

August 7, 2020

**TO**: Interested Parties

FR: The Democratic National Committee

**RE**: FACT SHEET: Trump failed to lead, and now Arizonans are paying the price.

Trump failed to respond quickly or effectively to the coronavirus, and his incompetence has had a devastating impact on Arizona's economy. It didn't need to be this bad, and the state has suffered from record high unemployment. Now Arizonans are losing the emergency support they need to pay for rent, food and other necessities -- and Trump is once again failing to lead.

Here are the facts:

TRUMP'S FAILED CORONAVIRUS RESPONSE MADE THE ECONOMIC FALLOUT WORSE THAN IT HAD TO BE, WITH UNEMPLOYMENT REACHING RECORD HIGHS IN ARIZONA SINCE THE VIRUS HIT THE U.S.

Washington Post: Contrary To Trump's Predictions About A Speedy Economic Recovery, Economists Projected That "The Outlook Is A Start-And-Stop Recovery With The Economy Held Hostage By A Failure To Contain The Pandemic" "Trump's salesmanship also risks opening a credibility gap between his rosy comments and reality. In a Fox Business interview on Wednesday, he again predicted a swift 'V-shaped' recovery, an expectation that few economists outside his administration share. And he repeated his unfounded claim that the coronavirus will 'just disappear' one day. 'We're headed back in a very strong fashion with a 'V,' and I think we're going to be very good with the coronavirus,' the president said. 'I think that at some point that is going to sort of just disappear.' Instead, the outlook is a start-and-stop recovery with the economy held hostage by a failure to contain the pandemic, some economists said." [Washington Post, 7/3/20]

TRUMP AND REPUBLICANS FAILED TO ENSURE THAT ENHANCED UNEMPLOYMENT BENEFITS
CONTINUED UNINTERRUPTED, EVEN AS ARIZONANS STRUGGLE TO AFFORD RENT AND PUT FOOD
ON THE TABLE

**HEADLINE:** "As Trump Undercuts Aid Talks, White House Says Extra Jobless Benefits Will Lapse." [New York Times, 7/29/20]

• Moody's Chief Economist Mark Zandi Projected That A Failure To Reinstate The Full \$600 Enhanced Unemployment Benefits Could Cost The U.S. Economy 1.1 Million Jobs By The End Of The Year. "Mark Zandi, chief economist at Moody's, says the federal government's \$600 payments have the biggest 'economic bang for the buck' of any fiscal support so far, more so than stimulus checks and payroll tax cuts. In fact, if the payments are cut to \$200-per-week through the end of the year (which is possible if states struggle to update their computer systems) then U.S. GDP would see a decline of 1.15%, another 1 million jobs would be lost and the unemployment rate would rise by 0.6%. If federal unemployment insurance benefits are eliminated completely, that would result in a GDP drop of 1.3%, 1.1 million more job losses and unemployment jumping 0.7%, Zandi says." [Forbes, 7/31/20]

## AS MANY ARE STILL STRUGGLING TO MAKE ENDS MEET, UNEMPLOYED ARIZONANS WILL NO LONGER HAVE ACCESS TO THE \$600 ENHANCED FEDERAL WEEKLY UNEMPLOYMENT BENEFIT

As Enhanced Unemployment Assistance Ended On July 31, 958,001 Arizonans Were Expected To Lose The \$600 Federal Benefit, Leaving Them With Only State Benefits That Range From \$117 To \$240 Per Week. "The additional \$600 in weekly unemployment benefits funded through the CARES Act expires on July 25 for Arizonans. That means the approximately 958,001 Arizonans currently receiving the payment will drop to a range of \$117 to \$240 per week, according to numbers from the Arizona Department of Economic Security." [ABC15 Arizona, 7/22/20]

On Average, Arizonans Would See A 69% Reduction In Weekly Unemployment Benefits If The \$600 Weekly Federal Payment Ended. [Benefit Cut from FPUC Expiration for the Average American Worker, House Committee On Ways & Means, 7/1/20]

• An Unemployed Arizona Bartender Expected To See His Unemployment Benefit Drop To \$214 A Week After \$600 Enhanced Unemployment Benefit Ended: "It's Pretty Nerve-Wracking. I've Got My Mortgage, I've Got My Bills Coming Every Month." "Arizona man, Nolan Golay, is about to take a major hit financially as an extension for the extra \$600 a week has not been announced. 'It's pretty nerve-wracking. I've got my mortgage, I've got my bills coming every month,' Golay said. His benefit will drop to Arizona's unemployment benefit of \$214 a week and that's not enough even though he's been living more frugally...He was laid off from his job at a Valley restaurant in March, and started receiving the extra CARES Act unemployment benefit in May. He is a bartender but bars are closed now." [Fox10 Phoenix, 7/22/20]

Late June-Early July Survey: In Arizona, 20% Of Adults (431,000) Living In A Household With Children Reported That Their Kids Were Not Eating Enough Because They Could Not Afford Food. [Appendix Table 1, Center on Budget and Policy Priorities, 7/21/20]

• **HEADLINE:** "For The Unemployed, Rising Grocery Prices Stretch Budgets Even More." [Washington Post, 8/4/20]

Late June-Early July Survey: In Arizona, 16% Of Renters (250,000) Reported Being Behind On Their Rent. [Appendix Table 3, Center on Budget and Policy Priorities, 7/21/20]