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In First Three Months of Pandemic Tennessee Billionaires' Net Worth Jumps \$4.4 Billion – More than State's \$2 Billion Budget Hole

Meanwhile State & Local Government Services Face Deep Cuts as Congress Stalls on New COVID-19 Financial Aid Package

WASHINGTON—Tennessee has 8 billionaires who collectively saw their wealth increase by \$4.4 billion or 18% during the first three months of the COVID-19 pandemic even as the state's economy was reeling from a huge spike in joblessness and a collapse in taxes collected, according to a new report by Americans for Tax Fairness (ATF) and the Institute for Policy Studies (IPS).

The \$4.4 billion increase in wealth of the 8 billionaires exceeds the [\\$2 billion state budget hole](#) in coming years due to the pandemic. This trend of billionaire wealth growth dwarfing state revenue declines is similar in nearly half the states, according to a new ATF analysis.

Between March 18—the rough start date of the pandemic shutdown, when most federal and state economic restrictions were in place—and June 17, the total net worth of the state's 8 billionaires rose from \$24.7 billion to \$29.1 billion, based on an analysis of Forbes data. Forbes' annual billionaires report was published March 18, 2020, and the real-time data was collected June 17 from the Forbes website.

Three Tennessee billionaires—Thomas Frist, Jr., Fred Smith and Forrest Preston—saw their wealth grow by 34%, 26% and 46%, respectively, while about over the same period 586,000 of the state's residents [lost their jobs](#), 32,000 [fell ill with the virus](#) and 500 died from it.

TENNESSEE BILLIONAIRES MARCH 18 TO JUNE 17, 2020						
Name	March 18 Net Worth (Millions)	June 17 Real Time Worth (Millions)	Wealth Growth in 3 Months	% Growth in 3 Months	Primary Income Source	Industry
Thomas Frist, Jr.	\$7,500	\$10,015	\$2,515	33.5%	hospitals	Healthcare
Martha Ingram	\$4,400	\$4,936	\$536	12.2%	book distribution, transportation	Media & Entertainment
Fred Smith	\$2,700	\$3,398	\$698	25.9%	FedEx	Logistics
Jimmy Haslam	\$2,700	\$2,780	\$80	3.0%	gas stations, retail	Fashion & Retail
Brad Kelley	\$2,400	\$2,356	-\$45	-1.9%	tobacco	Real Estate
Jon Yarbrough	\$2,200	\$2,211	\$11	0.5%	video games	Gambling & Casinos
Bill Haslam	\$1,600	\$1,692	\$92	5.8%	gas stations	Fashion & Retail
Forrest Preston	\$1,200	\$1,753	\$553	46.1%	health care	Healthcare
TOTAL	\$24,700	\$29,141	\$4,441	18.0%		

Sources: All data is from Forbes and [available here](#).

March 18, 2020, data is from the [Forbes World's Billionaires List: The Richest in 2020](#).

June 17, 2020 data was taken from Forbes real-time estimates of worth that day.

Among other COVID-19 victims are the [27 million Americans](#) who may lose their employer-provided healthcare coverage. [Low-wage workers](#), [people of color](#) and [women](#) have suffered disproportionately in the combined medical and economic crises because of long-standing racial and gender disparities. Billionaires are overwhelmingly white men.

Over the same three-month period, the nation's 600-plus billionaires saw their combined wealth [increase by \\$584 billion or 20%](#)—rising from \$2.948 trillion to \$3.531 trillion, based on ATF's analysis of Forbes data. Meanwhile, the Federal Reserve reported that as of the week of June 10, [total U.S. household wealth had shrunk by \\$6.5 trillion](#) during the first three months of the pandemic.

The three richest Americans, Jeff Bezos, Bill Gates and Mark Zuckerberg, saw their combined wealth jump by \$87 billion, or 38%, 11% and 58%, respectively. The total number of billionaires grew from 614 to 643.

"It's immoral that billionaires are getting richer and richer while average Americans are treading water if they are lucky, or drowning, from the economic crash caused by the pandemic," said **Frank Clemente, executive director of Americans for Tax Fairness**. "Congress needs to urgently provide a major new financial aid package to ensure working families can recover and critical state and local services can keep being provided. The package should repeal the huge tax break for millionaires in the first major financial aid law and block any new tax cuts for corporations and the wealthy."

