



March 22, 2020

Dear Members of Congress

We are children's fitness facility coaches, vendors, owners in your districts and states, **who directly work with the children in each of your jurisdictions**. In the face of the rapid spread of COVID-19, we are very concerned that our youth sport business industry may not survive this pandemic or the resulting economic downturn. Lawmakers are rightly focused on sending immediate aid and support to our most vulnerable businesses and workers. We are a vulnerable group so vitally important within our community - we hope and pray we are included in the conversation.

We represent the over 200,000 employees of approximately 4,000 children's fitness facilities, specifically gymnastics, who service and 'care' for all aged children and athletes, and owners who employ these many coaches and teachers who are the direct impactors to these children. As many sources of children 'care' and activities across America, we are now fighting for our survival.

First, to meet this urgent need, we are writing to ask that you ensure Children Fitness Facilities are a key part of any economic recovery package through the following means:

Direct assistance - In addition to the direct payments currently under discussion for all Americans, Congress should create a supplementary direct assistance program for those that **serve the children of our communities** to help cover the cost of lost business, paid sick leave, individual health care costs, and fixed expenses.

Tax and debt deferral: In addition to deferring April 15th tax returns, Congress should defer an additional two quarterly tax payment deadlines, which place a significant financial burden on our businesses. We also urge the government to negotiate deferred mortgage and credit card payments for small businesses, who often operate on a very tight budget and at times, use credit cards to fund their business.

Earned income tax credit (EITC): The Earned Income Tax Credit is an important source of income protection. Congress should expand EITC by increasing the income threshold, including younger and childless workers, and eliminating the marriage penalty. Lawmakers should also allow it to be calculated and administered on a quarterly basis, which would better support individuals struggling to manage short-term income volatility.

COVID-19 is presenting an enormous economic challenge. Growing economic repercussions of the virus are straining many workers and employers, forcing them to take measures that could contribute further to an economic slowdown. The necessary precautionary steps to prevent further spread – travel limitations, quarantines, business and school closures, and more – will also have negative economic consequences that ripple throughout communities.

Second, address the unemployment insurance issues. The virus is exposing weaknesses in our labor laws and social insurance systems as workers cannot take paid time off if they are

sick, be assured of access to medical help, or be able to meet basic needs should they be laid off as a consequence of the virus. There are a number of important policy tools that Congress and the administration can use to limit the spread and harm of the virus and prevent it from wreaking economic havoc – including shoring up our unemployment insurance (UI) system.

UI is an important tool for family stability and economic stability. When workers are laid off through no fault of their own, unemployment insurance provides partial and temporary wage replacement, helping families weather the economic storm, and shoring up demand in the economy to help prevent further job loss. Unfortunately, like many other parts of our social insurance system, unemployment insurance has faced years of cutbacks, in this case by state governments who manage and administer the program with limited federal oversight. Absent federal investments and reforms to strengthen it, it will not live up to its full potential to help families, communities, and the economy to enable a quick rebound from COVID-19.

To that end, our organizations are making the following recommendations:

1. Get help to more families facing corona-related job loss more quickly, preventing widespread economic hardship, bolstering macroeconomic response to slow additional job losses, and helping affected families and communities get back on their feet more quickly. This includes steps such as:
 - Updating the Stafford Act to allow for individuals to apply for Disaster Unemployment Assistance without exhausting regular UI first, enabling states to avoid spending down their UI trust funds right away.
 - Raising the minimum benefit amount to 1.5 the times of the national average state UI benefit (\$531).
 - Requiring states to waive waiting weeks, so involuntarily unemployed workers can receive benefits as soon as possible. Generally, when workers become unemployed, it takes a week to satisfy all the requirements to receive unemployment insurance, during which the worker receives no payment. In the case of the coronavirus, many workers could struggle to meet these requirements in a timely manner.
 - Providing emergency administrative funding for state unemployment insurance programs, since need will rise, and the federal government bears statutory responsibility for the costs of state administration.
2. Support workers who need to balance work and new caregiving responsibilities related to coronavirus: This includes steps such as:
 - Expanding the definition of good cause quits to caregiving responsibilities – including if school closures related to the virus affect parents and caregivers' ability to work.
 - Requiring states to make part-time workers eligible – particularly as more workers may need to work part-time with potential school closures or caregiving responsibilities.
 - Preventing job loss by expanding work-sharing within unemployment insurance. Work-sharing would allow for companies to move full-time workers to part-time status while workers get compensated through UI for reduced hours. Work-sharing exists in only 27 states and the District of Columbia, and should be required for every state, with a generous federal match for administrative costs for new and existing programs.

3. Empower employees and employers to prevent further spread of the virus. This includes steps such as:
- Expanding the definition of good cause quit to employees refusing an assignment that violates health and safety standards.
 - Waiving work search requirements so that people can stay home as is recommended by public health officials, especially since job search for many low-paid jobs requires in-person interviews.
 - Helping states to provide UI-related services such as career counseling and reemployment assistance remotely.
 - Making sure claims related to the pandemic don't count against experience rating so that employers are not penalized for cutting back on business for health-related reasons.

Unemployment insurance has the potential to be an important tool to help protect families and stabilize our economy during these uncertain times, but only if lawmakers act immediately to strengthen protections for unemployed workers. We urge lawmakers to act with the urgency required, and to strengthen the unemployment insurance system so our country is more prepared to help families, communities and the economy going forward.

Taken together, these reforms would dramatically ease the burdens faced by Children's Fitness Facilities, as well as the millions of teaching staff, office personnel and athletic coaches who are driving the broader children's fitness economy.

Respectfully,

United States Elite Coaches Association, established 1976

USA Gymnastics Coaches Association

Together, we represent 200,000 vital child specialist educators