

## GEORGIA U.S. SENATE CANDIDATE BUCKLEY PROPOSES NEW COVID-19 AID LEGISLATION THAT IS TARGETED AND FINANCIALLY RESPONSIBLE

Allen Buckley, a fiscal conservative independent candidate in the special election race for the U.S. Senate seat currently held by Kelly Loeffler, proposes new COVID-19 legislation that is targeted and financially responsible.

Concerning COVID-19 unemployment benefits, in its July 11<sup>th</sup>-17<sup>th</sup> edition, *The Economist* magazine noted that “three-quarters of claimants are making more from benefits than they did from work.” Democrats wish to continue the extra \$600 per week that is supplied through July 31<sup>st</sup> under the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). Republican economic advisor Larry Kudlow recently mentioned the possibility of a 70-75 percent replacement benefit.

Buckley proposes the good aspects of the CARES Act be continued, and the bad aspects be discontinued. He proposes: (a) no more stimulus checks except to persons with both low income and low net worth, who prove such and attest to a reasonable need; (b) the Paycheck Protection Program be reinstated for 12 more weeks of coverage, provided the applicant is a private-owned entity with 200 or less employees that provides proof of need, with professional firms excluded from eligibility and total benefits not to exceed the amount needed to “top off” revenue to 2019 to-date revenue; and (c) unemployment benefits be extended up to three months (i.e. until October 31<sup>st</sup>), and limited to: (i) with respect to people who live in a high exposure COVID-19 area where no job protection exists and people prohibited by law from working, compensation earned prior to the pandemic; (ii) with respect to people who live in a low exposure area, no federal benefits (so state law benefits would apply); and (iii) with respect to all others, benefits (between federal and state) equal to 75 percent of pre-virus compensation. If applicable, all benefits should cease within 30 days following mass distribution of a vaccine that cures the virus. And, with the exception of those receiving a stimulus payment, in no event would anyone receive more than the foregoing unemployment benefits.

Buckley previously proposed the following solution for businesses and virus liability: Without federal involvement, Georgia and potentially other states could set legal standards for employer work conditions that, if followed, will result in freedom from liability and suit. With input from the public (e.g. the Georgia Restaurant Association), legal standards could be set. One or more Georgia state agencies could be granted power to set some or all standards. Employees could be able to create confidential accounts with a state agency, to report violations. Two or more significant violations could result in loss of liability protection or worse.

Buckley said: "Coronavirus is a very serious matter that deserves a significant additional targeted and responsible financial outlay. A number of complex things need to be considered together. The CARES Act was a poorly crafted, financially irresponsible, piece of legislation. We need to learn from its weaknesses and move forward. There is a lot of overlap in existing benefits, and coordination is needed. Had we balanced the budget every year after 2009 when our nation wasn't in recession, as I advocated, total federal debt would be approximately \$8 trillion less, and the situation would be very manageable from a financial perspective. We didn't do so. After the virus ends, and the economy is stable, we need to start running small annual surpluses of \$200 billion per year to get ready for whatever else bad comes our nation's way, via virus or otherwise."

### Background

On March 27<sup>th</sup>, President Donald Trump signed into law the CARES Act. Among other things, the law provided most adults with \$1,200, regardless of need or ability to spend. The Paycheck Protection Program, that was later amended and its funding amount later expanded, provided for completely forgivable loans to small to mid-sized businesses for payment of wages and salaries, rent, interest and utilities for eight weeks, as long as payroll was kept relatively in line with pre-pandemic practices and at least 60 percent was applied to payroll. Virtually any business with 500 or less employees, that certified that "the uncertainty of current economic conditions makes necessary the loan request to support the ongoing operations" of the business, qualified. Professional firms qualified, regardless of the wealth of the owners. It also provided for federal increases to unemployment compensation of \$600 per week, carried out until July 31st, including for individuals who may have made less than \$600 per week. The estimated cost of the CARES Act was \$2.14 trillion. In light of unemployment benefits being set to expire at the end of July, an additional bail-out package is now being contemplated by Congress.

The CARES Act also provided rent relief of up to five months of rent for renters of property with respect to which the federal government has lent money to the landlord to buy the property. Similarly, with respect to mortgages backed by the federal government (including Fannie Mae and Freddie Mac), up to one year of payment deferrals are possible. Additionally, existing borrowers from the SBA received six months of payments relief.

The Families First Coronavirus Response Act, signed into law before the CARES Act was enacted, provides that employers with fewer than 500 employees must grant paid leave to employees unable to work or telework in order to take care of a child under age 18 because the child's school or child care provider closed due to COVID-19. The leave was paid by the federal government through reduced payroll taxes, at a rate of 2/3rds pay, not to exceed \$200 per day or \$10,000 in total. Other benefits exist.

A March 7-8, 2020 Wall Street Journal article titled "Global Outbreaks Are Likely to Continue" includes the following quote from Peter Daszak, president of EcoHealth Alliance, a New York-based nonprofit research group that built a database tracking disease events locally: "I'm not holding in my bunker right now. We're going to get hit by a much bigger one sometime in the next 10 years."

For years, the CDC had been warning of a possible pandemic, for which it would not be able to produce an effective cure on a timely basis. Few listened. Similarly, for years, the GAO and CBO, along with numerous private sector financial groups, have been warning of a looming fiscal crisis due to the mounting federal debt. In 2007, when total federal debt was less than \$9 trillion, the GAO said: "GAO's current long-term simulations continue to show ever larger deficits resulting in a federal debt burden that ultimately spirals out of control." Total debt is now roughly \$26.5 trillion. Annual federal revenue has never exceeded \$3.5 trillion. Deficits have been run since the turn of the century. For 2019, when unemployment was at a 50-year low, the deficit was approximately \$1 trillion.

Mr. Buckley's "Save Tomorrow" campaign is about living for today and tomorrow, instead of living for today to the detriment of tomorrow. The focus is on doing things to make tomorrow as good as or even better than today, by acting now to address the nation's financial challenges and confronting global warming in a practical way.

Buckley ran against Johnny Isakson in 2016 as the Libertarian Party's candidate. In an October 20, 2016 poll by The Atlanta Journal-Constitution, he drew 11 percent of the vote.

Mr. Buckley is an attorney/CPA. He can be reached for comment at (404) 610-1936. Mr. Buckley's campaign website is [www.buckleyforsenate.org](http://www.buckleyforsenate.org).