



**National
Urban League**

*Empowering Communities.
Changing Lives.*

Congress of the United States

House of Representatives

Committee on Oversight & Reform

“No Worker Left Behind: Supporting Essential Workers”

Testimony and Statement of Clint Odom

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Washington Bureau

National Urban League

June 10, 2020

Chairwoman Maloney and Ranking Member Jordan, on behalf of the National Urban League, the nation’s oldest and largest civil rights and direct services organization, we commend you for holding today’s hearing. Established in 1910, the League serves nearly 1.7 million people each year through our 90 affiliates in 36 states, the District of Columbia, and over 300 communities. Our mission is to enable African Americans and other underserved communities to secure economic self-reliance, parity, power, and civil rights. The testimony we provide today advances our civil rights mission—as seen through the lens of civil rights.

I would like to pay a special tribute today to the Africans and their descendants¹ whose labor without compensation built the U.S. Capitol, made possible the Statue of Freedom that sits atop the Capitol Dome, and made possible the rise of the United States an economic superpower.² I’d also like to acknowledge Ms. Breonna Taylor, an Emergency Medical Technician in Louisville, Kentucky, whose life was cut short not by the novel coronavirus, but by police serving a no knock warrant in March. African Americans are, and have always been, among the nation’s essential workers.

You will hear testimony today from representatives of different sectors of the essential workforce. African American and other workers of color represent a significant cross section of these workers and face unique health and economic disparities that make the Pandemic Heroes Compensation Act essential legislation.

Who are Essential Workers? By some measures,³ there are approximately 48 million essential workers in the United States. These workers include: transport, logistics, and delivery workers (25 percent of essential workers); health care providers and administrators (23 percent); food and agriculture workers (13 percent); retail workers (12 percent); maintenance and cleaning workers (10 percent); and those in the fields of protection, security, and justice (7 percent). Workers in other occupations like childcare, energy/power, and funeral care make up the balance.

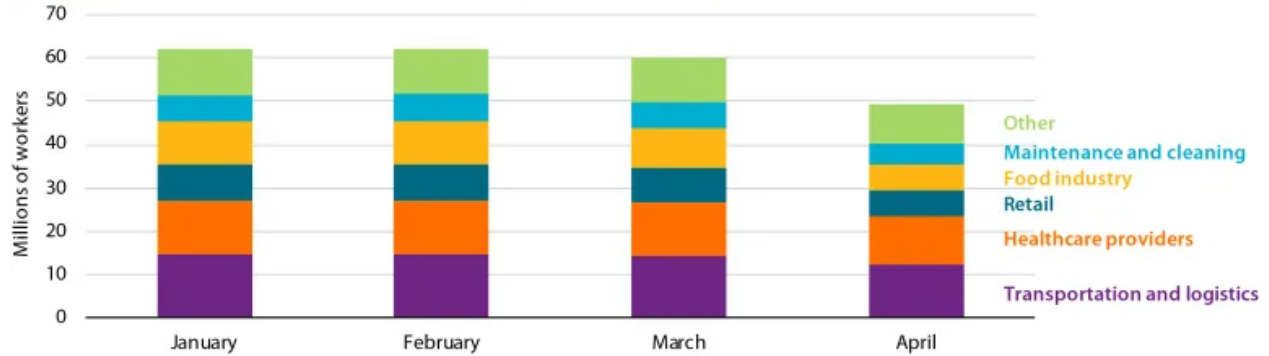
¹ <https://www.aoc.gov/art/commemorative-displays/slave-labor-commemorative-marker>; <https://www.goucher.edu/learn/graduate-programs/mfa-in-nonfiction/alumni-profiles/jesse-holland/black-men-built-the-capitol>; <https://www.politifact.com/factchecks/2009/jan/20/nancy-pelosi/legend-slaves-building-capitol-correct/>

² Edward E. Baptist, Ph.D, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (2014) (“From 1783 at the end of the American Revolution to 1861, the number of slaves in the United States increased five times over, and all this expansion produced a powerful nation. For white enslavers were able to force African-American migrants to pick cotton faster and more efficiently than free people. Their practices rapidly transformed the southern states into the dominant force in the global cotton market ... power[ing] the modernization of the rest of the American economy, and by the time of the Civil War, the United States had become the second nation to undergo large-scale industrialization.”)

³ <https://www.brookings.edu/blog/up-front/2020/06/04/examining-options-to-boost-essential-worker-wages-during-the-pandemic/>

FIGURE 1.

Essential Workers by Major Occupation Group, January–April 2020



Source: Current Population Survey (CPS; Bureau of Labor Statistics [BLS]) 2020; authors' calculations.

