



From the National Employment Law Project
For Immediate Release: September 4, 2009
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National Employment Law Project Statement on August Employment Report

THOUSANDS ON BRINK OF EXHAUSTING JOBLESS BENEFITS – CONGRESS MUST ACT NOW TO EXPAND PROGRAM

Christine L. Owens, Executive Director, National Employment Law Project

“With the Department of Labor’s announcement today that employers shed another 216,000 jobs in August and the jobless rate rose to 9.7 percent, 14.9 million workers are now unemployed, long-term unemployment reached another record high, and hundreds of thousands of jobless workers are on the cusp of exhausting their unemployment benefits, with no job to fall back on. This year, millions of Americans will not spend Labor Day enjoying a break from work -- instead, they will be wishing they had it.

“Even as job loss slows and the pendulum drifts towards recovery, the nation’s economy remains in dire shape. As today’s employment report revealed, nearly five million unemployed workers have been without jobs for six months or longer – almost three times the number of a year ago -- underscoring that the unemployment crisis is real and deep for jobless workers, and the need for further action to boost our unemployment safety net is urgent. Against this backdrop of continuing job loss and a labor market still steeped in recession, conditions will worsen considerably for the 1.3 million workers expected to collect their last unemployment check by the end of 2009.”

Click here for a state-by-state breakdown of federal unemployment insurance exhaustions:
<http://www.nelp.org/page/-/UI/August2009ExtensionTalkingPoints.pdf?nocdn=1>.

“As Congress returns next week, millions of Americans will be looking for the light at the end of the tunnel. To avert disaster, Congress must expand jobless benefits, and it must make this a top priority. The alternative is that hundreds of thousands of workers will be left out in the cold without a paycheck or unemployment check to cover their mortgages and bills, or provide for their families. Failure to act quickly to expand benefits for those running out will deal a severe setback to the hoped-for recovery.

“Benefits extensions not only help struggling families stay afloat, they provide direct stimulus for local economies. The American Recovery and Reinvestment Act (ARRA), passed in February, provided crucial support to jobless workers. In the first six months after its passage (from February to July), federal aid to jobless workers generated over \$18.8 billion in direct relief to families that needed help and to the communities hardest hit by the recession. That includes over \$14 billion in

federally-funded extended benefits, lasting up to 53 weeks across 28 states. In addition, the ARRA boosted unemployment checks by \$25 a week, generating nearly \$4.8 billion in hard cash that helped workers cover basic necessities and that circulated throughout local economies, sustaining jobs.

“In addition to the extension and the boost in weekly benefits, the ARRA also suspended the federal income tax on unemployment insurance (on the first \$2,400 in benefits) and offered the unemployed a 65 percent subsidy to continue health coverage under the COBRA program.

“Over the past month, bi-partisan Congressional support for another extension of unemployment benefits has grown, with key senators like Jim DeMint (R-SC) saying that Democrats and Republicans ‘need to take care of those who are unemployed’ and that ‘we’ll definitely support [extending benefits].’ Senate Majority Leader Harry Reid also recently pledged that ‘soon after Congress returns to Washington we’ll need to address this matter.’

“Just as the federal stimulus benefits from the ARRA significantly blunted the effects of the downturn, an expansion of benefits now will help ensure that the process of recovery continues uninterrupted. Congress should expand jobless benefits by 10-20 weeks, depending on states’ unemployment levels, continue all the benefits provided unemployed families by the ARRA, and suspend the federal requirements that now obligate state and local governments to pay the full costs of the Extended Benefits program.

“We have the option of leaving thousands of workers with zero income, destabilizing local communities, prolonging the downturn, and stifling the hopes of those seeking to get back to work-- or we have the option of extending benefits and injecting more stimulus at a crucial juncture of the recovery.

“On eve of Labor Day weekend during the worst recession since the Great Depression, the choice for our leaders in Congress is clear,” Owens concluded.

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**Estimated Number of Federal Extension Exhaustions, by State
Through September and December 2009
National Employment Law Project, August 2009**

State	Total Exhaustions through September 2009	Total Exhaustions through December 2009
Alabama	0	37,794
Alaska	2,252	3,700
Arizona	5,142	22,632
Arkansas	5,076	8,273
California	68,713	154,328
Colorado	0	13,853
Connecticut	4,922	11,739
Delaware	0	3,518
District of Columbia	945	3,703
Florida	27,359	114,508
Georgia	13,844	58,887
Hawaii	2,774	5,456
Idaho	3,055	9,395
Illinois	20,266	50,028
Indiana	9,848	50,343
Iowa	19,845	30,914
Kansas	0	3,819
Kentucky	3,814	14,025
Louisiana	0	8,773
Maine	0	4,838
Maryland	15,650	25,681
Massachusetts	0	39,530
Michigan	25,534	62,753
Minnesota	6,776	13,754
Mississippi	12,895	19,109
Missouri	4,091	20,556
Montana	2,814	5,688
Nebraska	9,308	13,849
Nevada	5,041	14,135
New Hampshire	0	1,478
New Jersey	22,355	41,576
New Mexico	0	1,577
New York	0	89,662
North Carolina	15,033	32,171
North Dakota	3,187	4,195
Ohio	11,642	64,545
Oklahoma	0	5,943
Oregon	4,981	11,235
Pennsylvania	19,960	60,910
Puerto Rico	1,537	6,437
Rhode Island	2,489	4,483
South Carolina	13,775	21,852
South Dakota	954	1,543
Tennessee	8,299	32,788
Texas	0	48,596
Utah	10,731	18,226
Vermont	1,172	1,860
Virgin Islands	1,052	1,350
Virginia	0	12,877
Washington	4,628	10,455
West Virginia	0	3,756
Wisconsin	8,834	24,180
Wyoming	2,158	3,900
<i>Total</i>	<i>402,750</i>	<i>1,331,175</i>