



## Legislation Text

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File #: 21-0125, Version: 1

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**Dept/ Agency:** Office of the Mayor

**Action:** ( ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Urging and Supporting Direct Cash Payments to Citizens throughout the Pandemic

**Purpose:** To urge The Biden Administration to develop an ongoing Federal Guaranteed Income Program that provides an income floor for all Americans.

**Additional Information:**

**WHEREAS**, the novel coronavirus disease 2019 (COVID-19) first appeared in December 2019 and has spread throughout the world; and

**WHEREAS**, on March 11, 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic; and

**WHEREAS**, on March 13, 2020, United States President Donald J. Trump declared a national state of emergency concerning the COVID-19 outbreak; and

**WHEREAS**, the Trump Administration, in refusing to follow the advice and direction of epidemiologists, scientists, infectious disease doctors and other medical experts, failed to provide the direction and leadership necessary to more effectively reduce the spread of COVID-19; and

**WHEREAS**, as of January 12, 2021, at least 416,000 Americans have died from COVID-19 and nearly 25 million cases have been reported in the U.S.; and

**WHEREAS**, the coronavirus pandemic has not only robbed our communities of friends, family, and loved ones, but also has adversely impacted the earning potential of many Americans - especially those who are at or below the poverty line; and

**WHEREAS**, 46% of American households have experienced significant financial hardship during the COVID-19 pandemic; many have depleted their savings, and are unable to cover the basic living necessities such as purchasing food for their families, paying utility bills, and making rent or mortgage payments; and

**WHEREAS**, low-income workers have lost far more jobs and earnings than high income earners due to the COVID-19 pandemic; and

**WHEREAS**, in December 2020, the United States economy lost 140,000 jobs, with women accounting for nearly all of the job loss; and

**WHEREAS**, Black and Brown workers are more likely than White workers to have

experienced COVID-19-related unemployment, as well as higher levels of food insecurity, and face nearly twice as much difficulty in meeting their household expenses; and

**WHEREAS**, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security spending (CARES) Act at the end of March, which included a package of relief and stimulus programs, including \$500 billion for large corporations and a one-time Economic Impact Payment (EIP) check of \$1,200.00 to qualifying Americans; and

**WHEREAS**, studies show that Americans spent their CARES Act EIP checks quickly; many it on food, rent, and utilities; and

**WHEREAS**, when the CARES Act aid ran out, 8 million people immediately were forced into poverty; and

**WHEREAS**, in December 2020, the United States Congress passed the second pandemic relief package, which included a \$600.00 EIP check to most Americans; and

**WHEREAS**, most Americans again anticipated using this money for the basic necessities of rent, food, and bills; and

**WHEREAS**, a one-time payment of One Thousand Eight Hundred Dollars and Zero Cents (\$1,800.00) is wholly insufficient to address the economic insecurities that nearly half of Americans are experiencing as a result of the COVID-19 pandemic; and

**WHEREAS**, the EIP checks to individuals were the primary reason that poverty fell by as many as 4 million people at the start of the pandemic--caused recession; and

**WHEREAS**, the EIP checks boosted the economy by increasing spending at all income levels, and had the most significant impact among low-income earners; and

**WHEREAS**, direct cash payments to the American people, help State and local economies recover by putting more cash into local households and State budgets; and

**WHEREAS**, data shows that unemployed Black and Brown workers are far less likely to receive unemployment benefits than unemployed White workers; and

**WHEREAS**, ongoing, direct cash payments puts real money in the pockets of Americans across the country, and increases spending in our most vulnerable communities - especially urban cities like Newark - which are comprised of mostly Black and Brown Americans and

**WHEREAS**, prior to the COVID-19 pandemic, nearly 45 million Americans, or 12% of the U.S. population, were living in poverty, including about 7 million employed people who did not have the financial resources, despite working, to cover even the most basic necessities; and

**WHEREAS**, nearly 40% of Americans could not afford a single \$400.00 emergency prior to the COVID-19 pandemic, and rising income inequality is compounded by an ever-growing wealth divide; and

**WHEREAS**, technology and automation are forecasted to further exacerbate the economic insecurities of working class Americans, potentially eliminating as much as 25% of the workforce; and

**WHEREAS**, implementing an ongoing guaranteed income program would provide a needed income floor through which no American family would fall, and would benefit individuals and communities both now and in the future; and

**WHEREAS**, ongoing guaranteed income payments must include dependents and be available to non-citizens, undocumented people, permanent residents, and temporary visitors whose stay exceeds three (3) months; individuals who do not have a bank account, social security number, or permanent address; people living in unincorporated territories or protectorates and Americans living abroad.

**WHEREAS**, the Mayor and the Municipal Council support ongoing direct cash payments to Americans during the COVID-19 pandemic and encourage the implementation of a Federal Guaranteed Income Program for all Americans.

**NOW THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and Municipal Council support ongoing, direct cash payments throughout the COVID-19 pandemic and until our economy recovers, and calls on President Joseph R. Biden, Speaker of the United States House of Representatives Nancy P. Pelosi and Senate Majority Leader Charles E. Schumer to ensure such payments are included in the next stimulus package.
2. The Mayor and Municipal Council urge formal local advocacy efforts through the City to ensure such payments are included in the next and/or final stimulus package.
3. The Mayor urges President Biden, House Speaker Pelosi and Senate Leader Schumer to support providing ongoing direct cash payments to Americans, throughout the COVID-19 pandemic and until our economy recovers, and urges the development of a permanent Federal Guaranteed Income Program to provide an income floor for all Americans.
4. A copy of this resolution shall be forwarded to the Office of the President, President Joseph R. Biden, Speaker of the House of Representatives Nancy P. Pelosi, and Senate Majority Leader Charles E. Schumer.

### **STATEMENT**

This resolution hereby declares that Mayor Ras J. Baraka and the Newark Municipal Council support providing ongoing direct cash payments to Americans, throughout the COVID-19 pandemic

and until our economy recovers, and urges the development of a permanent Federal Guaranteed Income Program to provide an income floor for all Americans.