

Hero Pay

Retain and reward qualified, experienced essential workers who put their lives at risk

Essential workers have borne the economic, health, and emotional brunt of keeping critical services and facilities open to the public during this ongoing pandemic, with some making the ultimate sacrifice.

Colorado's essential industries are facing an exodus of employees as 20 months of a pandemic have led to burnout. Some essential workers face low or stagnant pay which coupled with the stress and health risks are major causes of this loss. Unless the State provides financial support for their service, we will continue to lose essential workers, with dire short, medium, and long term consequences. Investing in hiring and training for new workers can be costly. It is both cheaper and better for business to focus on retaining existing, experienced workers.

Direct stimulus payments to essential workers will slow the loss and help retain our most essential workers. In addition, these payments would not only provide an efficient, direct, and fast economic boost to individuals and communities around Colorado, but would also repay essential workers for the immense costs they have borne during the pandemic.

From the U.S. Treasury Guidance:

"Many essential workers are people of color or low-wage workers. These workers have borne a disproportionate share of the health and economic impacts of the pandemic. During the public health emergency, employers' policies on COVID-19-related hazard pay have varied widely, with many essential workers not yet compensated for the heightened risks they have faced and continue to face. Many of these workers earn lower wages on average and live in socioeconomically vulnerable communities as compared to the general population. The low pay of many essential workers makes them less able to cope with the financial consequences of the pandemic or their work-related health risks, including working hours lost due to sickness or disruptions to childcare and other daily routines, or the likelihood of COVID-19 spread in their households or communities. Thus, the threats and costs involved with maintaining the ongoing operation of vital facilities and services have been, and continue to be, borne by those that are often the most vulnerable to the pandemic. "

Hero Pay

CO should allocate funds as direct stimulus payments of \$1500 per eligible applicant to essential workers who were exposed to elevated risk of contracting COVID-19 during their work in 2020 and 2021. This should be a one-time payment directly to applicants, by the Colorado Department of Revenue (DOR).

Employment Timeframe and Minimum Hours

Eligible employees must have worked a minimum of 200 hours during any 3-month period from March 11, 2020, through December 31, 2021. Different industries may have eligibility periods adjusted in there is need to narrow the pool of eligible applicants.

Application Period

An initial application period of 90 days and, if there are remaining funds, consideration given to eligible workers who submit their applications after the deadline.

Prioritization

On a first come, first served basis, DOR should allocate funds using the below tiers, completing each before on to the next tier.

Tier 1:

Applicants who are currently employed in an eligible category AND have met the minimum required hours and timeframe.

Tier 2:

Applicants who met the hours and timeframe thresholds but are no longer employed in an eligible category

Tier 3:

Eligible applicants whose application was received after the initial 90-day period

Wage

Eligible applicants are Colorado residents with an adjusted gross income of no more than \$45/hour or the corresponding annual wage. Wage and income shall be determined based on what it was on the first date of eligibility.

Tele/remote work

To include only those who had to put themselves at risk, the intention should be to exclude workers who had the option to work remotely. Eligible applicants are those who were required by their employer to provide in-person services in Colorado outside of the applicant's home and was in contact with customers, patients, or the general public, or in contact with coworkers whose roles required them to be in contact with customers, patients, or the general public.

Employment Categories

Broadly, this proposal seeks to make eligible Colorado workers in the following industries:

- Health Care (excluding homecare workers IF homecare workers are given premium pay through the FMAP increases.)
- Food Manufacturing, Retail and Services
- Social Assistance
- Janitorial
- Transportation
- Security

These categories fall within the Treasury guidance for the ARP stimulus funds and are similar to the Pennsylvania program for hazard pay for essential workers funded by the CARES Act.

