Dear Chairwoman Waters and Members of the Committee:

The National Women’s Law Center (the Center) writes in support of the Paycheck Recovery Act, H.R. 6918 (PRA), an important piece of legislation that would help to stem spiraling unemployment and economic precarity resulting from the COVID-19 crisis, which has been particularly devastating for women and communities of color.

Since 1972, the Center has worked to protect and advance the progress of women and their families in core aspects of their lives, including income security, employment, education, and reproductive rights and health, with an emphasis on the needs of women with low incomes and women of color and others who face multiple and intersecting forms of discrimination.

Women and communities of color have been disproportionately harmed by COVID-19. Women are overrepresented in the front-line workforce, making up the majority of workers risking their lives to provide health care, child care, and other essential services—yet women are also more likely than men to be losing their jobs. Black, Latinx, and Native American people are also disproportionately facing unemployment, and are contracting and dying from COVID-19 at higher rates than white people due to structural inequities in access to health care and economic security. Asian communities are facing a new wave of discrimination, and in some places are experiencing disproportionately high rates of infection as well. And for Black women, Latinas, Native American women, Asian American/Pacific Islander women, and other women of color, intersecting marginalized identities heighten their risk of facing economic distress, unemployment, and poor health outcomes. While the virus doesn’t discriminate, its impacts reflect and amplify centuries of discrimination.

Women have disproportionately suffered pandemic-related job losses: since February 2020, women have lost over 8 million net jobs, accounting for 55% of overall net job loss since the start of the pandemic.1 As highlighted in the attached fact sheet, the most recent Bureau of Labor Statistics (BLS) monthly jobs report shows that the economy continued to inch back between May and June 2020, gaining 4.8 million jobs. However, this means that only 1 in 3 (34%) of the 22.2 million jobs lost in March and April due to the COVID-19 crisis have returned. Nearly 6 in 10 (59%) of the jobs that returned in June are in leisure and hospitality (which includes businesses like bars and restaurants) and retail trade. These numbers reflect the state of the economy in early June, before some states re-imposed restrictions in response to surging coronavirus cases. Now that many businesses are being forced to close, the jobs that came back last month are at risk of being lost again. June’s “recovery” is particularly fragile for women, who accounted

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1 National Women’s Law Center, June Brings 2.9 Million Women’s Jobs Back, Many of Which Are At Risk of Being Lost Again (July 2, 2020), https://nwlc.org/resources/june-jobs-report/.
for 6 in 10 of the jobs gained last month, and gained the majority of jobs in leisure and hospitality and in retail trade.

Even after June’s gains, Black women and Latinas continue to be hardest hit by the economic crisis: While the overall unemployment rate dropped to 11.1% in June, approximately 1 in 7 Black women (14.0%) and Latinas (15.3%) remained unemployed. By comparison, June’s unemployment rate for white men was 9.0%, making them one of the only demographic groups to reach single digit unemployment last month.

With COVID-19 cases surging across the United States, we are likely facing new waves of shutdowns, and with it, job loss. The PRA will prevent mass unemployment and keep workers connected to their jobs and their paychecks—including by restoring to payroll millions of workers who have been laid off or furloughed since the pandemic hit—and prevent employers of all sizes from being forced to close permanently. It will alleviate the pressure on overburdened unemployment insurance systems, allowing the critically important relief established by the CARES Act to more quickly and efficiently to reach any individuals who remain unemployed. And it will particularly benefit women and people of color, who are more likely to work in lower-paid, tipped, and part-time jobs that can make unemployment insurance more difficult to access—and who, as business owners, have faced structural barriers to the banking relationships and other resources necessary to benefit from the Paycheck Protection Program.

Providing direct federal support to employers—including self-employed individuals, nonprofits, and state and local governments—allows equitable access to government funds for employers of all sizes, including microbusinesses unable to access funds through other means. The PRA will stabilize the economy, protect public health by ensuring that workers and business owners are not forced to go back to work before it is safe to do so, and make it easier for employers to resume operations with their workforces intact at the appropriate time.

We urge the Committee to support the Paycheck Recovery Act to ensure that millions more women and their families are not impoverished by the COVID-19 crisis.

Sincerely,

Emily Martin
National Women’s Law Center
Vice President for Education and Workplace Justice