



News Release

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CED Calls for Sweeping Action to Fight Economic Effects of COVID-19

Washington, DC, July 20, 2020...Today, the Committee for Economic Development of The Conference Board (CED) sent a letter to [Congressional leadership](#) as well as the [President and Treasury Secretary](#) calling for expeditious, comprehensive action to finally defeat the pandemic, provide relief to citizens and economic sectors that continue to be adversely affected and, then, to help our economy to return to a growth path that will realize its potential and restore broadly shared prosperity.

The CED letter offers 11 proposals that the federal government should adopt to build on the CARES Act and ensure a solid economic recovery. It also includes a proposal on how to pay for the extraordinary debt the US is accumulating in its efforts to fight the pandemic.

“With COVID-19 cases mounting once again, the pandemic remains a potent threat to the fragile economic recovery,” said Joseph Kasputys, Chairman & CEO of Economic Ventures and Co-Chair of CED’s Ad Hoc Committee on COVID-19. “The risk of doing too little to support the economy far outweighs the risk of doing more. Congress must act expeditiously.”

The letter makes the following proposals:

- **Unemployment Compensation:** Reduce the FPUC benefit to \$500 through year’s end to increase incentives to return to work and then target it to a percentage of prior wages, once states upgrade their systems to implement such a more finely tuned alternative. In addition, Pandemic Emergency Unemployment Compensation should remain in place into 2021.
- **Food and Housing:** Eligibility criteria for the Supplemental Nutritional Assistance Program should be loosened through 2021. The federal government ought to enact a block grant program to target eviction-prevention resources to cases of genuine need.
- **Assistance to States and Municipalities:** Congress should fill the gap in state and local revenues until they can return to population- and inflation-adjusted fiscal year 2019 levels. It should also create a block grant for the extra costs of fighting the virus, especially in the cost of K-12 education.
- **The Health Care System:** More must be done to ensure the nation’s health care system can deal with patients in further waves of infection. Adequate supplies, aggressive testing and contact tracing, new treatments, and vaccine development are needed.
- **Early Education and Child Care Support:** Access to early education programs and safe, high-quality childcare is essential for a successful reopening of the economy, the work and training of parents, and a strong



infrastructure for the development of children. The federal government should create a childcare stabilization fund for the childcare and early education sector.

- **Small, minority-owned businesses and the Paycheck Protection Program:** The PPP should run through 2020 but target only businesses with fewer than 100 employees. Further, all PPP loans less than \$150,000 that have been originated should be forgiven.
- **Limits on COVID-19 Infection Liability:** Businesses should be liable for negligent or malicious actions, but Congress should provide liability relief to those that act in good faith to allow for orderly reopening.
- **Safe, Accessible, Credible Elections:** Funding must be provided now to ensure that COVID-19 is not a deterrent to participation in the November 2020 election, and that the election offers an accessible, transparent, and credible way for eligible voters to make themselves heard.
- **A New Infrastructure Program:** The federal government ought to fund a continuation of federal and state infrastructure programs during the pandemic – the simplest and quickest way to get the economy back on track.
- **The American Workforce in the Post-COVID-19 Economy:** Funding for innovative training programs for workers who have been laid off, furloughed, or put on reduced hours can make this crisis an opportunity to meet the nation’s training and upskilling challenge—either by direct support to the recipient or to the institution or organization providing the training, similar to Pell grants.
- **Paying for This Recovery:** Congress should demonstrate its fiscal responsibility with a post-recovery dedicated payment mechanism using bonds of 40- or even 50-year maturity.

“While the need to help the economy is clear and urgent, we must also remember that ever-mounting debt poses its own dangers over the long term,” said Bowman Cutter, Senior Fellow and Director of the Next American Economy Project at the Roosevelt Institute and Co-Chair of CED’s Ad Hoc Committee on COVID-19. “When the economy truly recovers – and we all want that to occur as soon as possible – that growth will drive interest rates up, so we need to get in front of the debt problem. Fortunately, it is well within our power to neutralize it for all time if we act intelligently and prudently.”

[Read the full letter here.](#)

About CED

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