Note: Groups are sorted based on employment size in April 2020. Please see the appendix table for a detailed list of essential occupations.

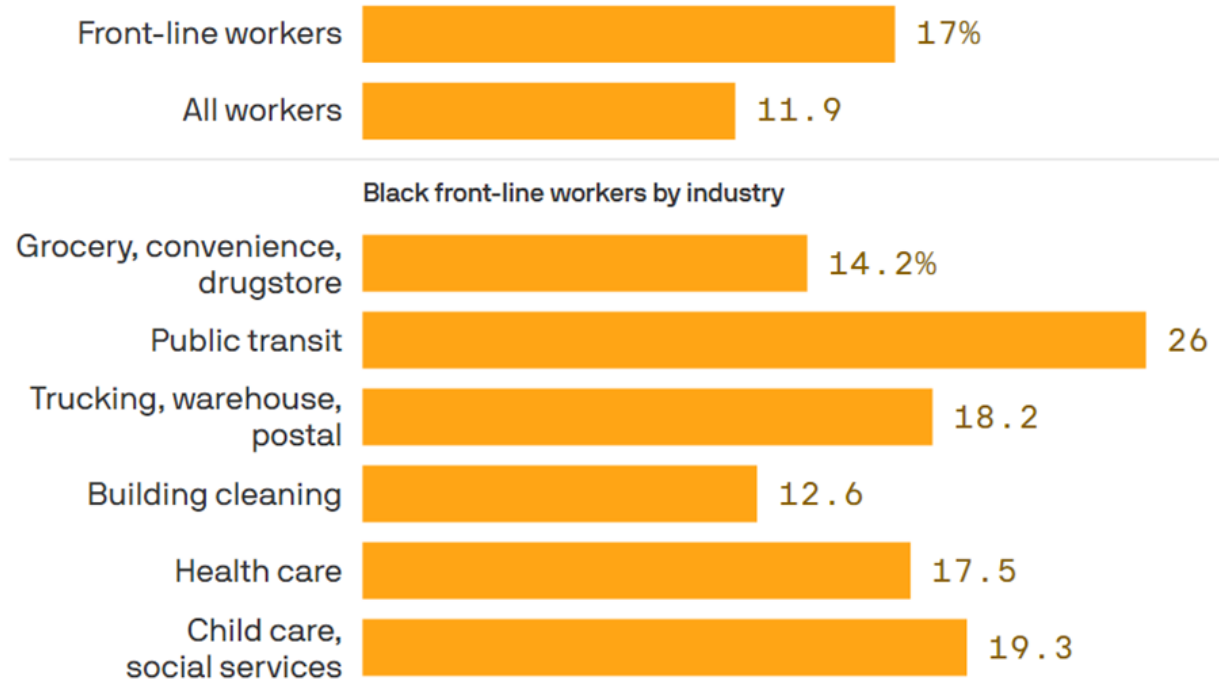


According to the Congressional Budget Office, “in 2019, 12 percent of workers were black and 18 percent were Hispanic. However, more than a fifth of workers in these industries were black: nursing care, residential care, bus service and urban transit, the Postal Service, couriers and messengers and warehousing and storage. Similarly, more than a fifth of workers in these industries were Hispanic: grocery stores, warehousing and storage, waste management and remediation, and construction.”⁴

⁴ CBO Report, citing “Labor Force Statistics From the Current Population Survey” (January 22, 2020), www.bls.gov/cps/cpsaat18.htm.”

