

July 22, 2020

The Honorable Doug Ducey
Governor
State of Arizona
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007

The Honorable Katie Hobbs
Secretary of State
State of Arizona
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007

The Honorable Karen Fann
President
Arizona Senate
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007
kfann@azleg.gov

The Honorable David Bradley
Minority Leader
Arizona Senate
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007
dbradley@azleg.gov

The Honorable Rusty Bowers
Speaker
Arizona House of Representatives
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007
rbowers@azleg.gov

The Honorable Charlene Fernandez
Minority Leader
Arizona House of Representatives
The Capitol
1700 W. Washington Street
Phoenix, AZ 85007
cfernandez@azleg.gov

Re: Now Is the Time to Remove State Barriers to Hispanic Relief and Recovery in Arizona

Dear Governor Ducey, Secretary Hobbs, President Fann, Leader Bradley, Speaker Bowers, and Leader Fernandez:

On behalf of UnidosUS, I write to urge you to call a special legislative session and act to remove the roadblocks that are preventing Hispanic* Arizonians from receiving recovery aid and relief in the wake of the COVID-19 pandemic. UnidosUS, previously known as NCLR (National Council of La Raza), is the nation's largest Hispanic civil rights and advocacy organization and has built a stronger country by creating opportunities for Latinos for more than 50 years. Through its unique combination of expert research, advocacy, programs, and an Affiliate Network of nearly

*The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race. This document may also refer to this population as "Latinx" to represent the diversity of gender identities and expressions that are present in the community.

300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers at the national and local levels. The UnidosUS Arizona-based Affiliates include 11 community-based organizations that invest more than \$139 million and employ more than 1,700 staff to provide direct services to approximately 329,000 Arizonians annually. Established in Arizona in 1968 and headquartered in Washington, DC, UnidosUS now maintains a regional office in Phoenix. Through partnerships, community investments, and state research and advocacy on housing, health, and education, UnidosUS advances opportunities for the more than two million Latinos who call Arizona home.

At the moment, most of these two million workers, children, and families are housing insecure and facing severe income losses due to joblessness or impending unemployment that in some cases may be permanent without skills retraining. Furthermore, in the past decade, much of Arizona's economic growth has been due to the contributions of the state's highly industrious Hispanic community, as confirmed by an estimated 123,000 Hispanic-owned businesses, according to U.S. Census figures.¹ However, Hispanics in the state continue to experience significant economic, educational, and health disparities, and without swift action from state and federal policymakers they will suffer even greater economic pain, and the disparities that existed before the COVID-19 pandemic will surely widen. For these reasons, I urge you to reconvene the legislature and act to remove state barriers to aid and recovery assistance.

For this reason, we thank We commend the State of Arizona's various efforts to respond to the economic and health impacts of COVID-19 that millions of Hispanic Arizonians are facing, for example, the launch of the Arizona Enrichment Centers, which offer child care for the children of first responders, critical health care workers, and essential public-sector workers, including essential public sector employees.² We also recognize the impact of the nearly \$6 million investment from the U.S. Department of Housing and Urban Development's Emergency Solutions Grant (ESG) program to organizations that combat homelessness.³ However, more must be done.

As you know, Arizona's Hispanic population represents a significant share of essential workers in a variety of industries, including the especially hard-hit hospitality and tourism sector. These workers are risking their lives to serve the state and people of Arizona during the pandemic. According to UnidosUS and SOMOS polling, 29% of Latino households in Arizona did not receive any financial support from the CARES Act,⁴ exasperating the existing challenges in our communities. It is imperative to the economic health of the state that we do not leave mixed-

¹Arizona Hispanic Chamber of Commerce, *22nd Annual DATOS: The State of Arizona's Hispanic Market*. (Phoenix, AZ: 2018).

² Executive Order no. 2020-39, *Assisting Arizona Families with Child Care*, Governor Doug Ducey, State of Arizona.

³ Office of the Governor, Doug Ducey, "Governor Ducey Announces Nearly \$6 Million To Prevent Homelessness, Support Those in Need," news release, July 14, 2020.

