



May 19, 2022

NTU urges all Senators to vote "NO" on S. 4008, the Small Business COVID Relief Act of 2022. Only 10 percent of this \$48 billion spending bill is offset, meaning that the additional funding commitments in S. 4008 will be financed by higher deficits. NTU also questions the need for nearly \$50 billion in additional stimulus for businesses at this stage in America’s economic recovery from the COVID-19 pandemic, with pandemic restrictions eased in most parts of the country and many businesses looking to hire. Finally, we worry that this legislation amounts to lawmakers picking winners and losers in certain industries or sectors of the economy, directing funding to niche interests such as minor league sports teams and live venues.

In January of this year, NTU and a coalition of taxpayer advocates wrote to Congress urging them to [reject](#) efforts to inject \$68 billion in deficit-financed funds to businesses. The coalition wrote, in part, that “economic data do not suggest businesses urgently need tens of billions of dollars” in additional grants. We added that “should lawmakers determine that additional commitments are necessary, these funds should come only from unobligated and undisbursed funding authorized and appropriated under previous COVID-19 relief bills.”

S. 4008 may spend less than the bill’s sponsors originally envisioned – \$48 billion instead of [\\$68 billion](#) – but it still fails the tests of fiscal responsibility and urgent need. The bill’s supporters have made a less than half-hearted effort to offset the bill’s costs, rescinding a mere \$4.9 billion in already appropriated COVID relief funds despite proposing \$48 billion in additional spending. In practice, this means S. 4008 will add more than \$40 billion to deficits, fiscal profligacy taxpayers can ill afford at a time of historic debt and deficit levels.

And, despite ongoing challenges to the nation’s economic recovery posed by inflation, supply chain constraints, [high gas prices](#), [acute shortages](#), and more, the fundamentals of the U.S. economy do not suggest businesses urgently need tens of billions of dollars in deficit-financed stimulus. The unemployment rate remains below [four percent](#), there are more [job openings than unemployed persons](#), and consumer spending has been on the rise for [three straight months](#).

In short, S. 4008 is an unnecessary stimulus bill that will only increase deficits that U.S. taxpayers will one day have to repay. Lawmakers should reject this legislation.

Roll call votes on S. 4008 will be included 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 Director of Federal Policy Andrew Lautz at alautz@ntu.org.