Share of black workers in front-line jobs

2014–2018 five-year estimate

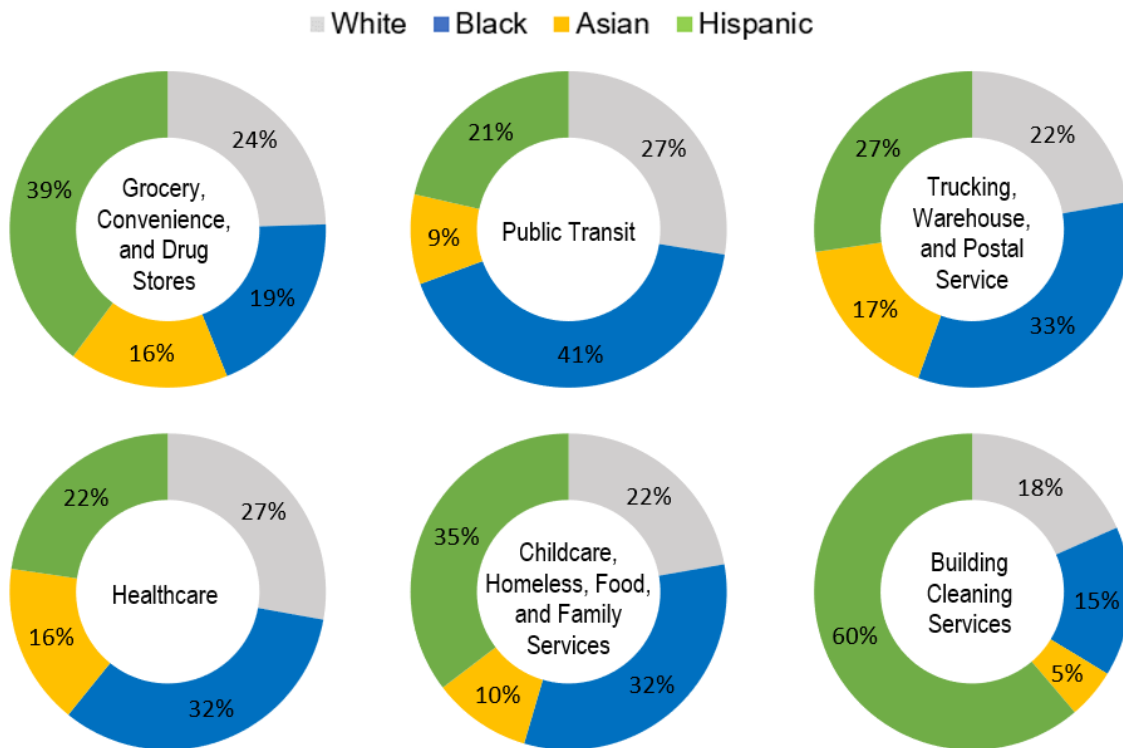


In places like New York City, representation of people of color in the essential workforce are even more substantial. According to the New York City Comptroller’s office,⁵ 75 percent of essential workers are people of color, including 82 percent of cleaning services employees. These employees work in hospitals, office buildings, transportation systems, restaurants, and care facilities to name a few. They are essential to limiting the spread of the coronavirus. More than 40 percent of NYC transit employees are Black,

⁵ <https://www.marketwatch.com/story/75-of-frontline-workers-in-new-york-the-epicenter-of-coronavirus-are-people-of-color-and-black-americans-are-twice-as-likely-to-die-from-covid-19-2020-06-01>

while over 60 percent of cleaning workers are Hispanic.

New York City Frontline Workers, by Race and Ethnicity



Not only do people of color hold a disproportionate number of essential jobs, but women of color and Black women, in particular, bear the brunt of the essential worker dilemma. According to a McKinsey & Co., “Black women are overrepresented in low-wage healthcare occupations, such as nursing assistants and personal-care or home-health aides. When compounded with government-mandated school closures and restrictions on movement and a lack of affordable access to childcare, the stress of running a household for Black women is exacerbated. In addition, half of black households with children are headed by single women. Of these households, 38 percent live below the poverty line. By contrast, only 20 percent of white households are headed by a single woman, and only 32 percent of such households live below the poverty line.”⁶

⁶<https://www.mckinsey.com/~media/McKinsey/Industries/Public%20Sector/Our%20Insights/COVID%2019%20Investing%20in%20black%20lives%20and%20livelihoods/COVID-19-Investing-in-black-lives-and-livelihoods-report.ashx> (at 8)

The reasons for this overrepresentation are apparent. Without the ability to work from home in the overwhelming majority of cases,⁷ Black workers often work in high contact, front line jobs that expose these workers to greater risk of COVID-19.⁸

Deadly Consequences. And exposure to the virus is far more deadly for African Americans on average. African Americans are hospitalized due to COVID-19 at 2.5 times the rate of Whites,⁹ and, nationally, African American deaths from COVID-19 are nearly two times greater than would be expected based on their share of the population. In four states, the rate is three or more times greater. In 42 states plus Washington D.C., Latinx persons make up a greater share of confirmed cases than their share of the population. In eight states, it's more than four times greater. White deaths from COVID-19, by contrast, are lower than their share of the population in 37 states and the District of Columbia.”¹⁰ Blacks and Latinos are more likely to have preexisting health conditions that make death from viral infection more likely. For instance, Black Americans are 25 percent more likely than White Americans to have asthma, 20 percent more likely to die of heart disease, and 60 percent more likely to develop diabetes. All of these comorbidities increase the severity of the disease.¹¹

For the committee’s reference, we have included data from some of the member’s home states and cities to demonstrate the point.

