

**Sen. Susan M. Collins**  
**Floor Statement on *Keeping Workers Paid and Employed Act***  
**March 22, 2020**

The United States is facing a crisis unlike any other in our recent history. This is no time for partisanship or for political differences to prevent us from coming together and working in the best interests of the American people. The coronavirus pandemic has arrived on our shores and is growing exponentially, sickening our people and devastating our economy.

As of today, more than 26,700 Americans have tested positive for the virus, and 340 people have died, while 176 have recovered. In my home State of Maine, there are now 89 cases in eight different counties.

Hospitals, doctors, and nurses are struggling to triage the influx of patients. Nursing homes are locking down their facilities in an attempt to safeguard their vulnerable residents. Students and teachers have had to transition abruptly to online learning, as schools have closed across the nation. Parents have been left with no child care. Workers have been laid off or fear that they may soon lose their jobs as the outbreak worsens.

To help mitigate the spread of this dangerous virus and protect those who are at highest risk, Americans have stepped forward to take the proper precautions and to follow the guidelines that are issued by the Centers for Disease Control. Although measures such as limiting large social gatherings and reducing non-essential travel are important to help contain the coronavirus and reduce contagion, they are also taking a tremendous toll on our economy.

There are 30 million small businesses in the United States. They employ nearly 60 million Americans, about half of our nation's workforce. According to a recent survey, 96 percent of small business owners say they have already been affected by the coronavirus – not in the sense that they have become ill with it but their customer base has simply dried up. And 51 percent say that they will only be able to keep open for up to three months if the economic consequences continue. The potential loss of more than half of our nation's small businesses and the impact on the millions of people they employ is simply unacceptable.

In my state, the number of claims for unemployment filed in a span of just three days this month was nearly double those filed in all of March a year ago. Maine is on track to surpass the highest weekly total of unemployment claims since the Great Recession of 2008. The situation is dire and it is only going to get worse unless we act and we act now. We must come together as Republicans and Democrats in this chamber and in the House to provide relief to the American people to ensure that workers continue to receive paychecks or other forms of assistance. And of course, we continue to build on the two bills that we have already passed to protect the health and safety of the American people.

Looking beyond the statistics that I just recited, the real-world effect of this economic devastation is evident everywhere. I just got off the phone from talking to a couple in Lewiston, Maine – Jimmy and Linda Simones. They run a third-generation family diner. It is so well-known and a favorite place to stop by for lunch. They tried to convert to a takeout business but it

just didn't work. So, for the first time ever in this diner's history, the Simones family is forced to close their doors and to lay off their workers. Workers who have been with them for years. Workers that include not only themselves but their son, George.

Every day, I have heard from small business owners who are anxious about the future of their businesses and how they can continue to pay their employees, who are often their family members, their friends, and their neighbors. The last thing they want to do is to lay off their employees and shut their doors, but they fear they may have no other choice. They simply do not have the cash flow, the revenue coming in the door, to allow them to remain open.

The tourism sector, which is so critical to jobs in Maine, has been particularly hard hit. A small hotel in Brunswick, Maine, received 84 cancellations within just 24 hours of the local college suspending its in-person classes. A well-known Irish pub in Bangor, Maine, had to close for St. Patrick's Day – probably it's biggest day of the year – and has been forced to lay off 60 people. A charter bus company based in Lewiston, lost \$400,000 in three days because two major tours cancelled. If tourism is further reduced, this bus company predicts losses of more than \$1 million.

Countless other businesses in my state — such as restaurants, the lobster and fishing industries, gyms, B&Bs, retailers, gift shops, and hair salons — have also been hard hit. The hospitality industry in particular is at risk of being devastated as conferences and vacation trips continue to be canceled. A hair stylist in Biddeford, a good friend of mine, was forced to shutter her shop and, at the same time, she lost her part-time job bartending when the bar that employed her was required to close as well. When these small businesses suffer, it has a cascading effect on their employees, from housekeepers to wait staff to bartenders to fishermen to drivers to retail clerks.

