

April 16, 2020

Via E-mail

Majority Leader Mitch McConnell
United States Senate
Washington, D.C. 20515

Minority Leader Charles Schumer
United States Senate
Washington, D.C. 20515

Speaker Nancy Pelosi
U.S. House of Representatives
Washington, D.C. 20515

Minority Leader Kevin McCarthy
U.S. House of Representatives
Washington, D.C. 20515

RE: USW urges action to provide additional fiscal assistance for those affected by this pandemic and economic crisis

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Ranking Member McCarthy:

On behalf of the 850,000 members of the United Steelworkers (USW), their families, and their communities, I urge Congress to move swiftly forward to provide additional fiscal assistance with an eye toward prioritizing aid to those most in need.

This virus has had devastating impacts on our members in every facet of their lives. USW healthcare workers in hospitals are risking their lives to uphold the dignity of life, and many of our manufacturing workers are “essential workers” making the products that help maintain our society, from fuel to toilet paper. Meanwhile, as the economy falters, blast furnaces that produce our country’s steel have been “blown-down” and the industry is operating at roughly 50 percent of capacity as steel workers receive WARN notices.¹ The tire industry has idled tens of thousands of workers and many smaller USW represented facilities have followed safety guidelines to help prevent spread of the virus and stopped operations, leaving an uncertain future for both our members and these facilities.

The grim daily reminder of over two million people who have been sickened and the deaths of over 100,000 people across the globe in roughly four months has forced society into an economic recession unprecedented in scale. As the world’s largest economy, how we aid those most in need will show our commitment to democracy and to each other. Our members and society need aid and the USW will

¹ <https://www.steel.org/industry-data>

press for assistance in future aid packages that focuses on the following concepts and policies.

Aid to Workers

In the wealthiest country on the globe today, healthcare workers are re-wearing single use personal protective equipment (PPE), and the government is unable to implement basic standards to ensure their employers preserve human life. It is shameful that the failure to implement simple federal actions, like prioritizing orders and shipments of medical supplies, has led to price gouging of needed PPE as states and municipalities urgently work to address this pandemic. Meanwhile, over 22 million people have filed for unemployment insurance and millions ask themselves if they will be impoverished by medical debt if they get sick. Congress and the administration should prioritize the federal government's role and at the minimum address the following items:

- Fully use the Defense Production Act through administrative action or through federal legislation like the Medical Supply Chain Emergency Act (H.R.6390/S.3568)
- Ensure workers who are on strike or lockout receive federal unemployment benefits pre-empting state laws limiting access to benefits
- Fully fund COBRA benefits for laid off workers until the economy recovers to pre-recession levels (H.R. 6139 - The Worker Health Coverage Protection Act)
- Ensure all workers, no matter the size or type of employer, receive paid sick leave and FMLA expansions
- Require an OSHA emergency temporary standard to ensure there are enforceable workplace health and safety protections for everyone who is still reporting to their workplace
- Improve workers ability to negotiate with their employers through collective bargaining. USW-represented workers are at least able to meet with management to press for safe operations and have input in safety processes

Aid to Retirees

The income security of millions of workers and retirees is at risk from the financial crisis created by the pandemic. Congress has already authorized over two and half trillion dollars in aid primarily to companies. The omission of retiree pension plans in COVID-19 fiscal aid so far is as foolish as it is callous. There are proposals ready to provide direct aid and support the Pension Benefit Guaranty Corporation (PBGC) and improve a system that provides an annual benefit of over 89 billion dollars. Our union also urges Congress to not underfund the Social Security system through inefficient payroll tax cuts.

We also oppose efforts to undermine the PBGC system through novel “composite” pension plan proposals like the GROW Act. These proposals shift the

burden of a pension system away from employers and place too much of a burden on retirees.

Aid to Companies

Our union understands the dramatic need for aid to companies as the global economy is put on hold to fight the virus, but the Federal Government should ensure maximum accountability of taxpayer funds. That is why business aid should come with basic conditions. We are outraged that the Federal Reserve and Treasury have chosen to ignore several basic tenants in the CARES Act for business aid. Conditions to prevent job outsourcing by companies who take bailouts, and protections of collective bargaining agreements have been thrown by the wayside, meaning companies can take federal funds and close U.S. factories and move production to another country. **Congress should close these loopholes by requiring CARES Act provisions in section 4003 of the bill be mandatory requirements that cannot be waived by Treasury or the Federal Reserve.**

The increased possibility of bankruptcy requires Congress to address inadequate protections in the law for workers. Congress should prohibit the use of 11 USC Sec. 1113, or the rejection or abrogation of any collective bargaining agreement, for firms that receive financial assistance from the CARES Act, any subsequent financial assistance related to Covid-19.

Manufacturers will also face a significant threat of dumped and subsidized imports as this crisis continues. Congress must do everything in its power to protect and maintain existing tariffs and be prepared to increase tariffs against bad actors who seek to use this pandemic to export their unemployment to the U.S.

Advance the Economy

Reports of businesses choosing to not open doors after this pandemic cycles down are already prevalent in the news. Meanwhile, state and local governments are facing massive reductions in revenue. The country will require modernization and even the President understands that at historically low interest rates, it is time to invest in our country. Congress must prepare our country's infrastructure to rebound quickly and stimulate job growth. Below are a number of items our union has endorsed and supported to encourage infrastructure investment:

- Blanket Buy America application for all stimulus funds similar to section 1605 of the American Recovery and Reinvestment Act
- Investment in community health centers
- H.R. 865 - Rebuild America's Schools Act
- H.R.5770 - Electric Vehicle Freedom Act (EV Freedom Act)
- H.R.2156 - Revitalizing the Economy of Coal Communities by Leveraging Local Activities and Investing More Act (RECLAIM Act)
- H.R. 3829 - Energizing American Shipbuilding Act

- H.R.4905 - Investing in Energy Systems for the Transport of CO2 Act (INVEST CO2 Act)
 - H.R.5906 - RECYCLE Act
 - Significant spending increases for the Surface Reauthorization, Water Resources Development Act
 - Revenue to state and local governments and to the U.S. Postal Service that ensures continued operation of vital public services

Only together, working collectively, can we not only overcome this pandemic but also move forward with a just recovery that uplifts all workers and the economy. Our union continues our work in this fight and we urge Congress to act with the same boldness and professionalism as our nation's frontline workers.

Sincerely,

Thomas Conway
Thomas Conway
International President

cc: United States Senators
United States Representatives