



August 17, 2020

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

Together, the United States can protect workers, overcome the COVID-19 global public health crisis, and restore our prosperous national economy. As you know, this great nation's music, television programming, and movies are leading trade exports, and new production will be key to economic recovery.

We are writing to respectfully request your assistance with an issue that is having a tragic impact on many Americans, including workers in the entertainment industry.

Workers who are "mixed earners" are currently not receiving fair unemployment benefits based on their actual income. Mixed earners are defined as entrepreneurs, seasonal workers, gig workers, and creators—such as local musicians, singers, actors, photographers, and writers—who make a mix of traditional W-2 employee and self-employment income.

Due to an unintended flaw in the CARES Act, mixed earners are often only receiving unemployment benefits of less than \$100 a week—which may be only 3-10% of their actual pre-COVID income. If corrected, many of these taxpayers' total aggregate incomes would qualify them for maximum benefits.

If an unemployed American is eligible for traditional state unemployment, no matter how small the benefit, they are automatically disqualified from the federal Pandemic Unemployment Assistance

program for entrepreneurs and gig workers. One TV residual check, for example, may qualify an entrepreneur for a state's unemployment program where only that one residual check is used to determine a weekly benefit amount. The mixed earner's self-employment income, which may be the majority of their income, is thus not considered, and as a result, their base benefit amount can be as low as \$5 a week.

As a television producer, you know many creators work for multiple employers or are involved in multiple business ventures. Creators may make a living performing in a church band, writing songs or books, modeling, performing in commercials or television shows, driving Uber, catering events, being a handyman, teaching a fitness class, running a photography business, working construction, receiving W-2 residual income, or otherwise having any number of jobs inside or outside of entertainment. COVID-19 has made it particularly difficult for these individuals to get back to work.

By resolving this mixed earner crisis, lawmakers will have much greater flexibility to craft unemployment policy, as there will no longer be any concern about causing further unintended harm to these hardworking Americans.

We hope you will lead the effort to make sure mixed earners receive fair unemployment benefits and that the CARES Act no longer disadvantages self-employed Americans who happen to receive some amount of W-2 income in a given year.

Our coalition has brainstormed potential solutions we can discuss with the White House.

Sincerely,

The Authors Guild

Freelancers Union

Future of Music Coalition

Gospel Music Association

Music Artists Coalition

The Recording Academy

The Recording Industry Association of America

Screen Actors Guild – American Federation of Television and Radio Artists

Songwriters Guild of America

Songwriters of North America

Southern Gospel Music Guild