These are just some of the countless examples of the economic damage that is occurring in every community because of the virus and through absolutely no fault of the small businesses or their workers. But for the coronavirus, and the steps that state and local governments have taken, as well as the federal government, these businesses would be thriving. In Maine, they would be beginning to start staffing up for the summer months, for the height of the tourism season.

It is essential that Congress act immediately without partisan bickering, without delay, act immediately to protect the paychecks and to provide other relief to supplement the earlier bills that we have passed. And I'm pleased to report, that help is on the horizon for small businesses and their workers that would allow them to weather the current storm.

As a member of the Small Business Task Force, I have been working very closely – night and day – with a group of my colleagues, Senator Rubio, Senator Cardin, and Senator Shaheen. Our staffs have worked literally through the night on legislation to provide relief to small businesses and their employees. The *Keeping Workers Paid and Employed Act* that I authored with Senator Rubio, the Chairman of the Small Business and Entrepreneurship Committee, provides a plan to do just that. Through our negotiations with Senator Shaheen and Senator Cardin, who have been wonderful partners, we have produced, jointly, a \$350 billion

plan that would help mitigate this crisis. Our group has worked night and day in a bipartisan fashion.

We have kept in mind the common goal of protecting those employees who have been laid off or who are at risk of being laid off because of the cash-flow problems of their employers. Problems that these small businesses did not create, but rather are a result of the COVID-19 pandemic. Our joint vision is to help small businesses and their employees make it through to the other side of this crisis by providing cash-flow assistance quickly to employers who agree to keep their workers on the payroll. This would allow employers to stay in business and keep paying their employees.

More than 100 Maine small businesses and the Maine Chamber of Commerce have endorsed this bill. Additionally, nationwide, a group of more than two dozen business organizations that represent thousands of companies across the country have expressed their strong support for this proposal. I would ask unanimous consent that both of those letters be included in the record at the conclusion of my remarks.

Let me explain how our plan would work. Under our approach, small businesses would be eligible for a 100 percent federally guaranteed emergency loan to cover their payroll for eight weeks as well as certain fixed-expenses—normal, customary expenses—like rent or mortgage payments and utilities. These loans would ultimately be eligible to be forgiven provided that the employers kept their workers on their payrolls – that’s the key provision. This financial assistance is targeted, and it could not be used to give raises to highly compensated employees or to increase returns to shareholders – not that most of these small businesses even have shareholders.

Our goal is to keep these workers employed, to keep paychecks going to them, to keep payments for their health insurance intact, to keep contributions that an employer may be making to their 401(k) plan intact. We know that keeping people employed and ready to get back to work, not severing that connection between employers and their employees, will cost far less than it would to try to rescue the economy after we have had massive layoffs and business closures. That’s what our bill would prevent. The Secretary of the Treasury has estimated that if we do nothing, if we do not pass this bill in connection with a broader package aimed at preventing economic devastation, we could see unemployment rise as high as 20 percent. And keep in mind, we are coming through a period where we have had record low unemployment. It could rise as high as 20 percent. If that happens, the impact on the federal government would be substantial — far more than the \$350 billion that we are using for this small business assistance program to keep their employees paid. Not to mention the extraordinary harm that this kind of economic catastrophe would cause to millions of families.

Congress has already passed two emergency relief packages. They will promote the health and safety of Americans. But, it is going to take time for us to get the coronavirus under control. It is going to take time for the social distancing to work. It is going to take time for new treatments to be developed, much less a vaccine, despite the extraordinary efforts of scientists and physicians and other experts across this country who are all pulling together. Our *Keeping Workers Paid and Employed Act* has been included in a third package that I hope Congress will

soon, very soon, consider to respond to COVID-19. It is imperative that we not delay. Every day that we delay another business, like the Simonés' business, their diner in Lewiston, Maine, is forced to close their doors and to lay off their employees.

We are truly standing at the edge of a dangerous precipice. Bold, bipartisan action is required to respond to this public health crisis and move us back from economic disaster, small businesses closing their doors, in some cases forever, devastating and decimating our downtowns, and millions of Americans losing their jobs. I implore my colleagues on both sides of the aisle to put aside partisan differences and come together and join our bipartisan group in delivering this urgently needed aid for the American people by passing this important economic relief for the employees of small businesses throughout our nation.

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