⁷ <https://www.epi.org/blog/black-and-hispanic-workers-are-much-less-likely-to-be-able-to-work-from-home/>

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<https://www.mckinsey.com/~media/McKinsey/Industries/Public%20Sector/Our%20Insights/COVID%2019%20Investing%20in%20black%20lives%20and%20livelihoods/COVID-19-Investing-in-black-lives-and-livelihoods-report.ashx>; <https://blackdemographics.com/essential-african-american-workers-at-risk-of-covid-19/>

⁹ <https://www.marketwatch.com/story/75-of-frontline-workers-in-new-york-the-epicenter-of-coronavirus-are-people-of-color-and-black-americans-are-twice-as-likely-to-die-from-covid-19-2020-06-01>

¹⁰ Letter dated June 2, 2020 from National Urban League President and CEO Marc Morial to the Chairman and Ranking Member of the House Select Committee on the Coronavirus Crisis, accessed on June 7, 2020 at <https://nul.org/news/letter-congress-addressing-health-disparities-facing-african-americans-under-covid-19>

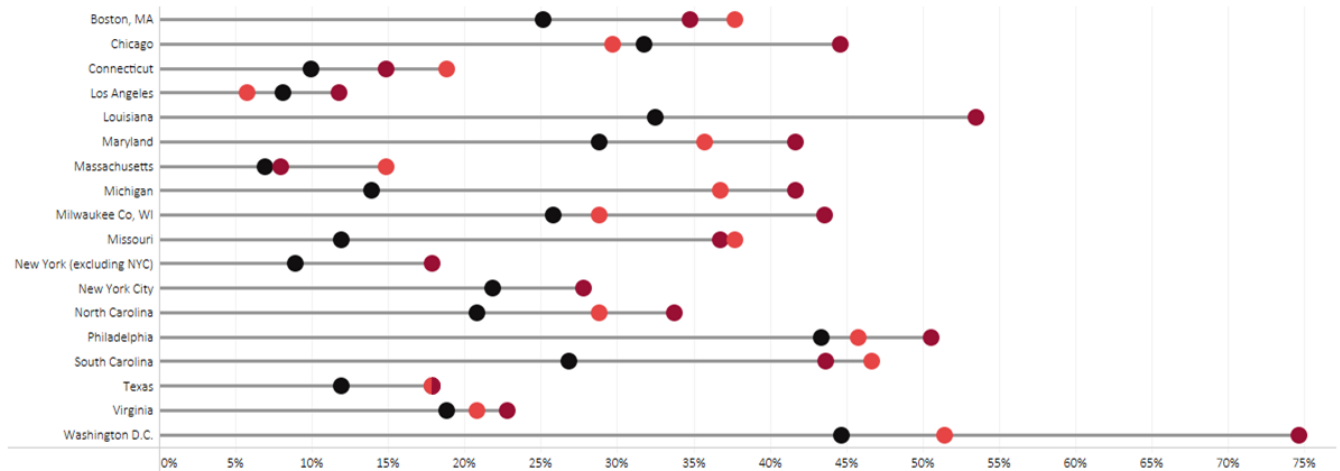
¹¹ *Id.*

Racial disparities of COVID-19 cases and deaths

African American share of COVID-19 cases in selected areas

AS OF JUNE 4, 2020

■ African American percent of population ■ African American percent of COVID-19 cases ■ African American percent of COVID-19 deaths

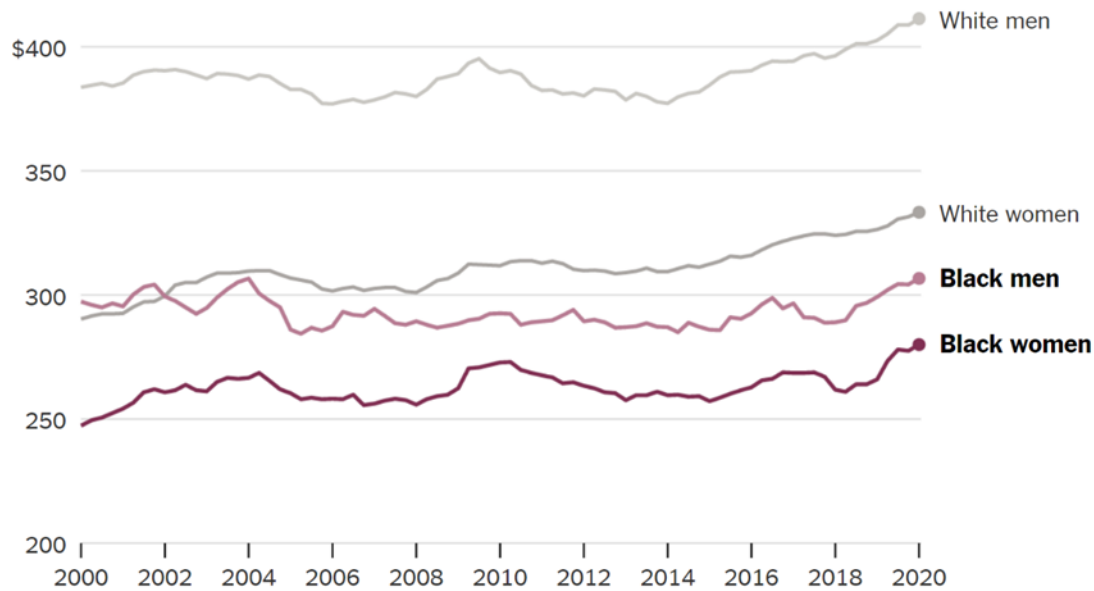


Sources: National Journal analysis of state and local health department data, COVID Tracking Project.

