## GLEARCOALITION

COALITION FOR LABOR ENGAGEMENT AND ACCOUNTABLE REVENUES















Dear Members of Congress,

Thank you for everything you are doing as part of the nation's response to the COVID-19 crisis. We hope that you, your families, and your staff are staying safe.

On behalf of the more than 900,000 Pennsylvania workers and their families who we are proud to represent, we write to urge you to move rapidly but thoughtfully to enact the next phase of relief in a way that prioritizes the health, safety and well-being of Pennsylvania families and communities. Specifically, we urge that the latest COVID-19 response legislation you are now crafting include significant funding for flexible, emergency fiscal assistance directed as quickly as possible to stabilize state and local governments, including school districts.

The men and women we represent deliver vital, life-saving services to Pennsylvanians. Many of these public sector workers are on the front lines working long hours right now, in health care, in nursing homes, and in pharmacies and grocery stores. Still more are helping students and their families to make it through this difficult time and will be called on to help get students back on track once the crisis has subsided.

All Pennsylvanians need support at this time. As you take action to address the crisis, please ensure that the people who serve Pennsylvania and its many communities have the resources to conduct their important work, both now and as we recover in the pandemic's aftermath.

As you know, COVID-19 is placing tremendous demands on state and local government, which will increase health care and other costs. That is just the beginning.

We still do not know the full impact of the pandemic, but we can be sure that the economic disruption will be swift and extreme. More than 350,000 Pennsylvania workers have filed unemployment claims in the last week, with more than 90,000 new claims this past Friday alone. Business closures necessitated by the need to flatten the curve of the virus's spread are not only resulting in layoffs, but also weakening the financial stability of many businesses, particularly small businesses.

State and local governments will be hit with immediate and significant revenue declines. At the state level, serious shortfalls will occur across its revenue streams, from personal and corporate income taxes to sale taxes to other sources like gaming taxes, toll receipts, and wine and spirit sales. Most municipalities in our Commonwealth rely on the earned income tax as a major source of revenue, as well as local business taxes. With sweeping and necessary business closures, this revenue stream is at risk. Property tax collections that support school districts and municipalities are also expected to take a substantial hit as families and businesses struggle to keep up tax payments.

During the deepest part of the great recession in 2009 and 2010, the federal government delivered stimulus dollars to stabilize state and local governments and our public schools. The American Recovery and Reinvestment Act preserved the jobs of 250,000 teachers and other educators and hundreds of thousands more workers on the state and local levels protecting the public's health, safety, and well-being.

We are likely to be facing a government fiscal challenge even more daunting than what we faced then. Congress must act immediately and decisively to ensure that those now on the front lines of this crisis, and those who will be serving and supporting Pennsylvanians as we rebound from this crisis, have the resources needed to conduct their vital work.

Please call on us if we can help as you deal with these immense challenges.

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