

Press Statement

**NELP STATEMENT ON 13-MONTH REAUTHORIZATION OF
FEDERAL UNEMPLOYMENT INSURANCE BECOMING LAW**

December 17, 2010. Following is a statement from the National Employment Law Project:

Last night, the U.S. House of Representatives approved a tax compromise measure that includes a 13-month reauthorization of the federal unemployment insurance programs. The bill now goes to President Obama to be signed into law.

After a 16-day lapse of crucial federal benefits, which had expired at the beginning of the holiday season, millions of current and future long-term unemployed workers can breathe a sigh of relief, knowing that benefits will be restored and the program will be in place for the entirety of 2011. Until recently, few people thought such a robust reauthorization and a continuation of full emergency federal funding for the programs were likely. But unemployed workers and their allies fought hard for this reauthorization, and champions for the unemployed in Congress and the White House never backed off demands for this vital program, which unemployed Americans and the economy need and deserve. We know this was not an easy vote for many of the strongest advocates of the unemployed, and we thank them for their continued support of America's unemployed workers.

The legislation includes significant improvements to the Extended Benefits program, which provides the final 13 to 20 weeks of federally-funded unemployment benefits—thereby averting severe benefit cuts that would have hit nearly half the states with the highest unemployment rates. These states would have dropped off the EB program due to a provision requiring a state's unemployment rate to have increased over the past two years in order for the state to remain eligible for the program. Currently, 977,000 workers are receiving extended benefits. The legislation also creates an opportunity for an additional ten states—Arkansas, Iowa, Florida, Louisiana, Maryland, Mississippi, Montana, Oklahoma, Utah, and Wyoming—to add the EB benefit into the support package they offer to jobless workers, if they pass state legislation.

Much more is needed to address the jobs crisis, however. Our economy is in deep trouble: We have fewer jobs today than ten years ago, the unemployment rate has remained above nine percent for 19 months, and most recently, unemployment rose while job growth slowed. An economy that is not adding enough new jobs to bring down a 9.8 percent unemployment rate is in need of serious new initiatives to create more good jobs. The fact that a key argument favoring extended unemployment benefits is their significant stimulative effect is indicative of the fragile state of the economic recovery. Moreover, growing numbers of long-term jobless workers are exhausting all available

benefits. Policies to help address the needs of those exhausting all benefits should be pursued alongside effective job-creation and workforce re-entry initiatives. NELP will be a strong and active voice in that fight for as long as needed.

Our nation faces many serious challenges in the months and years ahead, but none is more vexing or crucial than the question of how we will rebuild an economy with good jobs that restore the promise of opportunity and economic security to working families in every corner of America. Winning the full-year continuation of the federal unemployment insurance programs was an important first step: It will help sustain millions of unemployed job-seekers, give a boost to the economy, and provide the space and time needed to focus on additional efforts to build a sustained jobs recovery. Now, it is time to move on to the bigger challenge, and this is an effort that involves all of us—policymakers, the private sector, worker advocates, and service providers alike. This is about our nation and the future we are building for our children. We call on Congress and the administration to show the leadership and bipartisanship needed to create the conditions necessary to put America back to work.

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