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August 10, 2020

Why Colorado Urgently Needs More Federal Help to Protect its People from the Impact of COVID-19

Colorado's COVID-19 cases rose steadily from mid-June through late July, with the 7-day average for cases rising from 161 on June 14 to 610 on July 28. As of August 4, Colorado has had [48,475 cases](#) (842 per 100,000), with 1,854 deaths. The 7-day average had dropped to 485 cases per day, but that was a one percent increase from two weeks earlier. The impact on Colorado's people and the state's economy is severe. Close to half of Colorado's households (47.3% percent) included someone who [lost employment income](#) between March 13 and July 21. Unprecedented numbers of people have been unable to purchase enough food or pay their rent. The blow to Colorado's economy is reflected in [plummeting state revenues](#), with a decline of \$5.27 billion estimated for fiscal years 2020 - 2022 (with annual percentage losses of 7 percent, 20 percent and 12 percent below pre-pandemic projections). [Sales tax revenues](#) in May of this year were about 9 percent below their level in May of 2019. This does not take into account reduced revenues hitting Colorado's local governments.

Without additional federal aid, Colorado will not be able to provide the services needed to help its people recover and move forward. Lay-offs of local and state workers have started to occur, with 16,200 fewer [government jobs](#) in Colorado in June 2020 than in June 2019. Education for children in Colorado, already adversely affected by school closings in the spring of 2020, will suffer from education layoffs, estimated by the [National Education Association](#) to reach nearly 28,920 by the end of FY 2022. The combined [education and health category](#) (which includes higher education) lost 20,900 jobs in Colorado from June 2019 to June 2020.

Many sectors of Colorado's economy have suffered. [Leisure and hospitality jobs](#) dropped from 344,900 to 258,300 over the past year (June 2019 to June 2020), a 25 percent drop. Colorado started to re-open businesses in April, but as COVID-19 rose, Governor Polis closed indoor bars in July, a needed step that likely contributed to slowing the continued rise in infections, but which means more unemployment. Federal Reserve Chair Jerome Powell has predicted national unemployment exceeding 9 percent at the end of this year. Without continued federal assistance similar to provisions in the HEROES Act as passed by the House, Colorado will be hard-pressed to provide needed unemployment benefits. The \$600 per week in Pandemic Unemployment Compensation (PUC) expired at the end of July. The [Century Foundation](#) estimates that for 289,749 people in Colorado receiving all forms of unemployment benefits, the per week loss of the \$600 will exceed \$173.8 million. The House HEROES Act would continue the \$600 per week through the end of this year. President Trump's Memorandum attempting to provide up to \$400 per week in a new program of Lost Wages Assistance faces much uncertainty. Since it would be a new program, it would take states weeks or months to set it up. If Colorado cannot find the funds for \$100 beyond what it now pays in benefits, jobless workers will only receive a \$300 per week payment, cutting the previous payment in half.

The Senate HEALS bill as introduced would provide \$200 per week in PUC benefits; the loss of \$400 per week would cost Coloradans [\\$115.9 million](#), or \$1 billion through the end of September. Without additional cash payments to individuals and families, people who have lost income from work will find it more and more difficult to pay for necessities, causing supermarkets and other retail stores to lose income and the economic downward spiral to continue.

Poverty, Hunger, and Racial Disparities. The pandemic is making the hardships associated with poverty far worse, with glaring disparities along racial/ethnic lines due to barriers created by systemic racism. Before the pandemic, 7 percent of Colorado's non-Hispanic white children lived below the federal poverty level, while 19 percent of Colorado's Hispanic/Latinx children and 26 percent of the state's Black children were [poor](#). Children growing up in poverty are likely to experience worse health, education and adult earnings outcomes. For example, in Colorado, 27.5 percent of Latinx households reported that they had not been able to pay their rent in the past month, compared with 6.4 percent of white households. When someone in a Colorado household was laid off due to the pandemic, one in five (22 percent) said their household did not have enough to eat sometimes or often in the previous week, and more than one in three of those who had COVID-19 symptoms did not have enough to eat. In order to reduce these extremely high proportions of people going without food, Congress must increase the maximum benefit for SNAP by 15 percent and raise the minimum benefit from \$16 to \$30 per month.

