



The disproportionate impact of COVID-19 on Black people, and the nationwide protests in response to hypervisible police brutality, illustrate the predictable consequence of centuries of unjust and discriminatory decisions made by elected leaders targeted at Black people. Police brutality, housing segregation, discriminatory lending, and educational inequities, among many others, continuously harm Black communities across the nation. The current COVID-19 pandemic runs the risk of exacerbating these inequalities and furthering harm inflicted on Black people.

The impact of COVID-19 is most evident in the high rates of infection and death among Black Americans, as well as in the high rates of loss among Black workers and business owners.<sup>1</sup>

In response, Color Of Change has launched *The Black Response*, mobilizing our millions of members to advocate for immediate and meaningful interventions to ensure Black people have access to adequate relief measures, and that the resources needed to fight the virus' impact are distributed equitably.<sup>2</sup>

As the Senate prepares to take up the next coronavirus stimulus package, Color Of Change calls for any final bill to provide the following relief:

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### INCREASED SUPPORT FOR BLACK-OWNED SMALL BUSINESSES

- **Include the Employee Retention Tax Credit and increased funding for Minority Depository Institutions (MDIs) to help ensure that Black-owned businesses can start receiving the financial assistance they need.** Findings from a recent poll commissioned by Color Of Change and UnidosUS found that absent additional relief, almost half of all Black and Latinx small business owners who have remained open do not believe they can survive the COVID-19 pandemic for more than 6 months.<sup>3</sup> While the Administration's recent agreement to set aside \$10 billion in Paycheck Protection Program (PPP) funds for Community Development Financial Institutions (CDFIs) was a helpful first step, this action alone will not adequately provide relief. Given the important role MDIs have in providing access to credit in minority communities, comparable funding for these institutions, along with the Employee Retention Tax Credit reflected in the Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act), should, at a minimum, be included in any final Senate relief package.
- **Support efforts that provide small businesses with direct cash assistance and create a simple and accessible process to apply for these payments.** The current complex, one-size fits all solution to small business recovery is failing Black business owners. Only 8% of Black small business owners received the economic assistance they requested

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<sup>1</sup> *The Coronavirus Is Infecting and Killing Black Americans at an Alarming High Rate*, Washington Post (April 7, 2020) (online at [www.washingtonpost.com/nation/2020/04/07/coronavirus-is-infecting-killing-black-americans-an-alarmingly-high-rate-post-analysis-shows/?arc404=true](https://www.washingtonpost.com/nation/2020/04/07/coronavirus-is-infecting-killing-black-americans-an-alarmingly-high-rate-post-analysis-shows/?arc404=true)); *The Economic Impact of COVID-19 Will Hit Minorities The Hardest*, Forbes (Mar. 17, 2020) (online at [www.forbes.com/sites/korihale/2020/03/17/the-economic-impact-of-covid-19-will-hit-minorities-the-hardest/#1b34a46710c0](https://www.forbes.com/sites/korihale/2020/03/17/the-economic-impact-of-covid-19-will-hit-minorities-the-hardest/#1b34a46710c0)).

<sup>2</sup> See Color of Change, *The Black Response*, <https://theblackresponse.org/wp-content/uploads/2020/04/Covid-19-Relief-Priorities.pdf> (last visited May 22, 2020).

<sup>3</sup> See Color of Change, *Federal Stimulus Survey Findings* (May 2020) (online at <https://theblackresponse.org/wp-content/uploads/2020/05/COC-UnidosUS-Abbreviated-Deck-F05.13.20.pdf>).

under the PPP.<sup>4</sup> Discriminating banks and complex application processes also impede Black business owners from obtaining relief funds as they bar many small business owners from formally submitting PPP applications. We appreciate the numerous bills proposed that address these shortcomings and expand Black business owners' access to aid. In order to improve existing relief efforts in HEROES, small business owners must be given grants instead of forgivable loans or tax credits. We strongly recommend the use of grants in any final Senate relief package as they are critical in Black business owners' retention and rehiring of their employees.<sup>5</sup> The mechanism used to distribute these funds must also grant eligibility to formerly incarcerated persons and be simple and accessible in order to reach as many Black business owners as possible.

### EMERGENCY CASH ASSISTANCE

- **An additional round of direct cash payments will provide relief to Black communities.** The continued layoffs by employers of workers in response to the virus has exacerbated economic uncertainty in Black communities. While the HEROES Act's inclusion of direct cash assistance in the amount of \$1200 was a step in the right direction, larger and ongoing rounds of direct cash assistance would provide critical help for those who have lost income and employment during this pandemic, and should be included in any final Senate relief package.

### WORKER JUSTICE

- **Ensure that unemployment insurance continues through the end of the COVID-19 health and economic crisis.** Unemployment insurance provides a critical stream of income for Black people who have lost their jobs during this pandemic. Extending the unemployment provision that was provided in prior relief packages would allow Black households to remain afloat and meet their basic needs.
- **Support increased worker pay for those working in essential industries.** Black workers are disproportionately deemed essential and working on the front lines of this pandemic. The HEROES Act's inclusion of grants that would allow employers to provide hazard pay to essential workers would be a key step toward ensuring these workers are adequately paid for their vital role in keeping the country safe, and should be included in any final Senate relief package.