Black Workers Face a Wage Gap. When measured along racial lines, Black workers’ median weekly earnings severely lag White workers. This gap is well documented by the National Urban League’s research for four decades in our State of Black America Report’s Equality Index.¹² A snapshot of this gap for a 20-year period is captured below.

¹² <http://soba.iamempowered.com/soba-books>

Median weekly earnings, by race and sex



Earnings are in 1982–84 dollars to account for inflation. Data from 2020 is through the first quarter.

By The New York Times | Source: Bureau of Labor Statistics, via Federal Reserve Economic Data

These gaps persist in the comparison of wages for essential and non-essential employees. The table¹³ below shows the median wages for nonessential and essential workers by gender, education, and race and ethnicity. What are the takeaways? Half of the essential industries have a median hourly wage that is less than the nonessential workforce's median hourly wage. Essential workers in the food and agriculture industry have the lowest median hourly wage, at \$13.12, while essential workers in the financial industry have the highest, at \$29.55.

¹³ <https://www.epi.org/blog/who-are-essential-workers-a-comprehensive-look-at-their-wages-demographics-and-unionization-rates/>

Nonessential and essential workers' median hourly wages, by gender, education, and race/ethnicity, 2019

	Nonessential workers	Food and agriculture	Emergency services	Transportation, warehouse, and delivery	Industrial, commercial, residential facilities and services	Health care	Government and community-based services	Communications and IT	Financial sector	Energy sector	Water and wastewater management	Chemical sector	Critical manufacturing
<i>All workers (ages 16+)</i>	\$20.04	\$13.12	\$22.98	\$18.34	\$17.97	\$21.05	\$19.69	\$16.05	\$29.55	\$26.91	\$22.40	\$27.95	\$18.32
<i>Female</i>	\$18.15	\$12.45	\$19.20	\$16.91	\$13.16	\$20.00	\$17.88	\$15.11	\$23.98	\$27.60	\$22.91	\$24.44	\$14.81
<i>Male</i>	\$22.45	\$14.05	\$24.09	\$19.22	\$18.88	\$25.12	\$30.89	\$17.47	\$38.30	\$26.89	\$22.09	\$28.78	\$19.03
<i>Less than high school</i>	\$12.07	\$11.23	\$14.19	\$15.11	\$15.03	\$11.67	\$11.12	\$11.33	\$16.26	\$14.70	\$20.69	\$14.17	\$15.77
<i>High school</i>	\$15.93	\$13.07	\$17.05	\$17.95	\$18.10	\$14.91	\$13.15	\$15.02	\$18.56	\$22.09	\$20.98	\$21.21	\$18.89
<i>Some college</i>	\$17.10	\$13.50	\$21.74	\$19.01	\$19.97	\$17.93	\$15.10	\$15.61	\$19.96	\$27.89	\$21.97	\$21.97	\$19.19
<i>College degree</i>	\$27.39	\$19.12	\$27.89	\$22.88	\$20.91	\$28.50	\$20.88	\$20.07	\$34.43	\$34.96	\$26.02	\$34.67	\$20.08
<i>Advanced degree</i>	\$34.57	\$33.52	\$34.16	\$22.16	\$21.91	\$37.88	\$37.56	\$24.67	\$44.49	\$42.29	\$33.57	\$45.52	\$16.68
<i>White</i>	\$21.97	\$13.46	\$24.76	\$19.88	\$20.04	\$23.97	\$21.87	\$16.88	\$31.22	\$27.96	\$22.48	\$29.62	\$19.33
<i>Black</i>	\$16.80	\$12.59	\$17.94	\$17.16	\$16.37	\$16.01	\$16.77	\$15.05	\$22.45	\$25.09	\$19.48	\$19.63	\$15.56
<i>Hispanic</i>	\$15.99	\$13.05	\$22.44	\$17.06	\$16.12	\$17.02	\$16.85	\$15.09	\$22.13	\$22.24	\$22.17	\$19.68	\$17.58
<i>AAPI</i>	\$25.07	\$14.10	\$24.61	\$19.32	\$18.86	\$29.58	\$21.98	\$17.12	\$34.55	\$35.36	\$21.92	\$42.80	\$18.02
<i>Other</i>	\$16.78	\$12.93	\$19.25	\$17.05	\$17.39	\$15.21	\$14.55	\$14.40	\$22.34	\$30.27	NA	\$18.60	\$18.73

Note: Code for the definition of essential services used here is available upon request.