⁴ UnidosUS, "Latinos in America Continue to Face Disproportionate Effects of COVID-19; Overwhelmingly Support Inclusive Measures in HEROES Act," news release, May 20, 2020.

status families and Individual Taxpayer Identification Number (ITIN) holders without aid; ITIN holders in Arizona pay an estimated \$592.9 million in federal, state, and local taxes each year.⁵ Latinos make up 31.6% of Arizona's population but account for 46% of the state's COVID-19 cases and 25% of deaths as of July 2.⁶ State leaders have chosen not to enforce the Centers for Disease Control and Prevention's recommendations for masking and social distancing at a statewide level, putting health care workers, retail employees, and hospitality industry staff at a greater risk of infection. Swift action was not taken to protect these workers and the state at large, putting Arizona in the headlines as a hotspot for COVID-19.⁷

Immediate and sustained action from state leaders is needed to protect the public health and economic recovery of all Arizonians; I urge you to act on the policy recommendations below.

HOUSING

Arizona renters are facing a landslide of evictions once the moratorium expires. Of the 16,670 submitted requests for rental assistance, only 1,266 had been approved as of July 20.⁸ Arizonians impacted by COVID-19 need a reprieve from rent to ensure that their families do not go homeless amid a global pandemic and economic depression. As of July 2, 17% Latino renters in Arizona reported not being able to pay their previous month's rent on time, compared to 16% of the general population.⁹ The problem is compounded by the lack of affordable housing; Among all states in the nation, Arizona ranks as the third most severe in housing shortages.¹⁰ State leaders should do the following:

- **Expand the statewide moratorium on evictions to the end of 2020.** As of today, the statewide moratorium, per executive order 2020-14,¹¹ expires on July 23, 2020. Ensuring that renters affected by COVID-19 can safely stay in their homes is a public health necessity. Arizona's legislature should extend the statewide moratorium on evictions through the end of 2020, or Governor Ducey should act via Executive Order.
- **Enact a statewide moratorium on foreclosures to the end of 2020.** The moratorium should apply to all mortgages, not only to federally backed mortgages. The expanded moratorium provides homeowners with more time to request mortgage relief.

⁵ New American Economy, "Map the Impact," <https://www.newamericaneconomy.org/locations/arizona> (accessed July 20, 2020).

⁶ Centers for Disease Control and Prevention, "Provisional Death Counts for Coronavirus and Cases in the U.S.," July 2020.

⁸ Will Stone, "Health Experts Link Rise in Arizona Coronavirus Cases to End of Stay-At-Home Order," *NPR.org*, June 14, 2020, <https://www.npr.org/2020/06/14/876786952/health-experts-link-rise-in-arizona-coronavirus-cases-to-end-of-stay-at-home-ord> (accessed July 15, 2020).

⁸ Arizona Department of Housing, *COVID-19 July 20, 2020 Rental Assistance Report*. Phoenix, AZ, 2020.

⁹ UnidosUS, "Latinos in America Continue to Face Disproportionate Effects of COVID-19; Overwhelmingly Support Inclusive Measures in HEROES Act," news release, May 20, 2020.

¹⁰ National Low-Income Housing Coalition, "The Gap: A Shortage of Affordable Rental Homes," <https://reports.nlihc.org/gap/2018/az> (accessed July 15, 2020).

¹¹ Executive Order no. 2020-14, *Postponement of Eviction Actions*, Governor Doug Ducey, State of Arizona.

- **Provide mortgage and rental assistance.** Arizonians need the help of mortgage and rental assistance to allow them to stay in their homes. The state should fully fund the State Housing Trust Fund to make this assistance widely available. The \$5 million investment into the Rental Eviction Prevention Assistance Program¹² will not sustain the thousands of current and pending applications.
- **Coordinate with the Arizona Judicial Council to enact a moratorium on eviction hearings in the court system.** Court hearings, which proceed despite the moratorium on evictions, are an undue hardship on Arizonians who are already struggling. The backlog of cases will cause an avalanche of evictions.