We propose consideration of the following employment categories as defined by the U.S. Bureau of Labor Statistics:

U.S. Bureau of Labor Statistics (BLS) Employment Codes

21-1018	Substance Abuse, Behavioral Disorder, and Mental Health Counselors
21-1022	Healthcare Social Workers
21-1023	Mental Health and Substance Abuse Social Workers
21-1029	Social Workers, All Other
21-1093	Social and Human Service Assistants
21-1094	Community Health Workers
21-1099	Community and Social Service Specialists, All Other
29-1126	Respiratory Therapists
29-2010	Clinical Laboratory Technologists and Technicians
29-2040	Emergency Medical Technicians and Paramedics
29-2052	Pharmacy Technicians
29-2055	Surgical Technologists
29-2061	Licensed Practical and Licensed Vocational Nurses
29-2098	Medical Dosimetrists, Medical Records Specialists, and Health Technologists
31-1131	Nursing Assistants
31-1132	Orderlies
31-1133	Psychiatric Aides
31-2011	Occupational Therapy Assistants
31-2012	Occupational Therapy Aides
31-2021	Physical Therapist Assistants
31-2022	Physical Therapist Aides
31-9091	Dental Assistants
31-9092	Medical Assistants
31-9093	Medical Equipment Preparers
31-9095	Pharmacy Aides
31-9097	Phlebotomists

31-9099	Healthcare Support Workers, All Other
33-9032	Security Guards
37-1011	First-Line Supervisors of Housekeeping and Janitorial Workers
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners
37-2012	Maids and Housekeeping Cleaners
37-2019	Building Cleaning Workers, All Other
41-2011	Cashiers
43-6013	Medical Secretaries and Administrative Assistants
45-2092	Farmworkers and Laborers, Crop, Nursery, and Greenhouse
45-2093	Farmworkers, Farm, Ranch, and Aquacultural Animals
51-3011	Bakers
51-3021	Butchers and Meat Cutters
51-3022	Meat, Poultry, and Fish Cutters and Trimmers
51-3023	Slaughterers and Meat Packers
51-3092	Food Batchmakers
51-3093	Food Cooking Machine Operators and Tenders
51-3099	Food Processing Workers, All Other
53-2031	Flight Attendants
53-3011	Ambulance Drivers and Attendants, Except Emergency Medical Technicians
53-3052	Bus Drivers, Transit and Intercity
53-3058	Passenger Vehicle Drivers, Except Bus Drivers, Transit and Intercity
53-4041	Subway and Streetcar Operators
53-6021	Parking Attendants
53-6061	Passenger Attendants
53-6098	Aircraft Service Attendants and Transportation Workers, All Other
35-3023	Fast Food and Counter Workers
35-3031	Waiters and Waitresses
35-3041	Food Servers, Nonrestaurant
35-9011	Dining Room and Cafeteria Attendants and Bartender Helpers
35-9021	Dishwashers
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop
35-9099	Food Preparation and Serving Related Workers, All Other
29-1141	Registered Nurses
4451/4452	Food and Beverage Stores

Collapsed above are the corresponding employment codes. Depending on available funds and prioritizing those essential workers who were not able to do telework and who worked at essential businesses/facilities, these categories may need to be narrowed.

Eligible Coloradans

Under this framework we estimate there to be approximately 371,000 total eligible applicants.

Cost

Creating a \$550,000,000 essential worker hero pay fund will allow eligible Coloradans to receive a payment of \$1,500. Retaining staff in critical roles requires a meaningful payment.

We have already narrowed the proposal to exclude the 5% of individuals who work fewer than 20 hours per week.

Many of the employment categories listed above can also be narrowed as we only seek to include those who did not have the option to work remotely as well as limit eligibility only to those employed at an essential business or facility. Lastly, we can assume that not every eligible Coloradan will apply for the benefit. Taken together, this will bring the final total cost below \$550 million.

A direct stimulus to essential workers will provide the greatest economic boost since these workers are likely to spend their hero pay on goods and services in their communities. This type of payment can provide the relief and recognition to retain essential workers who are struggling with the stress and burden of the continuing pandemic. Because these workers are distributed throughout Colorado, this program will provide a rapid, effective, and direct economic boost to rural and urban communities alike, touching every single legislative district and county in the state.