Source: Economic Policy Institute (EPI) analysis of Current Population Survey Outgoing Rotation Group microdata, EPI Current Population Survey Extracts, Version 1.0.2 (2020), <https://microdata.epi.org>

Economic Policy Institute

Health Insurance Gaps. African Americans and other workers of color far too often work for employers that do not offer health insurance or adequate insurance. This fact, coupled with the steady decline of enrollment of African Americans in the Affordable Care Act, have led to a statistically significant decline in health insurance coverage for people of color. Beginning in 2017, and continuing in 2018, coverage gains stalled and began reversing for some groups, with small but statistically significant increases in the uninsured rates for Whites and Blacks, which rose from 7.1 percent to 7.5 percent and from 10.7 percent to 11.5 percent respectively. Among children, there was also a statistically significant increase in the uninsured rate for Hispanics, which rose from 7.6 percent to 8.0 percent between 2016 and 2018.¹⁴

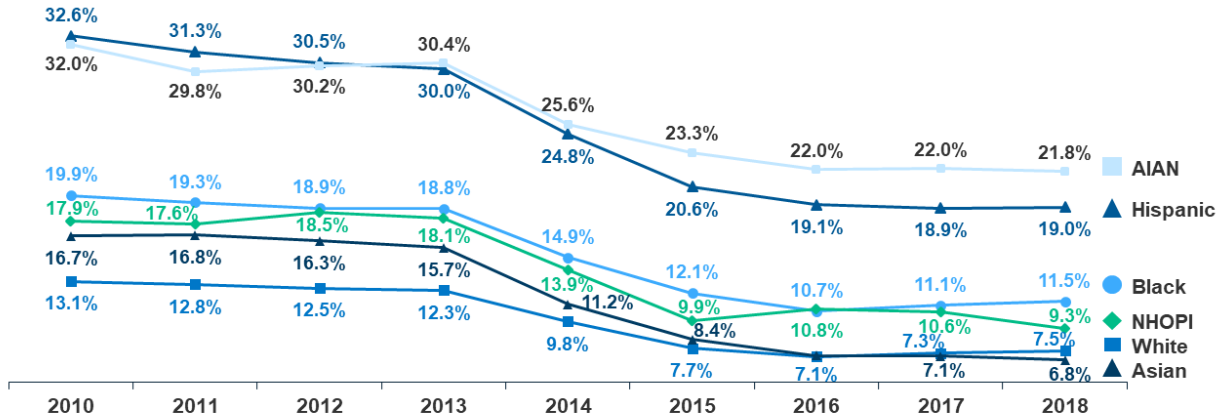
Uninsured COVID-19 medical expenses can decimate the fragile financial savings of most families of color. Testing alone can add up to about \$1,300, while the cost of hospitalization and treatment for more severe cases of COVID-19 can cost almost \$75,000 without insurance.¹⁵

¹⁴ Samantha Artiga, Kendal Orgera, and Anthony Damico, Changes in Health Coverage by Race and Ethnicity Since the ACA, 2010-201 (March 5, 2020), accessed on June 7, 2020 at <https://www.kff.org/disparities-policy/issue-brief/changes-in-health-coverage-by-race-and-ethnicity-since-the-aca-2010-2018/>.

¹⁵ <https://www.enbc.com/2020/03/18/how-to-find-health-care-coverage-if-youve-lost-your-job.html>

Figure 1

Uninsured Rates for the Nonelderly Population by Race and Ethnicity, 2010-2018



NOTE: Includes individuals ages 0 to 64. AIAN refers to American Indians and Alaska Natives, NHOPI refers to Native Hawaiians and Other Pacific Islanders.
SOURCE: KFF analysis of the 2010-2018 American Community Survey.



