



For Immediate Release
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Floor Statement of Senator Max Baucus (D-Mont.)
Regarding Help for Workers Who Have Lost Their Jobs
(as prepared for delivery)

Mr. President, shortly, the Senate will vote on the motion to waive the Budget Act for the consideration of my amendment and this important bill to extend Unemployment Insurance benefits and other vital safety net programs.

We need to waive the Budget Act to allow this bill to move forward. We need to waive the Budget Act for the people who depend on Unemployment Insurance benefits.

We need to waive the Budget Act for people like the Montanans from whom I've heard.

We need to waive the Budget Act for Bonnie from Whitefish, Montana. Bonnie lost her job in property management last year, and has been scrapping by on unemployment benefits ever since. Bonnie has already sacrificed much, but she is still falling behind on her rent. She's unable to afford many necessities. Unemployment benefits help her get by from day to day.

We need to waive the Budget Act for people like Richard from Bozeman. Unemployment Insurance has helped keep Richard afloat as he searches for a job. So far, Richard has applied for more than 150 jobs, and has had only two temporary part-time positions to show for his effort. Though his financial situation is grim, it would be even more so without unemployment benefits.

We need to waive the Budget Act for people like the single father from Missoula. He has been out of work for weeks. He exhausted his state benefits, and is now receiving federal extended benefits. He called the Montana Unemployment Insurance Claims Processing Center. He said that if his Unemployment Insurance benefits are not extended, he does not know how he can take care of his daughters.

Unemployment benefits help these Montanans to pay the bills. Unemployment benefits help these Montanans and millions of Americans who, through no fault of their own, have fallen victim to this Great Recession.

The average unemployment benefit is \$335 a week. These days, \$335 only stretches so far.

Benefits have lapsed for 200,000 Americans. If we do not pass this bill this week, another 200,000 Americans could lose their benefits.

Responding to recessions is the very definition of an emergency. Responding to this kind of need is why the Budget Act built in motions to waive the budget in the first place. The budget needs to have flexibility to address truly unusual circumstances like today's economy.

Extending Unemployment Insurance benefits is a good investment to make now. It's an investment in our economy.

Unemployment benefits help our unemployed neighbors. And in helping our neighbors, unemployment benefits also help to keep open the neighborhood grocery store, and the neighborhood gas station.

In helping our unemployed neighbors, unemployment benefits also help to keep houses out of foreclosure. And in helping our unemployed neighbors, unemployment benefits also help our economy.

The nonpartisan Congressional Budget Office says that extending additional unemployment benefits would have one of the largest effects on economic output and employment per dollar spent of any option.

CBO says that for each dollar spent increasing aid to the unemployed could increase the GDP by up to \$1.90.

Households receiving unemployment benefits spend their benefits right away. That spurs demand for goods and services. That boosts production. And that leads businesses to hire more employees.

Some critics insist that emergency spending to address the recession is busting the budget. Some critics blame emergency spending and the Recovery Act for the huge budget deficits that we face today.

We do need to address our nation's fiscal circumstances. We are laboring to reach an agreed-upon package of offsets to pay for much of the long-term extension in unemployment insurance and other programs that the Senate passed on March 10.

And on a larger level, we also need to balance the nation's revenues and outlays. The President's fiscal commission will begin its work a week from Tuesday. We will need to think about fundamental tax reform as part of that exercise. And we will need to make sure that we get a dollar's worth of value for every taxpayer dollar that the Government spends.

But let me set the record straight. Emergency spending like this bill and the Recovery Act is responsible for only a small share of the deficit.

In fact, the cost of the Recovery Act is projected to be less than 10 percent of the total deficit legacy over the next 10 years.

The chart behind me tells the story. The majority of the deficit that we will face over the next 10 years stems from inherited policies. The tax cuts enacted under the previous administration, the wars in Afghanistan and Iraq, and the economic downturn itself explain nearly \$11 trillion dollars of our deficit over the next 10 years.

These policies were enacted before the current administration and before this Congress. Because these policies were not paid for, we are now facing huge deficits.

Unemployment benefits are not the cause of the deficit. We should not balance the budget on the backs of the unemployed.

Right now, it's essential that we pass a temporary extension of unemployment benefits. It's essential that we help Americans put food on the table. It's essential to pay the bills, while they continue to look for work.

So let us waive the Budget Act for Bonnie from Whitefish.

Let us extend unemployment insurance benefits for Richard from Bozeman.

Let us extend this vital lifeline for the single father from Missoula, and for his daughters who depend on him.

And in this Great Recession, let us waive the Budget Act to enact this temporary extension of Unemployment Insurance for the hundreds of thousands of Americans struggling, through no fault of their own, just to get by.

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