

Summary of COVID-19 Legislative Package #3

Overview

As a result of strong advocacy on the part of SEIU and our allies, the terms of the current COVID-19 package #3 have been improved to help working families everywhere. Although imperfect, our 35,000 members who work for airline contractors will benefit from the \$4b going directly to contract workers. In addition, this bill includes strong guardrails to protect workers whose employers receive public dollars in this crisis and prohibits funding from going to corporations and entities owned by the President and his cabinet. Also, our call to protect frontline healthcare workers with sufficient PPE was noticed and important dollars were earmarked for this priority. However, there is much more to do to make sure every frontline worker has the equipment they need. Our members in child care, education, and state employees will benefit from targeted assistance to these programs within the states. And overall the enhanced unemployment assistance will support workers who lose their jobs during the crisis because they cannot go to work as a result of taking care of family members because schools are closed or because of quarantine.

Airport Workers

In the latest drafts of this package, our contracted members fought hard and won critical improvements. The definition of 'contractor' ensures our members will be eligible for the bill's benefits, which include \$3b financial assistance to airline contractors, \$25b to airlines and \$4b to cargo carriers for the continuation of payment of employee wages, salaries, and benefits. This agreement contains layoff protection -- an air carrier or contractor must certify that they shall refrain from conducting involuntary furloughs or reducing pay rates and benefits until September 30, 2020. This is a great precedent. If in the final language, these are huge improvements that took incredible organizing by SEIU members.

Immigration

It appears that millions of immigrants will be ineligible for some of the core programs and funding in this bill that are intended to stop the spread of the virus, treat the afflicted, and address the economic stress caused by the crisis. Specifically, large numbers of immigrants, including those with DACA and TPS, will remain ineligible for free testing or non-emergency treatment under Medicaid. These immigrants are already among the least served by our current healthcare system. Many immigrants will also be unshielded from the economic impact of the crisis. Together, these provisions will force more immigrants to work while sick, untested, and untreated. Some other funds included in this bill are generally available regardless of immigration status, including increased funding for community health centers and money that is block granted to states and localities. Thankfully, the bill provides no new funds for ICE or CBP

for immigration enforcement, and the Administration appears to be generally prevented from shifting the money away from its intended purposes for use in immigration enforcement.

Public Sector

Child Care workers will benefit from the \$3.5b increase for the Child Care and Development Block Grant (CCDBG) program including provisions allowing for continued payments to providers and their staff during closures or enrollment declines. States are also authorized to use funds to provide child care assistance to health care workers and other essential workers without regard to CCDBG income eligibility requirements. There is also \$750M for Head Start. The bill creates a \$30.75b Education Stabilization Fund, with strong protections for employees and contractors, and a \$150b Coronavirus Relief Fund for state and local governments to cover additional expenses or budget shortfalls caused by coronavirus.

Pandemic Unemployment Insurance (PUI)

The bill has still not been introduced and our understanding is that the sticking point is the issue of expanded and enhanced unemployment insurance. The current language removes wait times for traditional unemployment insurance and increases benefits by \$600 per week for a total of 39 weeks of benefits. For workers ineligible for traditional unemployment insurance, there are calculations to determine how much benefit they could receive, so that no worker is left out regardless of their employment type. Workers who cannot go to work because they have to care for a family member who is at home due to school closures or quarantine and do not qualify for paid leave are eligible to receive PUI instead, this provision is intended to fill the gap created by the paid leave gaps, which do not appear to be fixed in this package.

Healthcare

While there is a good amount of money dedicated to hospitals and other providers, our overall concern is they didn't fix the paid sick/family leave gaps (employers can still exempt healthcare workers, and large employers are not covered), didn't further increase FMAP for Medicaid, including for home and community-based services, and also introduced a loophole that may let states get the enhanced FMAP passed in the prior bill without complying with requirements to prevent states from terminating people's Medicaid coverage during a public emergency. That said, they included \$100b to address immediate capacity needs, including PPE, plus about \$50b more dedicated to PPE and other necessary equipment at agencies such as VA and FEMA, a significant investment (\$3.5b) in pharmaceutical R&D for vaccines and therapies, and expanded access to treatment through changes in the law regarding providers and insurers and Medicare and Medicaid.

Guardrails

One of our biggest concerns with earlier versions of the bill was that there was little accountability to corporations who would receive federal funding during this crisis. The new

version of the bill strengthens guardrails on lending and adds transparency requirements. Among other provisions, the new version requires the Treasury Secretary to explain under oath any assistance to companies that violate share-buyback or executive compensation rules. Other improvements include union organizing neutrality for medium-sized assistance recipients (500 to 10,000 workers); numerous requirements for Treasury to disclose details about assistance provided under the program; and a ban on assistance to businesses controlled by the President, his cabinet or Members of Congress. The bill still has some weak spots: for example, it requires airlines receiving assistance to maintain employment levels as of March 24 “to the extent practicable.”