NTU urges all Representatives to vote “NO” on the updated version of the HEROES Act. While NTU believes that Congress should provide additional relief to unemployed and furloughed Americans, struggling businesses, and frontline workers, the updated HEROES Act contains numerous provisions that are either unrelated to the COVID-19 health and economic crises or that favor one industry or interest over others. Lawmakers could easily reduce the $2.2 trillion cost of the bill by striking or modifying some of these provisions. Going forward, Congress should promote relief efforts that are temporary and targeted at those most impacted by the pandemic, and recovery efforts that make broad changes to the tax code with a material effect on economic activity.

The updated version of the HEROES Act reduces the original legislation’s price tag by around $1.2 trillion; unfortunately, that is one of the few positive aspects of this legislation. While several provisions in the HEROES Act should provide a foundation for bipartisan talks on COVID-19 relief legislation, including additional federal unemployment insurance support, expansion of the employee retention tax credit, and supplemental appropriations for coronavirus testing, contact-tracing, vaccines, and therapeutics, the updated $2.2 trillion bill still contains far too many provisions that are unnecessary or unrelated to the immediate crises. This includes, but is not limited to: carved-out funds benefiting specific industries, a radical overhaul of our nation’s credit reporting laws, and multiemployer pension plan bailout legislation that predates COVID-19. We also believe that an additional $417 billion to states and municipalities is still far too much, especially when accounting for the $360 billion Congress has already appropriated to support states and an anticipated state revenue shortfall of around $200 billion in fiscal years 2020 and 2021 (well short of previous expectations).

In short, we believe that the cost of this bill could be cut by hundreds of billions of dollars, and the product would more fairly and efficiently provide immediate and necessary assistance to the most vulnerable American families and businesses. We return to a distinction we made about “Phase 4” legislation back in July: relief efforts should be temporary, and targeted at the workers, businesses, and families most impacted by the pandemic and economic downturn; recovery efforts should make broad changes to the tax code that do not seek to benefit one industry or interest over others and have a material effect that spurs economic activity. This bill, on the whole, fails both tests.

Roll call votes on the updated version of the HEROES Act will be heavily weighted in NTU’s annual Rating of Congress and a “NO” vote will be considered the pro-taxpayer position.

If you have any questions, please contact NTU Policy and Government Affairs Manager Andrew Lautz at alautz@ntu.org.

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