Second Punch of High Unemployment. Although workers of color are overrepresented among essential workers, they are simultaneously suffering from the second blow of higher unemployment rates caused by the pandemic. The Congressional Budget Office explained as follows:

[t]he suffering inflicted by the pandemic and economic shocks has also varied significantly among workers. Low wage workers and low-income families have borne the brunt of the economic crisis, in part because the industries hardest hit by the pandemic and social distancing measures disproportionately employ low-wage workers. Furthermore, workers who are younger, female, have less education, and are from certain racial or ethnic groups have seen disproportionately large job losses. Although employment between February and April declined by 16 percent overall, it decreased by 31 percent for people ages 16 to 24, by 18 percent for women regardless of age, by 19 percent for people age 25 or older without a bachelor's degree, and by 21 percent for Hispanic workers regardless of age. Among black workers, employment declined by 18 percent. Also, black and Hispanic people constitute a disproportionate share of workers in

certain industries in which many jobs involve elevated risks of exposure to COVID-19.¹⁶

As of last week, Black workers were more likely to be out of a job, to have lost income or to have left the labor market altogether, economic data and surveys show — and less than half of Black adults are now employed.¹⁷ And just as Black women bear some of the most difficult aspects of being essential workers, they experience the double body blow of having the biggest jobs losses during this pandemic.

Employment has dropped sharply in the COVID-19 labor market—black women face the largest losses

Employment-to-population ratio by race and gender, February–April 2020

	February	March	April
<i>All white workers</i>	61.3%	60.2	51.8
<i>All black workers</i>	59.4	57.8	48.8
<i>White men</i>	67.5	66.2	58.3
<i>White women</i>	55.4	54.5	45.5
<i>Black men</i>	60.7	59.6	50.5
<i>Black women</i>	58.4	56.2	47.4

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Black workers suffer from what some economists call a “first fired, last hired” phenomenon: They lose work early, and their unemployment rate continues to rise even as the labor market for White workers begins to improve. That can have lasting effects, because workers who are sidelined can see their skills become outdated, making it harder for them to get back into decent paying jobs. According to the National Urban League’s economist *emeritus*, Dr. Bernard Anderson, “this is called ‘hysteresis’, a temporary loss that becomes permanent even after the shock that caused the initial loss disappears.”

What Do Black Workers Need? You will hear from other witnesses today about the need for PPE, union representation, a living wage, and the need to pass the HEROES act, and the important Heroes Compensation Act. These are excellent ideas. The Pandemic Heroes Compensation Act only works, however, if essential workers contract

¹⁶ <https://www.cbo.gov/system/files/2020-05/56351-CBO-interim-projections.pdf> (highlighting and emphasis added).

¹⁷ <https://www.nytimes.com/2020/06/01/business/economy/black-workers-inequality-economic-risks.html>

¹⁸ <https://www.epi.org/publication/black-workers-covid/>

COVID-19 while employed. The economic data suggest that Black unemployment could become more acute over time for a number of reasons explained in my testimony. Last week's May employment numbers do not suggest that the economy is moving out of the woods. The surge in employment reflects the early impact of reducing lockdowns and the injection of \$2 trillion into the economy to bolster household and business income. But social distancing will limit the revenue of many firms that are reopening. Also, layoffs are continuing in many industries, and state and local government are laying off many workers. The new funding might have to be better targeted, but fiscal policy will be the main driver of economic growth in the early stages of the recovery. We're still in a deep hole with a 13.3 percent unemployment rate, and nearly 17 percent African American unemployment. Congress must take these concerns very seriously and demand more fiscal stimulus.

