

April 28, 2020

The Honorable Nancy Pelosi
Speaker of the House
Washington DC 20515

Dear Speaker Pelosi:

In just five weeks, 26 million Americans filed for unemployment benefits as a result of the novel coronavirus outbreak. The CBO recently forecast an 11.4 percent average unemployment rate for 2020 and a 10.1 percent average unemployment rate for 2021. The policy choices we make now will impact how many people lose their jobs or remain jobless in the coming months. And without a viable vaccine in the immediate future, the federal government can enact programs that encourage people to stay home by allowing them to continue to receive a paycheck while providing assistance to keep businesses intact so that they are ready to open when social distancing protocols are eased. For this reason, we, the undersigned, urge Congress to pass the Paycheck Guarantee Act.

The Paycheck Guarantee Act, proposed by Congresswoman Pramila Jayapal, would provide grants to businesses to cover up to 100 percent of payroll for employee wage replacement up to \$100,000 for three months. The grants would be retroactive to the beginning of the pandemic to allow businesses to rehire employees who had been laid off. Importantly, workers would keep their employer-provided benefits, including health care. States and cities as well as independent contractors and gig workers would be eligible for the grants. The grants would also cover business expenses like rent and utilities to ensure that they can re-open when conditions improve. The grants would be delivered through existing payroll infrastructure to get the funds out of the door and to employers and working people quickly and efficiently. The grants would continue every three months until the Bureau of Economic Analysis' nominal personal consumption expenditures (PCE) estimates register two consecutive months that are at least 95% as high as the three-month average level between December 2019 and February 2020. In addition to Representative Jayapal's proposal, Senators Sanders, Warner, Jones, and Blumenthal proposed similar legislation last week.

The CARES Act did provide needed relief, but as a policy response, it does not meet the scale of the COVID-19 crisis. The interim package passed on April 23 provides additional funding for the PPP small business loan program, but this too fails to adequately address the fallout from the pandemic. The Paycheck Guarantee Act does much more to prevent mass layoffs, keep businesses intact and facilitate a faster recovery. Congress should move swiftly to pass the Paycheck Guarantee Act.

Sincerely,

Randy Albelda, Professor of Economics, University of Massachusetts Boston
Larry Allen, Professor of Economics, Lamar University
Eileen Appelbaum, Co-Director, Center for Economic and Policy Research
Peter Arno, Senior Fellow and Director of Health Policy Research, Political Economy Research Institute, UMASS, Amherst
Michael Ash, Professor of Economics & Public Policy, University of Massachusetts Amherst

M V Lee Badgett, Professor of Economics, University of Massachusetts Amherst
Ron Baiman, Associate Professor of Economics, Benedictine University
Dean Baker, Senior Economist and Co-Founder, Center for Economic and Policy Research
Erdogan Bakir, Associate Professor of Economics, Bucknell University
Radhika Balakrishnan, Professor, Rutgers University
Eric Beinhocker, Executive Director, Institute for New Economic Thinking, University of Oxford
Lourdes Beneria, Professor Emerita, Cornell University
Cyrus Bina, Distinguished Research Professor of Economics, University of Minnesota (Morris Campus)
Josh Bivens, Research Director, Economic Policy Institute
Sandra E. Black, Professor of Economics and International Affairs, Columbia University
Robert A. Blecker, Professor of Economics, American University
Howard Botwinick, Associate Professor of Economics Emeritus, SUNY Cortland
Scott Carter, Professor of Economics, The University of Tulsa
Kimberly Christensen, Economics Professor, Sarah Lawrence College
Nathaniel Cline, Associate Professor, University of Redlands
George De Martino, Professor of Economics, University of Denver
Arindrajit Dube, Professor of Economics, University of Massachusetts, Amherst
Richard Du Boff, Wexler Professor Emeritus of Economics, Bryn Mawr College
Amitava Krishna Dutt, Professor of Economics and Political Science, University of Notre Dame
Nina Eichacker, Professor, University of Rhode Island
Gerald Epstein, Professor of Economics, University of Massachusetts Amherst
Anders Fremstad, Assistant Professor of Economics, Colorado State University
John Gallup, Associate Professor, Portland State University
Don Goldstein, Emeritus, Professor of Economics, Allegheny College
Neva Goodwin, Co-Director, Global Development and Environment Institute, Tufts University
Joshua Greenstein, Assistant Professor of Economics, Hobart and William Smith Colleges
Robert Guttman, Augustus B Weller Professor of Economics, Hofstra University
Greg Hannsgen, Independent Economist, Greg Hannsgen's Economics Blog
Denise Hare, Professor of Economics, Reed College
John Harvey, Professor of Economics, Texas Christian University
Baban Hasnat, Professor of International Business and Economics, SUNY Brockport
P. Sai-wing Ho, Professor of Economics, University of Denver
Eric Hoyt, PhD in Economics, UMass-Amherst
Dorene Isenberg, Professor, Dept. of Economics, University of Redlands
Haider A Khan, Distinguished University Professor, University of Denver
Mary C King, Professor of Economics Emerita, Portland State University
Anthony Laramie, Chair and Professor of Economics, Merrimack College
William Van Lear, Professor of Economics, Belmont Abbey College
Thea Lee, President, Economic Policy Institute
Charles Levenstein, Professor Emeritus of Work Environment, University of Massachusetts Lowell
Margaret Levenstein, Research Professor, University of Michigan
Arthur MacEwan, Professor Emeritus of Economics, University of Massachusetts Boston
Allan, MacNeill, Professor, Webster University
Zagros Madjd-Sadjadi, Former Chief Economist, City and County of San Francisco and Professor of Economics, Winston-Salem State University

