

United States Senate

WASHINGTON, DC 20510

September 23, 2009

The Honorable Harry Reid
Majority Leader of the Senate
S-221 Capitol Building
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader of the Senate
S-230 Capitol Building
Washington, D.C. 20510

Dear Majority Leader Reid and Minority Leader McConnell:

We write to express our strong support for a swift extension of unemployment insurance benefits to help jobless workers in an extraordinarily weak labor market. The House recently passed legislation on a bipartisan basis to extend benefits to states hardest hit by the downturn and companion legislation is currently pending before the Senate.

As you know, in addition to the monetary stimulus in the American Reinvestment and Recovery Act (ARRA) to spur economic growth, create jobs, and provide fiscal relief to states, the law provides significant help to strengthen the safety net for the growing number of unemployed and underemployed Americans. Specifically, the ARRA extended unemployment benefits through the end of 2009, increased unemployment benefits by \$25 a week, and provided a 65 percent subsidy on COBRA health premiums, among others. These provisions were much needed, not only in terms of their economic value, but also because they demonstrated a commitment to helping those who can't find jobs.

However, with the unemployment rate rising to 9.7 percent nationally and double-digits in numerous states, many who have been out of work are struggling to find jobs as they become scarcer. A record five million Americans have been unemployed for six months or more, and there are now more than six jobless workers for every job opening in the United States. Indeed, over a half million workers are expected to exhaust their unemployment benefits by the end of the month, and another 1.4 million are estimated to run out of coverage by the end of the year.

While there are signs that the U.S. economy may be emerging from recession, the unemployment rate will likely remain high into next year. Chairman Bernanke recently cautioned that the economic recovery is likely to be relatively slow at first, with unemployment declining only gradually from high levels.

In addition to providing more weeks of unemployment insurance benefits, it is vital to continue unemployment compensation programs in law through at least 2010 to ensure benefits are available to workers more recently unemployed. It is also important to consider proposals that would help to stem job loss. Looking forward, we need to create a path of growth that creates jobs as consumer spending returns and production increases.

In the context of the current economic situation, continuing to help out-of-work Americans will aid our nation's recovery. It will put money in the hands of people who will spend it quickly on basic necessities, and it will support stabilization in the housing market by making it easier for families to stay in their homes.

We look forward to working with you on this important issue.

Sincerely,

Jack Reed

Paul Hoyer

Allen Saxe

John F. Kerry

Chris Feingold

Herb Kohl

Patricia Schroeder

Frank R. Lautenberg

Shirley Brown

Dianne Feinstein

Chuck Sch

Bob Carey, Jr.

Mark R. Werner

Richard W. Burns

Kirsten E. Millibrand

Ray

Maria Carbone

John Home

Jeffrey A. Markley

Tom Kamp

Barb Box

Robert Meneugh