

Bill Extending Unemployment Insurance Passes House

Wednesday, June 11 2008

WASHINGTON, DC - Today, Congressman Mike Michaud applauded House passage of H.R. 5749, the Emergency Extended Unemployment Compensation Act. H.R. 5749 would provide up to 13 weeks of extended unemployment benefits in every state to workers exhausting the 26 weeks of regular unemployment benefits.

WASHINGTON, DC - Today, Congressman Mike Michaud applauded House passage of H.R. 5749, the Emergency Extended Unemployment Compensation Act. H.R. 5749 would provide up to 13 weeks of extended unemployment benefits in every state to workers exhausting the 26 weeks of regular unemployment benefits. In states with higher levels of unemployment (six percent or higher), an additional 13 weeks would be available, for a total of 26 weeks of extended benefits.

"I thought that an extension for unemployment insurance should have been an original component of the economic stimulus package passed earlier this year," said Michaud. "Extending this benefit not only helps those in most need, it is also something that would directly stimulate the economy. I am pleased that Congress is moving this legislation, but I just wish it didn't have to take a high unemployment rate to do it."

The unemployment rate has surged to 5.5 percent from 5.0 percent -- the biggest one-month jump in more than two decades (since February 1986) and climbing to the highest level in nearly four years (October 2004). The unemployment rate is now a full percentage point higher than a year ago. Under the bill, extended unemployment benefits would run through March 2009 and benefit 3.8 million Americans. Federal unemployment trust funds, which have more than enough reserves to cover the cost, will finance these benefits.

"People in Maine and throughout our country are struggling to make ends meet," said Michaud. "Increasing fuel and food prices, combined with a housing market downturn and the high cost of health care, are pushing many family budgets past the breaking point. This is the least that Congress can do during these difficult economic times."

According to the most recent data available (April 2008), Maine's current unemployment rate is 5.1%. In certain labor markets the unemployment rate is much higher. For example, Calais has a 10.9% unemployment rate, Skowhegan's is 8%, Rumford's is 7.9%, Machias' is 8.6%, Houlton's is 8.2%, and Millinocket's is 9.3%.