ECONOMIC RELIEF

- **Fix Arizona’s broken unemployment insurance system.** As of July 2, 51% of Latinos in Arizona reported that their household had lost employment or income since March 13.¹³ The problems associated with Arizona’s unemployment insurance system extend beyond a malfunctioning website¹⁴ and have been persistent for more than 15 years. Suspending requirements such as work search, work registration, and biweekly reporting until Arizona’s unemployment rate returns to the February 2020 level of 2.4%¹⁵ would give workers easier access to benefits and simplify their navigation of reemployment assistance.
- **Align state unemployment insurance benefits with current cost of living standards.** The current benefit cap of \$240 per week has not been increased since 2004 and is among the lowest in the nation. The Earned Income Disregard is currently \$30, the lowest in the country.¹⁶

WORKFORCE DEVELOPMENT

- **Prioritize Comprehensive Workforce Development Training Programs.** In the interest of continuing to pursue the Achieve60AZ goal¹⁷ and supporting vulnerable communities in the wake of COVID-19, there is an urgent need to prioritize resources to connect

¹² Office of the Governor, Doug Ducey, “Governor Ducey Announces New Dollars for Rental Assistance,” news release, March 27, 2020.

¹³ UnidosUS calculations using 2020 Household Pulse Survey Data, July 2020.

¹⁴ Laura Lollman, “DES working to fix unemployment glitch after some Arizonians see \$0 deposits,” *azfamily.com*, June 16, 2020, https://www.azfamily.com/news/continuing_coverage/coronavirus_coverage/des-working-to-fix-unemployment-glitch-after-some-Arizonians-see-0-deposits/article_fcc6a91c-afda-11ea-8bc0-e317dc2570a0.html (accessed July 15, 2020).

¹⁵ Economic and Business Research Center, “Arizona Unemployment,” *Arizona’s Economy*, <https://www.azeconomy.org/arizona-unemployment/> (accessed July 15, 2020).

¹⁶ Grand Canyon Institute, “Arizona Needs to Address Unemployment Compensation to Ensure Families Are Protected Before the Next Recession,” December 9, 2019. <https://grandcanyoninstitute.org/arizona-needs-to-address-unemployment-compensation-to-ensure-families-are-protected-before-the-next-recession/> (accessed July 15, 2020).

¹⁷ Achieve60AZ, “By 2030, 60% of Arizona adults, ages 25 to 64, will hold a postsecondary credential or degree,” September 16, 2016. <https://achieve60az.com/> (accessed July 15, 2020).

unemployed workers to training and reskilling opportunities. Comprehensive Workforce Development Programs will employ culturally and linguistically responsive models to:

- Offer training and credentials to underrepresented populations and jobseekers in the hardest hit industries—retail, hospitality, and service jobs
- Provide upskilling and reskilling training opportunities that connect jobseekers to high-demand careers (health care, manufacturing, supply chain, information technology, and infrastructure)
- Include subsidized trainings to promote ‘earn while you learn’ models, including on-the-job training, paid training, internships, and registered apprenticeships
- Provide opportunities for partnerships with the community college system

The undersigned urge you all to call a special legislative session and/or enact Executive Orders to address the issues that prevent all Arizonians from fully recovering from the current economic downturn and public health crisis. We urge you to take the necessary action to remove state barriers plaguing Arizona’s Hispanic community and to provide equitable support to all families and businesses. For further information about our public policy priorities, please contact UnidosUS Arizona State Policy Advisor Elizabeth Salazar at esalazar@unidosus.org.

Sincerely,



Eric Rodriguez
Senior Vice President
UnidosUS

Elizabeth Salazar
Arizona State Policy Advisor
UnidosUS

Luis Avila
Founder & President
Instituto Power

Petra Falcon
Executive Director
Promise Arizona

David Lujan, Esq.
Director
The Arizona Center for Economic Progress

Reyna Montoya
Founder & CEO
Aliento

Siman Qasim
President & CEO
Children's Action Alliance