Arindam Mandal, Associate Professor of Economics, Siena College
Thomas Masterson, Director of Applied Micromodeling, Levy Economics Institute of Bard College
Peter Hans Matthews, Professor of Economics, Middlebury College
Terrence McDonough, Emeritus Professor, National University of Ireland Galway
Martin Melkonian, Adjunct Associate Professor, Hofstra University
John Miller, Professor of Economics, Wheaton College, Norton, MA
Lawrence Mishel, Distinguished Fellow, Economic Policy Institute
Juan Antonio Montecino, Assistant Professor of Economics, American University
Tracy Mott, Professor Emeritus of Economics, University of Denver
Michele Naples, Dr, The College of New Jersey
Katherine Moos, Assistant Professor of Economics, University of Massachusetts Amherst
Catherine P. Mulder, Assoc. Professor, John Jay College-CUNY
Julie A. Nelson, Professor of Economics Emeritus, University of Massachusetts Boston
Reynold F. Nesiba, Professor of Economics, Augustana University
Eric Nilsson, Professor of Economics, California State University, San Bernardino
Lenore Palladino, Assistant Professor of Economics and Public Policy, University of Massachusetts Amherst
Mark Paul, Assistant Professor of Economics, New College of Florida
Eva Paus, Professor of Economics on the Ford Foundation, Mount Holyoke College
Luke Petach, Assistant Professor of Economics, Belmont University
Karen Pfeifer, Professor Emerita of Economics, Smith College
Lynda Pickbourn, Associate Professor of Economics and Lecturer in Economics , Hampshire College and University of Massachusetts, Amherst
Bruce Pietrykowski, Professor of Economics, University of Michigan-Dearborn
Robert Pollin, Distinguished University Professor of Economics and Co-Director, Political Economy Research Institute, University of Massachusetts Amherst
Dr. Pratistha Joshi, Lecturer, Boston University
Lee Price, Associate Fellow, Institute for Policy Studies
Mark Price, Assistant Director of Research, Labor Economist, Pennsylvania State Education Association
Dr. Smita Ramnarain, University of Rhode Island
Robert B. Reich, Chancellor's Professor of Public Policy, University of California, Berkeley
Michael D. Robinson, Professor of Economics, Mount Holyoke College
Leopoldo Rodriguez, Associate Professor, Portland State University
David F. Ruccio, Professor of Economics Emeritus, University of Notre Dame
Jeffrey Sachs, University Professor, Columbia University
Emmanuel Saez, Professor of Economics and Director of the Center for Equitable Growth, University of California, Berkeley
John Schmitt, Vice President, Economic Policy Institute
Elliott Sclar, Emeritus Professor, Columbia University
Laurence Seidman, Professor of Economics, University of Delaware
Stephanie Seguino, Professor of Economics, University of Vermont
Zoe Sherman, Associate Professor of Economics, Merrimack College
Heidi Shierholz, Senior Economist and Director of Policy, Economic Policy Institute
Nicholas Shunda, Associate Professor of Economics, University of Redlands
William Spriggs, Professor of Economics, Howard University

Howard Stein Professor, DAAS and Epidemiology, University of Michigan
Chris Tilly, Professor of Urban Planning and Sociology, UCLA
E. Ahmet Tonak, Visiting Professor, UMass Amherst, Economics Department
Mayo Toruño, Professor Emeritus , California State University San Bernardino
Mariano Torras, Ph.D., Professor of Economics, Adelphi University
Andres Torres, Professor (retired), Lehman College, CUNY
Eric Tymoigne, Associate Professor of Economics, Lewis & Clark College
David F. Weiman, Professor of Economics, Barnard College, Columbia University
Mark Weisbrot, Co-Director and Co-Founder, Center for Economic and Policy Research
Jeannette Wicks-Lim, Associate Research Professor, Political Economy Research Institute,
University of Massachusetts
John Willoughby, Professor, Economics, American University
Brenda Wyss, Associate Professor of Economics, Wheaton College, MA
Tanadej Vechsuruck, Assistant Professor , University of Rhode Island
Yavuz Yasar, Associate Professor, University of Denver
Gabriel Zucman, Associate Professor of Economics, University of California, Berkeley