

# JUMPSTART SEATTLE



Promote health • Create jobs • Save our economy

Seattle—and Washington—are facing a crisis at a scale unprecedented since the Great Depression. Since March, more than 1.2 million workers across Washington have filed for unemployment insurance, and our state unemployment rate is higher than it was in the depths of the Great Recession. As consumer demand has collapsed, temporary business closures have become permanent, more workers are laid off, and fewer people are able to participate in the economy. If we want to escape this destructive economic spiral and prevent a long-term catastrophe, we need to act to support workers, families, and small businesses and save our economy.

Our city faces a choice—stand by while our neighbors lose their homes, jobs, businesses, and futures, or work together to meet the scale of the crisis with new, progressive revenue from those who have been largely untouched by this crisis.

## IMMEDIATE RELIEF FOR URGENT NEEDS

This proposal meets the scale of this unprecedented crisis with policies that are immediate, impactful, and inclusive and help mitigate the impacts of COVID and the economic crash on workers, families, and small businesses. Among other investments, the *Jumpstart Seattle* plan will:

- Provide rent stabilization and immediate housing assistance for unhoused families, because in the midst of a pandemic housing insecurity isn't just a moral crisis, it's a public health crisis.
- Expand nutrition assistance vouchers to help struggling families put food on the table from local grocers—which isn't just good for families, it's good for the economy.
- Provide direct grants to small business owners to help them keep the lights on, keep people employed, and bring back workers, which in turns stimulates economic recovery. For example, providing assistance to the 9 in 10 Black-owned businesses that applied for less than \$20,000 in PPP funds and didn't get them<sup>1</sup> because they were distributed through traditional lending institutions with a long history of racist lending practices.
- Provide direct assistance for immigrant and refugee people and families who were intentionally excluded from Federal CARES Act aid and are ineligible for unemployment insurance because of their immigration status, because the more people who can spend money in our economy, the better off we all are.

## JUMPSTARTING OUR ECONOMY

Our economy crashed because consumer demand collapsed overnight as millions of people sheltered at home and hundreds of thousands lost their jobs. People—not multi-billion dollar corporations or shareholders—are the real job creators. When more people have more money in their pockets they spend it in their local communities, businesses make more and hire more, and we grow the economy. That means that the only way to recover from this crisis is to jumpstart Seattle’s economy by injecting demand back into it.

We know that an all-cuts budget approach during downturns only worsens recessions and slows recovery.<sup>2</sup> The road to faster recovery is by *increasing* investments in vital services and infrastructure, which pumps more money into the economy by helping more people spend money in their local communities.

## AN EQUITABLE RECOVERY

While too many of Seattle’s small businesses have had to turn their temporary closures into permanent ones, some large corporations have been able to maintain their profits during this pandemic and compensate their employees with three-figure salaries, some as high as half-a-million dollars a year. In order to create health and economic security for families and small businesses and help Seattle recover, the *Jumpstart Seattle* plan would ask companies with more than \$7 million in annual payroll to pay a miniscule percentage (0.7%) on salaries above \$150,000 year, with a slight increase (1.4%) for salaries at \$500,000 a year or more. The rates would slightly increase for the largest, most profitable companies with \$1 billion or more a year in payroll.

	Companies with \$7+ million in payroll	Companies with \$1+ billion in payroll
Salaries >\$150,000	0.7%	1.4%
Salaries >\$500,000	1.4%	2.1%

Instead of throttling investments and slashing support for vital services amidst a twin public health and economic crisis, Seattle can help lead Washington’s recovery by protecting and expanding investments in the safety net and providing relief for both workers and small businesses. We can *Jumpstart Seattle* in an equitable and inclusive way that ensures everyone who lives here can participate and share in our growth, promote health for workers and families, create jobs, and save our economy.