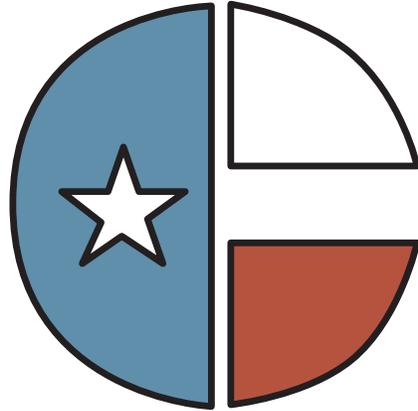


# Collin County

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## ADDENDUM TO THE ECONOMIC OPPORTUNITY ASSESSMENT



# Impact of COVID-19 on Collin County Economic Opportunity

Every Texan is honored to partner with Communities Foundation of Texas and JPMorgan Chase to present the data in the Collin County Economic Opportunity Assessment. While the main report was completed before the pandemic, the baseline data in it is timelier than ever, given the challenges facing our communities as we work for equitable economic recovery. Together with the review of this new data released since March, it is our hope the data will inform policy and strategies going forward so that all residents of Collin County can be healthy, well-educated, and financially secure.

While it is too early to see the pandemic's full impact on Collin County, the following provides some early economic indicators of how residents are faring in terms of employment, affected job sectors, and health insurance coverage:

## Early Economic Impact Indicators

### Unemployment is Climbing

Weekly unemployment claims in Collin County from March through the first week of September totaled 93,811, with a peak of 11,808 claims in the week of April 4th. These numbers are over eight times higher than claims filed for the same weeks in 2019.<sup>1</sup>

Since the peak in April, trends show improvement with fewer filings; however, unemployment could quickly rise again if Collin County communities roll back or slow reopening due to a rise in COVID-19 cases. It is important to note that while unemployment insurance filings may be declining, this does not mean that displaced workers have found stable employment. Risk remains for small businesses who are no longer able to maintain payroll or rent, potentially leading to additional unemployment and more residents losing employer-sponsored health insurance coverage.

Prior to the pandemic, income inequality was on the rise in Collin County, with the bottom fifth of households losing six percent of income, on average, from 2006 to 2017. Eighteen percent of households of color in Collin County had zero net worth. Hispanic residents in Collin County were twice as likely to experience poverty as any other group in 2018;<sup>4-5</sup> these gaps are only likely to worsen due to the economic impact from the pandemic.

MEDIAN HOUSEHOLD INCOME BY RACE OF HOUSEHOLDER, 2018



### Sources:

<sup>1</sup>Texas Workforce Commission. (2020). Claims by County. <https://www.twc.texas.gov/news/unemployment-claims-numbers#claimsByCounty> | <sup>2</sup>U.S. Census Bureau. (2018). American Community Survey, 1-year estimates. Table B19082. | <sup>3</sup> Prosperity Now. (2014). Scorecard – households with zero net worth. <https://scorecard.prosperitynow.org/data-by-location#county/48085> | <sup>4</sup>U.S. Census Bureau. (2018). American Community Survey, 1-year estimates. Table S1701. | <sup>5</sup>U.S. Census Bureau. (2018). American Community Survey, 1-year estimates. Table B19013B, D, H, I. | <sup>6</sup> ESRI. (2020). Impact Planning for COVID-19. Businesses count from Infogroup (2020). Employee count from 2014-2018 American Community Survey (ACS) Data. <https://business.maps.arcgis.com/apps/opsdashboard/index.html#/dc74772707d94db9a7d24d30ffdcf36c> | <sup>7</sup>Texas Workforce Commission. (2020). UI Claimant Dashboard. <https://texasmaponline.com/portal/apps/MapSeries/index.html?appid=e3e490c4196a45868610f65b72e9f303> | <sup>8</sup> Reference U.S.A. (2018). Top industries by year. | <sup>9</sup>U.S. Census Bureau. (2018). County Business Patterns. Table CB1800CBP. | <sup>10</sup>U.S. Census Bureau. (2018). American Community Survey. Table S2801. | <sup>11</sup>U.S. Census Bureau. (2020). Census COVID-19 Impact Report. Collin County 2014-2018 American Community Survey 5-year. <https://uscensus.maps.arcgis.com/apps/opsdashboard/index.html#/7f254e8861bd48df9532fc6e6e829571> | <sup>12</sup>U.S. Census Bureau. (2017). American Community Survey, 1-year estimates. Tables S2703 and S2704. | <sup>13</sup>U.S. Census Bureau. (2018). American Community Survey, 1-year estimates. Table DP03. | <sup>14</sup>Garfield, R. et al. (2019). How does lack of insurance affect access to care? Kaiser Family Foundation. <https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-how-does-lack-of-insurance-affect-access-to-care/>

## Job Sectors Most Impacted

Going into the pandemic, Collin County had a robust local employment market. Business counts from earlier this year show over 33,000 firms operating in the county, mostly service industry, followed by retail.<sup>6</sup> In 2018, the county had an employee base of nearly 400,000.

Per the Texas Workforce Commission, the industries most affected by unemployment insurance claims as of August 2020 include:<sup>7</sup>

- Full-service restaurants
- Temporary help services
- Limited-service restaurants
- Elementary and secondary schools



**33,635**

Total Businesses



**397,428**

Total Employees

Prior to the pandemic, businesses that provided health services and service industries were the most rapidly expanding industries in terms of the number of workers.<sup>8</sup> Since March, it is the restaurant industry that has been most affected by unemployment. Jobs in restaurants and other service industries are often considered nonessential. These jobs may be the last to come back after extended periods of economic downturn, putting their workers at heightened risk of long-term unemployment.

There is also a risk to small businesses. In 2018, Collin County had over 20,000 small businesses that employed fewer than 20 people.<sup>9</sup> These businesses are at increased risk for falling behind during the pandemic and may struggle to bounce back or survive without targeted small business supports.

Collin County faces further risk to economic opportunity as schools and businesses struggle to find ways to safely operate at a distance, including providing safe, affordable child care options for working families. While many businesses pivot to online operations, extended office closures and continued unemployment may result in permanent office closures, slowing home sales, increased evictions (both retail and household) and/or retail closures. A silver lining is that as businesses and schools find creative ways to pivot to online activity, over ninety percent of Collin County households earning more than \$20,000 have internet at home, enabling residents to complete remote working and schooling. However, an estimated one in four low-income households did not have an internet subscription in 2018.<sup>10</sup>

### SMALL BUSINESSES AT RISK

NUMBER OF EMPLOYEES	NUMBER OF FIRMS
<20	20,962
<20-99	3,039
100-499	608
500+	90

## Health Insurance Coverage at Risk

Going into the pandemic, the vast majority of those with health insurance received it through employers.<sup>11-12</sup> That means rising unemployment will undoubtedly disrupt many people's access to affordable health care.

Out of Collin County's population of just over one million, about 100,000 residents were already uninsured pre-pandemic.<sup>13</sup> A lack of health insurance means that people may be hesitant to seek health care, including preventive care and treatment for chronic conditions, which in turn can lead to increased emergency visits.<sup>14</sup> The inability to pay for healthcare has a long-term impact on a family's finances, including the risk of predatory collections, loss of assets, and bankruptcy.

The rise of unemployment in Collin County will have an impact on the uninsured rate. For example, if over 100,000 claimants who filed for unemployment since March lost their health insurance along with their jobs (versus switching to a spouse's plan) this will mean that Collin County's uninsured population will have doubled since 2018 in just six months.

### HEALTH INSURANCE COVERAGE BY AGE

Civilian Noninstitutionalized Population