Threatened Evictions and Homelessness. Colorado could face an unacceptable surge in homelessness as lost income makes it impossible for households to afford rent. More than 11 percent of Colorado's households were [not able to pay rent](#) in the previous month (more than 137,500 households), as surveyed during a seven-day period ending July 21. Nearly 18 percent of households in which someone had lost earnings during the pandemic had missed the previous month's rent. Previously enacted federal legislation set a moratorium on evictions in rental properties with federal subsidies or backing. Those protections have now expired. A [Colorado analysis](#) estimates that by September, if there is no government action, nearly 420,000 people in 181,000 households will be at risk of eviction, having accumulated nearly \$765m in rental debt. Continued high unemployment will make it impossible for many people to make up unpaid back rent now that the moratorium has run out. President Trump signed an Executive Order on August 8 that does not extend the moratorium, but merely asks federal departments to look into whether any funds are available that can be directed to helping housing authorities or other entities managing low-income housing. The Senate should agree to provide \$100 billion for emergency rental assistance, as the House did in the HEROES Act, and to broaden and extend the moratorium on evictions. People who are homeless and contract coronavirus are twice as likely to be hospitalized, two to four times as likely to require critical care, and two to three times as likely to die than others in the general public, according to the [National Low Income Housing Coalition](#).

Access to Health Care Varies by Race. It remains true that rebuilding the economy requires better control over the spread of COVID-19. The timing for development of effective vaccines and more effective treatments is uncertain. But we know that people must have access to testing and medical treatment to limit the impact of the disease. There are too many Coloradans without [health insurance](#). Here too, disparities by race are unacceptable. While 6.5 percent of whites in Colorado have no health insurance, 24.1 percent of Latinx in Colorado are uninsured. This will mean they delay treatment and potentially increase the spread of the coronavirus as they return to work. One important solution for medical care is for the federal government to increase the share it pays states for Medicaid, allowing states to better meet needs for emergency services and all other forms of care, as proposed in the House's HEROES Act. Colorado has expanded its Medicaid program under the Affordable Care Act, so can serve people who may be losing their health insurance through work, but the unanticipated high costs of coping with a pandemic still makes a higher federal Medicaid match (FMAP) extremely important to Colorado's recovery.

Diaper Access and Period Poverty: Employment, education, and health outcomes during the pandemic are further complicated by lack of access to diapers and period products. Nationally, [1 in 3 American families](#) experience the negative effects of diaper need. And [1 in 5 girls](#) have missed school at some point because they lack access to menstrual products. In Colorado, there are 202,608 children under the age of 3, and [67,536 of them](#) do not have enough diapers to stay clean and dry leading to health complications such as urinary tract and skin infections. Moreover, caregivers impacted by diaper need report missing up to [four days of work per month](#) due to diaper shortage because many

childcare centers require a supply of diapers for children to attend. Recently, the [Nappie Project](#) has noted an extreme increase in requests for diaper sizes 4-6 and pull-ups, an increase believed to correlate to familial stress and toilet training regression caused by COVID-19. [WeeCycle](#) has seen a spike in demand for diapers, more than doubling the previous year distribution numbers by providing over half of a million diapers to Colorado communities since the onset of COVID-19. Though they are essential goods, diapers and period supplies cannot be purchased with SNAP funds (food stamps) or through Women, Infants & Children (WIC) centers. Per the [National Diaper Bank](#), community-based organizations experience benefits by including a diaper bank in their scope of services, including increased communication with families and program retention. Diaper access and period poverty were issues facing Colorado before the pandemic; now, they threaten Colorado's recovery. Addressing these issues will be critical to moving forward.

Household Income Losses Not Seen Since the Great Depression. The fact that close to half of Colorado's households have experienced a loss of income from work underscores the urgency of the state's need for help to prevent a long-term deep recession. More than 70 percent of Latinx households in Colorado have [experienced earnings losses](#) since March 13, as have 41 percent of WHITE households, 34 percent of Asian households, and 24 percent of Black households. Colorado needs the continuation of the special pandemic unemployment benefits that will otherwise expire well before the economy recovers. Families unable to regain earnings or to work at all must have cash aid similar to the \$1,200 cash payments made earlier this year, modified to allow households with immigrants to receive at least some benefits, with expedited distribution of the aid to people with income too low to owe federal income tax. Failing to allow mixed-status households to receive the \$1,200 cash payments has denied assistance to [236,000 people in Colorado](#), including 95,000 U.S. citizens and green card-holding children and spouses, a failure the state can ill afford. Improving the Earned Income Tax Credit and Child Tax Credit would also help to sustain families starting next year. Investments in paid leave and child care are also essential to help parents return to work – and no one should be forced to work without the protection of safe working conditions. All these are essential components of what states need to recover from the twin crises of pandemic and severe economic downturn. The Senate must act.