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*****LEGISLATIVE ALERT*****

Unemployment Insurance Extension

Today, members of the US House will be asked to vote on two pieces of legislation that contain unemployment insurance extensions – H.R. 3326, the Fiscal Year 2010 Department of Defense Appropriations Act, and HR 2847, the Democrat “Jobs” Bill.

Economists agree that extending UI encourages unemployed workers to stay out of work longer to collect benefits; encourages employers to wait longer to rehire laid-off workers; and does relatively little to increase consumption.

According to James Sherk at The Heritage Foundation:

- **Subsidizes and Extends Unemployment**
 - Extending either the amount or the duration of UI benefits increases the length of time that workers remain unemployed
 - UI benefits subsidize unemployment. They reduce the incentive unemployed workers have to search for new work and to make difficult choices--such as moving or switching industries--to begin a new job
 - Roughly one-third of workers receiving UI benefits find work immediately once their benefits expire.
 - Economic research shows that extending UI benefits from 26 weeks to 46 weeks increases the average duration of unemployment by approximately three weeks
- **Reduces Other Income**
 - Families respond to unemployment benefits by reducing other income. Wives' earnings fall by between 36 and 73 cents for each dollar of UI benefits married men receive

Expanding UI will increase the duration of unemployment!

**AWF WILL KEY VOTE Against
HR 3326 & HR 2847**

The Alliance for Worker Freedom is a special project of Americans for Tax Reform dedicated to combating anti-worker legislation. All media and press inquires should be made to media@workerfreedom.org or 202-785-0266.