

## HOUSE RESOLUTION NO.134

Rep. Brenda Carter offered the following resolution:

1       A resolution to oppose efforts to withdraw Michigan from the  
2 federal Pandemic Unemployment Compensation Program.

3       Whereas, The COVID-19 Pandemic has had a dramatic impact on  
4 the lives and finances of Michigan residents. The Pandemic has  
5 contributed to historic levels of unemployment; and

6       Whereas, Throughout the crisis, the federal government has  
7 enacted policies to provide additional support to those receiving  
8 unemployment benefits. The American Rescue Plan will provide an  
9 additional \$300 in weekly benefits from the federal government to  
10 supplement state, Pandemic Unemployment Assistance(PUA), or  
11 Pandemic Extended Unemployment Compensation(PEUC)benefits for  
12 unemployment recipients until September 4, 2021; and

13       Whereas, Michigan already has adequate policies to prevent

1 claimants from abusing unemployment benefits. Claimants who are  
2 offered suitable work or are called back to their previous position  
3 cannot refuse this offer without good cause. In Michigan, claimants  
4 are staying on unemployment for an average of 15 weeks for  
5 traditional state programs and 24 weeks for federal programs, far  
6 below the maximum length of each benefit; and

7       Whereas, Prematurely ending supplemental unemployment benefits  
8 would particularly harm women and families. Many working mothers  
9 have had to leave the workforce to care for children during the  
10 Pandemic. Nearly 1.5 million more mothers of school-age children  
11 are not actively working compared to before the Pandemic. With some  
12 schools and childcare facilities still closed, ending supplemental  
13 benefits will deprive these women of the additional funds while  
14 they are still unable to reenter the workforce; and

15       Whereas, Opting out of additional unemployment benefits will  
16 disproportionately impact low-wage workers, especially minorities.  
17 People of color, who are more likely to be low-wage workers, were  
18 more likely to become unemployed during the Pandemic and studies  
19 have found that low-wage jobs have been slower to recover than  
20 higher-wage jobs. Throughout the crisis, the unemployment rate for  
21 minorities has continuously exceeded their share of the labor  
22 force; and

23       Whereas, The disproportionate impact of cutting benefits on  
24 women and people of color will only exacerbate the historic  
25 economic disadvantages these communities have faced. The wealth gap  
26 faced by these individuals means that they have fewer resources to  
27 survive the financial stress brought by reduced or eliminated  
28 unemployment benefits; and

29       Whereas, More generous unemployment benefits have been tied to

1 better outcomes for workers and the economy as a whole. States with  
2 higher benefits allow workers to find work better suited to their  
3 qualifications, leading to increased wages and productivity; and

4       Whereas, Ending the federal supplemental unemployment benefits  
5 will damage Michigan's economic recovery. Taking money out of  
6 residents' pockets will lead to a fall in consumer spending,  
7 negatively impacting businesses and the state's economy, with the  
8 potential to create a recession. Michigan could lose up to \$2.88  
9 billion in spending over the next three months. During the Great  
10 Recession, every \$1 of unemployment insurance generated \$1.61 into  
11 local and state economies. The economic multiplier is currently  
12 estimated at \$1.91; and

13       Whereas, Rather than targeting the most disadvantaged in our  
14 state, elected officials have the opportunity to enact policies  
15 that will ensure that these workers are able to thrive.  
16 Establishing universal paid sick leave, increasing the  
17 effectiveness of the unemployment insurance system, and increasing  
18 the minimum wage would improve the lives of workers and create a  
19 more just economy for all; now, therefore, be it

20       Resolved by the House of Representatives, That we oppose  
21 efforts to withdraw Michigan from the federal Pandemic Unemployment  
22 Compensation Program; and be it further

23       Resolved, That copies of this resolution be transmitted to the  
24 Governor and the Director of the Unemployment Insurance Agency.