### ENSURE ADEQUATE SAFETY PRECAUTIONS FOR INCARCERATED INDIVIDUALS

- **Support funds to purchase personal protective equipment and expand testing in places of incarceration.** Jails, prisons and detention centers are woefully ill-equipped for health emergencies, particularly highly contagious diseases such as COVID-19. The HEROES Act's inclusion of the Pandemic Justice Response Act Grants and the Byrne Justice Assistance Grants, would provide critical funding for places of incarceration to increase testing and prevent, detect, and stop the presence of COVID-19 in correctional institutions, and should be included in any final Senate relief package.

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<sup>4</sup> See Color of Change, *Federal Stimulus Survey Findings* (May 2020) (online at <https://theblackresponse.org/wp-content/uploads/2020/05/COC-UnidosUS-Abbreviated-Deck-F05.13.20.pdf>).

<sup>5</sup> See Color of Change, *Federal Stimulus Survey Findings* (May 2020) (online at <https://theblackresponse.org/wp-content/uploads/2020/05/COC-UnidosUS-Abbreviated-Deck-F05.13.20.pdf>).

- **Include the HEROES Act's Martha Wright Prison Phone Justice provision to reduce the financial burden of phone calls from places of incarceration.** The COVID-19 pandemic has highlighted how critical it is for incarcerated individuals to have access to free phone calls. While Color Of Change is proud to have successfully led the effort to change federal policy that prohibited inmates from being able to make phone calls free of charge, more reform is needed. The HEROES Act's inclusion of long overdue regulation on the predatory prison telecom industry would reduce the financial burden of families staying connected to incarcerated loved ones, and should be included in any final Senate relief package.
- **Increase support for returning citizens leaving places of incarceration.** The Second Chance Act grants that are included in the HEROES Act would provide critical transition and re-entry support services to support returning citizens.
- **COVID-19 relief funding must not increase law enforcement budgets.** Funding should not be given to police departments to enforce social distancing measures. Increasing law enforcement budgets amidst the global health pandemic places Black people at further risk of harm. These funds that would have otherwise been invested in law enforcement must be given to public health entities and community organizations. Localized, community based efforts and public health entities can safely address the needs of those impacted by COVID-19 without subjecting Black people to further harm. Any Senate relief package that considers increasing law enforcement's budget must shift this funding from law enforcement to public health and community based organizations.

## VOTING RIGHTS

- **Support additional funding and resources for election support and vote by mail.** The \$3.6 billion in the current version of the HEROES Act, plus the \$400 million from the CARES Act, is the *minimum* amount States will need in order to keep voters safe. Black voters should not be forced to choose between their health and exercising their right to vote. With COVID-19 ravaging Black communities and an uptick in anti-Black rhetoric and violence in the media, it is critical for states to have this funding to reduce the need to vote in person and to make in-person voting as safe as possible.
- **Include provisions to fund the U.S. Postal Service.** The U.S. Postal Service is critical for conducting safe elections and protecting the economic security of Black communities. It is therefore essential that the Senate's stimulus measure includes amounts to adequately fund the Postal Service and a robust vote-by-mail effort, including covering the cost of postage, in efforts to defend the nation's democratic processes.

## DEBT RELIEF AND CREDIT PROTECTION

- **Include provisions to cancel at least \$10,000 of loan debt.** Student loan debt cancellation relieves many debt burdened Black Americans from further economic insecurity. The HEROES Act's \$10,000 provision of loan debt cancellation should not be compromised in any Senate relief package, particularly given that 85% of Black Americans hold student loan debt.<sup>6</sup>

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<sup>6</sup> *Student Loan Debt Weighs Heavier On Black Borrowers, Fed Says*, CBS News (Nov. 15, 2019) (online at [www.cbsnews.com/news/the-federal-reserve-bank-black-college-students-are-carrying-more-loan-debt/](http://www.cbsnews.com/news/the-federal-reserve-bank-black-college-students-are-carrying-more-loan-debt/)).

- **Support critical consumer protections that suspend negative credit reporting and debt collection.** It is critical to support consumer protections so that the pressure of the economic downturn does not create a lasting legacy of further denying Black people access to affordable credit. For this reason, restrictions on collections of consumer debt and suspension of negative credit reporting and debt collection should be included in any final Senate relief package.

### **EXPAND BROADBAND ACCESS**

- **Include funds to fill gaps in broadband coverage.** The COVID-19 pandemic has highlighted the gaps in broadband connectivity in rural and low-income communities. Provisions in the HEROES Act, including \$1.5 billion to close the homework gap, will help ensure that Black communities have access to the internet through and beyond the crisis, and should be included in any final Senate relief package.

### **INCREASED SUPPORT FOR BLACK JOURNALISTS**

- **Include funds to support Black journalists.** The media plays a pivotal role in shaping our perspective of others and our understanding of what's going on in the world around us. Historically, mainstream media has espoused narratives that insidiously perpetuate anti-Black ideologies and the dehumanization of Black people and Black communities. In order to reverse the centuries of inequity that mainstream, whitewashed media has exacerbated, we encourage the Senate to provide direct stimulus money to Black journalists covering COVID-19 in their communities. This targeted funding for Black journalists would foster a media landscape that provides an honest and fair representation of Black people's lived experiences throughout the COVID-19 pandemic.