"The Senate is standing by as U.S. billionaire wealth surges and the assets of ordinary Americans implode," said **Chuck Collins of the Institute for Policy Studies and co-author of [Billionaire Bonanza 2020](#)**. "Senate inaction is not an option in the face of this pandemic and the economic toll it is taking on working Americans and our communities."

Decades of [tax cuts for the rich](#) have fueled the growth of billionaires and their wealth. And even in the midst of the greatest national emergency since World War II, tax handouts to the wealthy have continued—most recently in the form of a [\\$135 billion handout](#) slipped into the \$2 trillion CARES pandemic relief law enacted in late March. It primarily benefits millionaire business owners and [costs three times more](#) than the law spends on social safety net programs and exceeds the amount expended on hospitals and public health.

The House HEROES Act passed in May would repeal this tax break that is giving an [average tax cut of \\$1.6 million this year](#) to 43,000 millionaires and billionaires, according to the Joint Committee on Taxation (JCT). That big payout contrasts sharply with the [one-time stimulus checks of up to \\$1,200](#) that have helped 159 million people under the CARES Act. Closing this tax loophole and making it permanent [would raise \\$246 billion](#) per the JCT, which could be used for a new major pandemic financial relief and recovery package.

As the U.S. Senate begins consideration of the next coronavirus aid legislation, a broad coalition of more than 200 organizations, including numerous Tennessee groups, is urging [repeal of the](#)

[Millionaires Giveaway tax cut for wealthy business owners](#). Lamar Alexander (R) and Marsha Blackburn (R) have been asked to support repeal legislation (S. 3640) in the Senate, but they have not yet done so.

Rather than respond to growing needs from increasing numbers of unemployed people, new patients, and overburdened local and state agencies, Senate Majority Leader Mitch McConnell has been [slow-walking legislative action](#) on another major relief measure such as the HEROES Act, especially one that would provide a major cash infusion to state and local governments that have lost huge amounts of tax revenue but must by law balance their budgets. Instead, McConnell has suggested that states file for [bankruptcy](#).

The HEROES Act would greatly benefit Tennessee during this economic crisis by providing immediate relief and laying the groundwork for a more robust economic recovery, including:

- \$9.4 billion out of a total of about \$500 billion in [direct aid to state governments](#) over the next two years for critical services.
- \$6.1 billion out of a total of \$375 billion in [direct aid to local governments](#) over the next two years for critical services. [Go here](#) to see how much is going to communities in your state.
- \$2.4 billion out of a total of [\\$117 billion in increased federal Medicaid funding](#) over the next two years.
- \$1.9 billion out of a total of [\\$90 billion for public schools](#) for grades K-12 and public colleges and universities.

[All of the above data is available in one table here.](#)

State residents will also get their fair share of the [following other assistance](#) provided by the HEROES Act should it become law:

- Extension through the end of the year of the \$600 per week in enhanced unemployment benefits that are expiring at the end of July.
- Renewal and increase in direct assistance checks to individuals and families: \$1,200 per each adult and child, up to \$6,000 per household.
- \$100 billion to protect renters and homeowners from evictions and foreclosures.

Increased support from the federal government directly to states through these provisions is the best way to avoid state cuts to jobs and services that would worsen the impact of the pandemic and prolong the recession the country is experiencing.

[Economists warn](#) that delayed action on more funding to states, unemployment benefits, and safety net services will have dire consequences for recovery, could lengthen and deepen the recession and curtail job growth for the [next decade](#). Moreover, coronavirus cases are back on [the rise in over a dozen states](#) where the re-opening process has increased risk of exposure, furthering jeopardizing the economy.

Senate Majority Leader Mitch McConnell [has cited rising deficits](#) in delaying immediate consideration of new pandemic relief legislation, but so far has not proposed rolling back the \$135 billion Millionaires Giveaway in the CARES Act. Rather, McConnell's key priority for the

next relief package has been to provide [legal immunity](#) to employers by limiting workers' rights in court to sue bosses who put their safety at risk or neglect COVID protocols.

Polling shows that [half of Americans](#) have been personally economically impacted by the COVID-19 pandemic -- losing their job or having their hours cut back. Congress must provide help by working with local and state elected officials and agencies to ensure workers, families and small businesses get the resources they need to make it through the pandemic and mitigate the harmful consequences of the economic slow-down.

State residents can't afford excuses from Congressional leaders who prioritize tax giveaways for the rich and corporations over the basic needs of average people or more delays that will double down on prolonged pain for millions.

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