispanic, or part of a minority group. The HEROES Act would provide premium pay of up to \$10,000 to many essential workers. It would also provide critical workplace safety protections for those same workers, who expose themselves to the virus on a regular basis.

Rental Assistance and Eviction Protections. A majority of African-American families in America are renters and have to contribute more than 50% of their income just to stay in their home. And sadly, people of color are disproportionately represented among the homeless, with Black Americans and Native Americans experiencing the highest rates among those groups. The Rental Assistance, Assistance for the Homeless, and expanded eviction protections in the HEROES Act are critical for minority communities during the COVID economic crisis.

Direct Financial Support. The HEROES Act provides a number of direct financial supports to struggling Americans, including \$10,000 in student debt cancellation for economically distressed borrowers of both publicly and privately-held loans, suspension of the collection on all consumer debt, an additional Economic Impact Payment, extension of the Pandemic Unemployment Assistance Program, and expansions of the Earned Income and Child Tax Credits.

Health Care. African Americans are more than three and a half times more likely to die of COVID-19, and Latinos and Hispanics are nearly twice as likely to die of the virus as non-minorities. Reports find that COVID-19 testing has been especially inadequate in minority communities. The HEROES Act provides \$75 billion for testing and tracing, with a specific effort to ensure equitability across race; major new support for Medicaid, in which minorities are disproportionately represented; eliminates cost-sharing for COVID treatment; and increases health funding to Indian Country.

Support for Small Businesses. Businesses owned by African Americans have been the hardest hit of any racial or ethnic group by the economic impacts of COVID-19. There was an over 40 percent drop in the number of black-owned businesses from February to April. The HEROES Act provides \$1 billion in immediate funding for Community Development Financial Institutions, which have a long track record of expanding access to capital for communities of color. To continue efforts to ensure the Small Business Administration's Paycheck Protection Program provides assistance to truly small, underserved businesses, nonprofits and communities historically left behind by traditional banking institutions, the HEROES Act creates PPP set-asides exclusively for lending through CDFIs and Minority Depository Institutions as well as a set-aside for dedicated lending to very small businesses of 10 or fewer employees, which includes the vast majority of minority-owned small businesses

Without immediate and comprehensive action by Republicans on additional COVID-19 legislation, communities of color and millions of working Americans are going to needlessly suffer and our efforts to rebuild and foster an equitable recovery of the American economy will also fall woefully short. We urge you to immediately call for bipartisan, bicameral negotiations on additional COVID-19 relief so that we can help minority communities and all Americans struggling to make ends meet survive this pandemic.

Sincerely,

Clarles Schume

Charles E. Schumer United States Senator