

## COVID-19 pandemic demands bold action

Now is no time for timid steps. Now is no time for delay. The COVID-19 pandemic is harming millions of North Carolinians, so now is the time for bold action.

The scope of need surpasses anything we've seen in modern history:



- More than 20 million Americans lost their jobs in April alone, erasing 20 years of employment growth.<sup>1</sup>
- More than 850,000 North Carolinians have filed for Unemployment Insurance since March 15, the fastest mass loss of jobs in history.<sup>2</sup>
- The unemployment rate will likely stay at or above the worst periods of the Great Recession through the end of 2021.<sup>3</sup>

Billions of dollars in federal and state funds are sitting untouched as the health and economic toll grows worse by the day. Members of the General Assembly must live up to their duty to protect North Carolinians trying to cope with a historic crisis.

Inaction means more people will die, and inaction could push North Carolina into a devastating depression.

*"Avoidable household and business insolvencies can weigh on growth for years to come. ... The result could be an extended period of low productivity growth and stagnant incomes. We ought to do what we can to avoid these outcomes, and that may require additional policy measures." – Federal Reserve Chair Jerome Powell, May 13, 2020*

### Reduce the spread of coronavirus

- North Carolina has a rapidly mounting number of cases and deaths.<sup>4</sup>
- Personal protective equipment is available at varying levels with just 31 days' supply of N95 respirators and 0 days' supply of gowns.<sup>5</sup>
- More than 720,000 North Carolinians are estimated to have lost employer-sponsored health insurance since March 15.<sup>6</sup>
- We are not ready to conduct a safe election with social distancing and far more voting by mail.



1 Economic Policy Institute. <https://www.epi.org/press/a-waking-nightmare-todays-jobs-report-shows-20-5-million-jobs-lost-in-april/>  
2 North Carolina Division of Employment Security. <https://des.nc.gov/need-help/covid-19-information/unemployment-claims-data>  
3 Congressional Budget Office. <https://www.cbo.gov/publication/56344>  
4 North Carolina Department of Health and Human Services. <https://covid19.ncdhhs.gov/dashboard>  
5 North Carolina Department of Health and Human Services. <https://covid19.ncdhhs.gov/dashboard#ppe>  
6 Kaiser Family Foundation. <https://www.kff.org/coronavirus-covid-19/issue-brief/eligibility-for-aca-health-coverage-following-job-loss/>

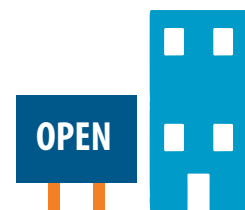
## Replace lost wages and keep people connected to work

- State Unemployment Insurance payments don't replace lost income, and federal supplemental payments will run out in a few months.<sup>7</sup>
- The federal Payroll Protection Program doesn't fill the income hole created by the COVID-19 outbreak.
- The hammer is falling hardest on many people with the least financial cushion, including low-wage workers, women, and people of color.<sup>8</sup>
- 40% of people making less than \$40,000 have lost their jobs.<sup>9</sup>



## Stabilize businesses and plan for recovery

- More than half of small businesses may not survive.<sup>10</sup>
- Small towns and rural communities face some of the largest immediate job losses.<sup>11</sup>
- More than 140,000 child-care slots could be lost, making it even harder for frontline workers to do their jobs.<sup>12</sup>



## Ensure people are fed and housed

- Even before the pandemic, 1 in 5 North Carolina children did not get enough to eat.<sup>13</sup>
- Need for food assistance has dramatically increased since the start of the pandemic.
- Rent was already unaffordable for more than half of North Carolina's renters before the pandemic.<sup>14</sup>
- An individual earning minimum wage would have to work at least 94 hours a week to afford a 2-bedroom unit at fair market rate.<sup>15</sup>



7 North Carolina Justice Center. <https://www.ncjustice.org/publications/unemployment-insurance-changes-needed-in-north-carolina/>

8 North Carolina Budget and Tax Center. <https://www.ncjustice.org/publications/women-and-people-of-color-are-losing-jobs-at-higher-rates-than-white-men-right-now/>

9 Federal Reserve. <https://www.businessinsider.com/fed-chair-powell-households-coronavirus-jobs-low-income-lost-percent-age-2020-5>

10 Brookings Institution. <https://www.brookings.edu/research/how-local-leaders-can-stave-off-a-small-business-collapse-from-covid-19/>

11 North Carolina Budget and Tax Center. <https://www.ncjustice.org/wp-content/uploads/2020/03/COVID19-Immediate-Risk-County-Employment-Rates.pdf>

12 National Association for the Education of Young Children. [https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/state\\_by\\_state\\_child\\_care\\_crisis\\_coronavirus\\_surveydata.pdf](https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/state_by_state_child_care_crisis_coronavirus_surveydata.pdf)

13 Interfaith Food Shuttle. <https://www.foodshuttle.org/hunger-in-nc>

14 North Carolina Budget and Tax Center. <https://www.ncjustice.org/publications/housing-unaffordable-for-half-of-n-c-renters/>

15 North Carolina Budget and Tax Center. <https://www.ncjustice.org/publications/county-economic-snapshots-2020/>