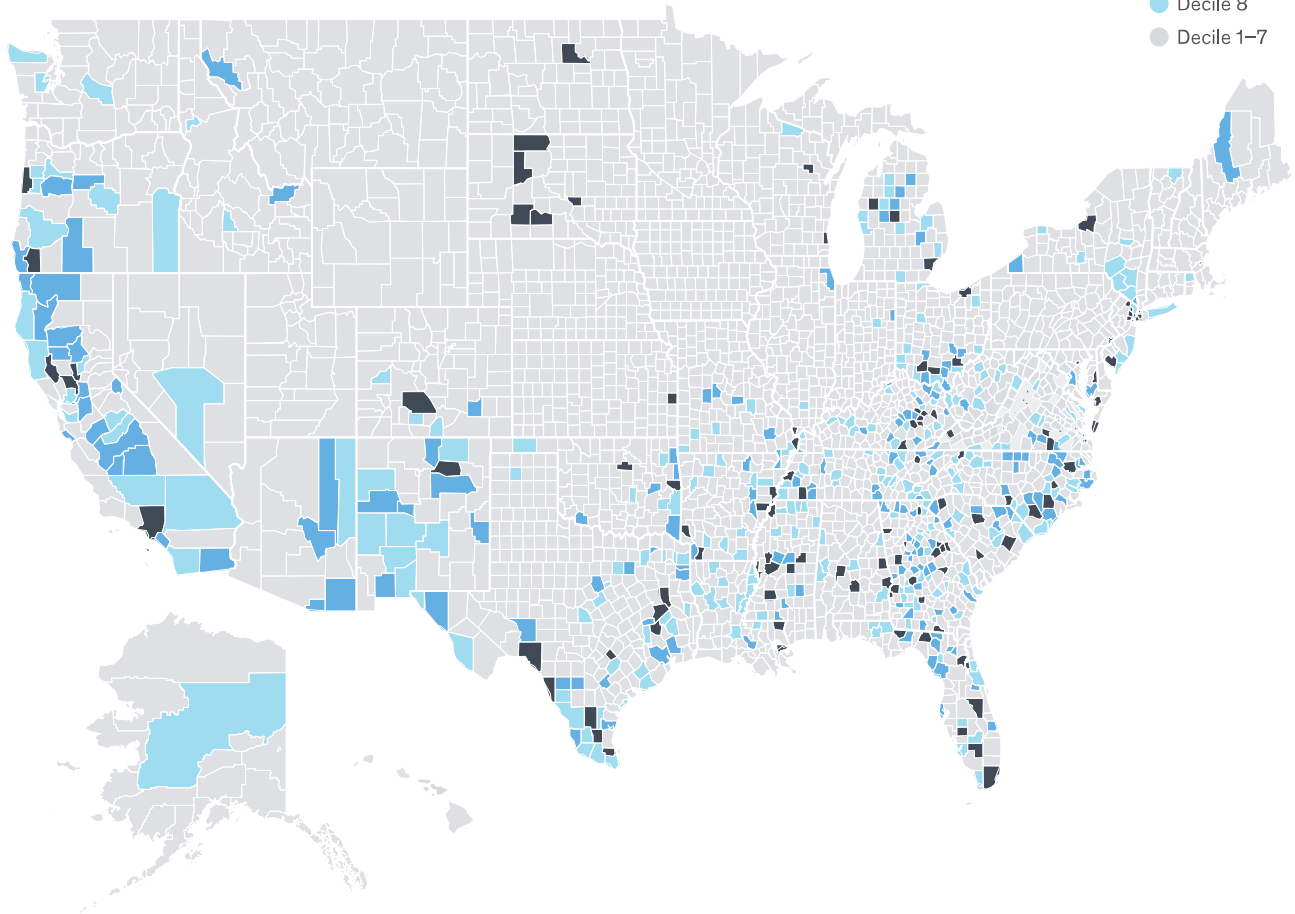
We urge Congress to stay its current course. Thank for the opportunity to present these views.

Exhibit 1

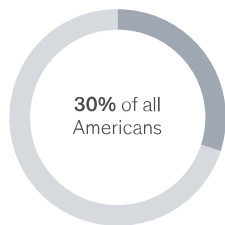
Black Americans are almost twice as likely to live in places where, if contagion hits, the pandemic will likely cause outsize disruption.

Counties¹ most at risk of disruption due to COVID-19, heat map of highlighted counties in deciles 8–10, representing 30% of the population

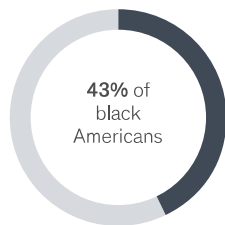
- Decile 10
- Decile 9
- Decile 8
- Decile 1–7



● ● ● Deciles 8–10 (566 total counties)

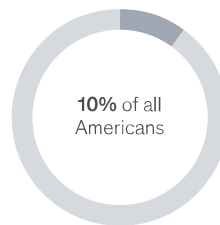


99.5 million people

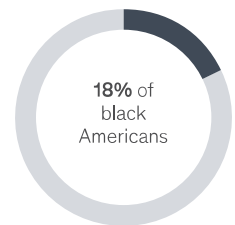


17.6 million people

● Decile 10 (127 total counties)



33.0 million people



7.3 million people

Black Americans are clustered² in **244 counties**

Black Americans are clustered in **72 counties**

¹ Data includes 3,115 counties, 99% of counties in the United States. For 30 counties, COVID comorbidities were estimated using the state average due to lack of available data.

² In these counties, black Americans are overrepresented (>13%) or above 100,000 total people in absolute terms.

Source: 2017 CMS-LDS Medicare FFS data and DRG 835/837 data © 2020 DR/Decision Resources, LLC. All rights reserved. Reprinted with permission. Reproduction for noncommercial use is permitted if attributed; American Community Survey, 5-year estimates 2013–18, *Population, housing units, area, and density*; American Community Survey, 5-year estimates 2013–18, *Poverty status in the past 12 months*; *Comprehensive Housing Affordability Strategy*, US Department of Housing and Urban Development; Robert Wood Johnson Foundation; total population, hospital compare and Medicare provider cost reports, US Centers for Medicare & Medicaid Services; 2010 US Census, US Census Bureau; McKinsey Global Institute analysis