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Extension of Federal Unemployment Insurance Benefits is Critical to Missouri Families

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The most recent employment figures from the U.S. Department of Labor, Bureau of Labor Statistics indicate that the U.S. economy has lost 324,000 jobs in the last five months. Missouri alone lost 21,362 jobs over that same period.¹ An increasing number of the nation's unemployed workers are facing long-term unemployment (lasting longer than six months) and have exhausted their unemployment benefits. At the same time families are faced with rising gas and food prices, making it even more difficult for unemployed families to meet their needs.

As a result of the dramatic decline in employment, the U.S. Congress is considering a *temporary* extension of Unemployment Insurance Benefits from the maximum of 26 weeks to an additional 13 weeks. At times of economic distress such as this, the U.S. Congress has passed similar extensions to help families through the economic decline; and most recently passed a similar temporary extension in 2002.

The cost for extension of the Unemployment Insurance Benefits would be paid from the Federal Unemployment Trust Fund, which currently has \$35 billion in reserves. Further, the U.S. Congressional Budget Office has stated that extending benefits in this manner is one of the most cost-effective and fastest-acting forms of economic stimulus.²

As unemployment grows and jobs become harder to find, passage of the temporary extension of Unemployment Insurance Benefits is a critical and proven tool in assisting Missouri's families to overcome the current economic decline.

Key Facts about the Impact of extending Unemployment Insurance Benefits on Missouri Families

- Missouri has lost 21,362 jobs in the last five months, resulting in the Unemployment Rate increasing to 5.2.³
- According to the National Employment Law Project, more than 17,000 people in Missouri have already exhausted their Unemployment Insurance benefits, yet remain unemployed. In the next nine months, an estimated 45,000 more workers statewide are expected to join them.⁴

Congress should take immediate action, with the support of Missouri Senators Bond and McCaskill.

¹ U.S. Department of Labor, Bureau of Labor Statistics: <http://www.bls.gov/> , figures from December 2007 through April 2008.

² U.S. House of Representatives, Committee on Ways and Means, "Unemployment Extension Briefing Materials", June 9, 2008

³ IBID Footnote #1

⁴ National Employment Law Project: <http://www.nelp.org/>