

## **Democrats Are Advancing Urgent COVID Relief For the American People**

*This week, House committees are marking up pieces of a COVID-19 relief package, based on President Biden's American Rescue Plan, which will provide substantial COVID-19 relief for workers and businesses as the economy continues to struggle during this pandemic. [After a year of Trump's failed leadership in handling this pandemic](#), Democrats are working alongside President Biden to enact this essential legislation. We are acting swiftly, united with the American people, to put an end to the needless hardship they have experienced.*

### **THE NEED FOR URGENT ACTION REMAINS GREAT**

The need for substantive action continues to grow. From long-term unemployment to the eviction crisis, the economic damage from this pandemic is clear:

- “More than four million people in January had been out of work for more than six months, the standard definition of long-term unemployment. That was up slightly from December and almost four times the number before the pandemic began.” [The New York Times, [02/06/21](#)]
- “About 400,000 people LEFT the Labor Force in January, meaning they didn't find work and stopped even looking for a job. The unemployment rate declined b/c the labor force got smaller. That's not good.” [Washington Post, [02/05/21](#)]
- “A study by the Federal Reserve Bank of Philadelphia showed that tenants who lost jobs in the pandemic had amassed \$11 billion in rental arrears, while a broader measure by Moody's Analytics, which includes all delinquent renters, estimated that as of January they owed \$53 billion in back rent, utilities and late fees.” [The New York Times, [02/05/21](#)]
- “Nearly 24 million adults — 11 percent of all adults — reported that their household sometimes or often didn't have enough to eat in the last seven days. An estimated 15.1 million adults living in rental housing — 1 in 5 adult renters — weren't caught up on rent. More than 80 million adults — 35 percent of all adults — reported it was somewhat or very difficult for their household to cover usual expenses in the last seven days.” [Data collected from Jan. 6-18; The Center on Budget and Priorities, [01/27/21](#)]

### **ECONOMISTS SUPPORT BOLD LEGISLATION TO MEET THE MOMENT**

Economists agree that President Biden's American Rescue Plan is the right approach to confronting this crisis. While Republicans took a “wait and see” approach that costs lives and ruined livelihoods, Democrats are crafting a bold package that meets the crisis of the moment. David Leonhardt writes in the New York Times: “...The strongest part of the Biden argument may be its recognition of recent history. The U.S. economy has struggled to grow at a healthy pace for most of the past two decades, and policymakers have repeatedly done too little to help it. Biden is choosing not to make that same error again.” [[2/8/21](#)]

### **In a Letter from Think Tank Leaders to Congress Supporting President Biden's American Rescue Plan:**

**“President Biden's \$1.9 trillion American Rescue Plan—with its critical public health investments to beat COVID-19, its aid to help struggling families, and its assistance to states, localities, tribes, and territories—is an appropriate scale of new spending under current conditions. Our nation continues to be battered by a vicious virus and the economic fallout from the pandemic...Congress must act fast and pass further legislation that reflects the scale of the crisis...The risk from providing too little in relief and economic recovery far outweighs the risk of providing too much. We urge you to act quickly to pass a robust pandemic relief package to control the virus, address hardship, and boost the economy.”** [[02/01/21](#)]

**Analysis of President Biden’s American Rescue Plan by Wendy Edelberg, The Hamilton Project, and Louise Sheiner, The Hutchins Center on Fiscal and Monetary Policy at Brookings:**

“We estimate that the package would boost economic activity, as measured by the level of real gross domestic product (GDP), by about 4 percent at the end of 2021 and 2 percent at the end of 2022, relative to a projection that assumes no additional fiscal support. We project that if the Biden package were enacted, GDP would reach the Congressional Budget Office’s (CBO) pre-pandemic GDP projection after the third quarter of 2021, exceeding it by 1 percent in the fourth quarter. In the middle of 2022, GDP would show a temporary and shallow decline and then grow at an annual rate of about 1.5 percent, coming close to the path projected just before the pandemic... **Without additional fiscal support, we project that real GDP would remain below the pre-pandemic level for the next several years.** In the near term, **without additional federal resources to contain the resurgence of the pandemic and distribute vaccines, the economy will face substantial headwinds. More broadly, millions of households will suffer** as a result of waning fiscal support for the unemployed and households and businesses suffering financially. Indeed, Biden’s fiscal package should be judged primarily based on the extent to which it invests in COVID-19 containment and vaccination and provides needed relief to help households and businesses weather the pandemic.” [1/28/21]

**Reuters Poll of Economists:**

“Biden has outlined a \$1.9 trillion stimulus package proposal to jump-start the world’s largest economy, which has been at the epicenter of the COVID-19 pandemic having lost over 400,000 lives, fueling optimism and sending Wall Street stocks to record highs on Thursday. **Hopes for an upswing in U.S. economic growth, helped by the huge stimulus plan, was reflected in the Jan. 19-22 Reuters poll of more 100 economists. In response to an additional question, over 90%, or 42 of 46 economists, said the planned fiscal stimulus would boost the economy significantly.**” [ 01/22/21]

**Mark Zandi, Moody’s Analytics Chief Economist, on Fox Business:**

“In a typical economy [unemployment insurance claims would] be a couple hundred thousand per week so the economy is clearly struggling with the pandemic and it needs more help... If we hadn’t gotten that \$900 billion fiscal rescue package... late in December, we’d probably go back into recession in early 2021 so the economy is really having a difficult time.... Fortunately lawmakers stepped up in the nick of time and I do think the Biden administration and this Congress will get it together in the next month or two, pass another relief package and that will get us to the other side of the pandemic, hopefully by late this year without going back into recession... We need that kind of relief to help get to the other side of the pandemic reasonably gracefully.” [1/21/21]

**OVERWHELMING SUPPORT FOR PRESIDENT BIDEN’S RESCUE PLAN**

Democrats recognize that bold legislation is required to get this pandemic under control and keep Americans from falling further behind. President Biden’s American Rescue Plan enjoys strong support from the American people:

“**Nearly 7 in 10 Americans support the Biden administration's proposed \$1.9 trillion stimulus relief bill** in response to the coronavirus pandemic, as 68 percent say they support it and 24 percent oppose it. **Nearly 8 in 10 Americans are in favor of \$1,400 stimulus payments** to Americans with 78 percent supporting and 18 percent opposing.” - [Quinnipiac poll, 02/3/21]

“**Of all 20 policies covered by the poll, the two most popular were the ones at the center of Biden’s current COVID proposal:** \$2,000 relief checks (74 percent favor vs. 13 percent oppose) and increased

*Office of the House Majority Leader Steny H. Hoyer 02/8/2021*

federal funding for vaccination (69 percent favor vs. 17 percent oppose).” [Yahoo/YouGov poll, [02/01/21](#)]

“According to a new poll from [Vox and Data for Progress](#), **a majority of likely voters — 64 percent — would back more coronavirus relief**, even if it means approving it via budget reconciliation, rather than the standard process for advancing most bills...**Support for taking this route appears largely driven by people’s interest in seeing more Covid-19 relief sooner rather than later: Sixty-three percent of people would like to see this coronavirus aid pass as soon as possible, including 72 percent of Democrats, 59 percent of independents, and 56 percent of Republicans.**” – [[Vox, 02/01/21](#)]

The time for decisive action is now. House Democrats agree with President Biden that the risk isn’t doing too much it is doing too little. Together, we are prepared to address the economic crisis and the health crisis of this pandemic.