

United States Senate

WASHINGTON, DC 20510

November 29, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
S-221, U.S. Capitol
Washington, DC 20510

The Honorable Max Baucus
Chairman, Finance Committee
United States Senate
511 Hart Senate Office Building
Washington, DC 20510

Dear Majority Leader Reid and Chairman Baucus,

We are writing to urge a reauthorization of the current federal unemployment benefits programs through December 31, 2011. As our nation continues to battle high unemployment rates, we must act immediately to continue vital safety net coverage for those most in need.

With nearly 15 million Americans unemployed and the number of unemployed expected to remain high beyond 2011, a long-term renewal of the Emergency Unemployment Compensation program and full federal funding of the Extended Benefit programs are necessary to keep our economy on the road to recovery, as well as to keep food on the table and a roof over the head of families across America.

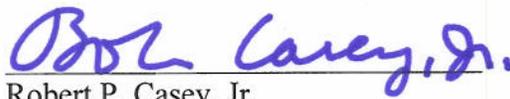
For the past six decades, Congress has provided federally funded unemployment insurance benefits during every recession. Further, federal unemployment insurance benefits have always been provided until the economy was on a stable path of growth. In fact, the highest unemployment rate at which federally funded unemployment benefits were not extended was 7.2 percent. Currently, the national unemployment rate is 9.6 percent. At the current rate, without a reauthorization, we would cut the life line that millions of Americans use to stay afloat. Equally importantly, we would endanger our fragile economic recovery by reducing the amount Americans spend on groceries, utilities and other basic needs. A reduction in consumer spending would cause a direct negative impact on the economic recovery. Goldman Sachs has estimated that if federal unemployment benefits are allowed to expire, growth would fall by half a percentage point. An end to this vital safety net program would not only harm millions of Americans, it would also be counterproductive in spurring economic growth.

According to the U.S. Department of Labor, if Congress fails to take action, two million workers will lose their unemployment benefits this December. Each month after that, over 1 million more would fall off the rolls, and by April 2011, 6 million workers would be without benefits. When there is a single job for every five unemployed workers, ending federally funded unemployment insurance programs will only send more Americans on the path to poverty.

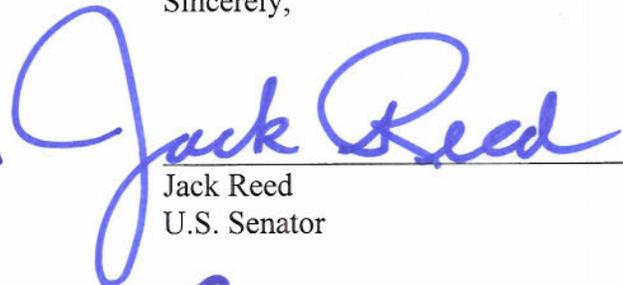
We understand the fiscal concerns that arise when debating a continuation of unemployment insurance programs. However, a broad spectrum of economists has stated that these benefits have a significant stimulative effect and a greater impact on gross domestic product than most other federal programs. In fact, the Economic Policy Institute has stated that an extension of federally funded extended benefits would increase gross domestic product by 0.7 percent and save or create the full-time equivalent of 723,000 jobs. A U.S. Department of Labor report, commissioned during the Bush Administration, has found that unemployment benefits during the most recent recession saved 1.6 million jobs per quarter, lowered the unemployment rate by 1.2 percentage points, and reduced the decline in gross domestic product by 18.3 percent. Based on this information, now is not the time to end federally funded unemployment benefits.

Federally funded benefits will begin to expire on November 30th. Due to the impending date, we request action be taken immediately to reauthorize these important benefits through December 31, 2011. We thank you for your consideration of our request. As we recover from the worst recession since the 1930s, we are committed to ensuring our constituents are able to properly provide for their families.

Sincerely,



Robert P. Casey, Jr.
U.S. Senator



Jack Reed
U.S. Senator



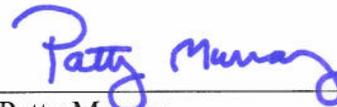
Tom Harkin
U.S. Senator



Debbie Stabenow
U.S. Senator



Christopher J. Dodd
U.S. Senator



Patty Murray
U.S. Senator

Sherrod Brown

Sherrod Brown
U.S. Senator

Al Franken

Al Franken
U.S. Senator

Amy Klobuchar

Amy Klobuchar
U.S. Senator

Jeanne Shaheen

Jeanne Shaheen
U.S. Senator

Kirsten E. Gillibrand

Kirsten E. Gillibrand
U.S. Senator

Roland W. Burris

Roland W. Burris
U.S. Senator

Barbara Boxer

Barbara Boxer
U.S. Senator

John F. Kerry

John F. Kerry
U.S. Senator

Barbara A. Mikulski

Barbara A. Mikulski
U.S. Senator

Tom Udall

Tom Udall
U.S. Senator

Sheldon Whitehouse

Sheldon Whitehouse
U.S. Senator

Ben Cardin

Benjamin L. Cardin
U.S. Senator

Daniel K. Akaka

Daniel K. Akaka
U.S. Senator

John D. Rockefeller IV

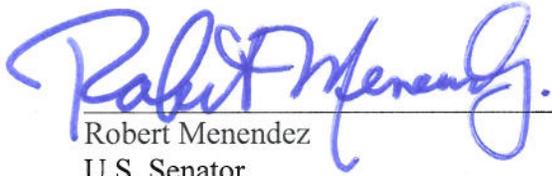
John D. Rockefeller IV
U.S. Senator

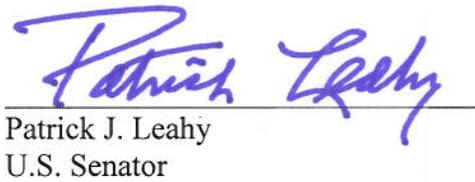
Jeff Merkley

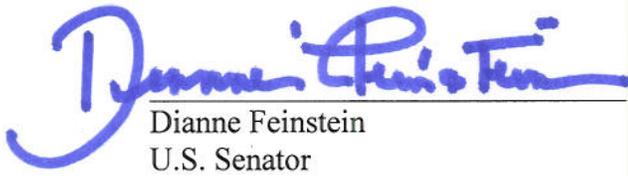
Jeff Merkley
U.S. Senator

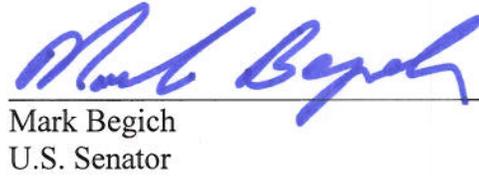
Frank R. Lautenberg

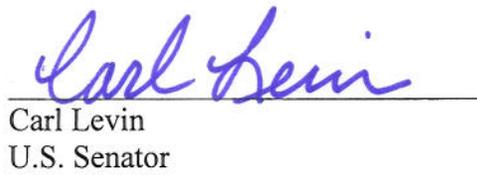
Frank R. Lautenberg
U.S. Senator

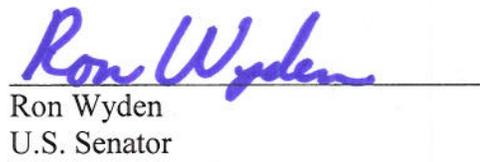

Robert Menendez
U.S. Senator

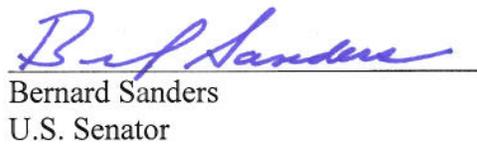

Patrick J. Leahy
U.S. Senator


Dianne Feinstein
U.S. Senator


Mark Begich
U.S. Senator


Carl Levin
U.S. Senator


Ron Wyden
U.S. Senator


Bernard Sanders
U.S. Senator