Democrats War on Work Hurts Main Street Businesses

Democrats have waged war on work by putting in place policies that make staying home and collecting unemployment benefits a rational financial decision for many families. Nobody should have to choose between earning a steady paycheck and making even more by not working at all.

For us to rebuild our economy, we need to make sure temporary job losses don’t turn into permanent ones. As the vaccines roll out and states roll back restrictions on businesses, now is the time to reconnect workers with jobs.

_Unemployment Benefits Continue to Disconnect Workers from Their Jobs_

Generous unemployment benefits still hold workers and the economy back from their true potential. How do we know?

- **Overly generous unemployment benefits paid workers to stay at home.** According to the American Action Forum, 37 percent of workers earn more money through unemployment insurance benefits with a $300/week federal supplement than through work.

- **Employers across the nation said over and over that they cannot find workers.** Throughout the pandemic, the Federal Reserve’s Beige Books noted employers having difficulty finding workers due to overly generous unemployment benefits.

- **When unemployment benefits decreased, workers returned to work.** When the $600 federal supplement decreased to $300, businesses in the Federal Reserve’s 2nd District said they had less trouble bringing back furloughed employees and hiring new ones.

However, workers’ inability to return to work is not the only issue with generous unemployment benefits.

- **The current unemployment insurance program is riddled with fraud.** The Labor Department’s Inspector General said more than $63 billion in unemployment benefits was stolen by fraudsters. Yet, Democrats refused to work with Republicans to stop the fraud.

_Democrat Policies Disincentivize Work at the Worst Time_

Main Street businesses shouldn’t have to compete with federal unemployment benefits for workers. Thanks to Operation Warp Speed, workers and their loved ones are becoming vaccinated. Now is the time for Democrats to work with Republicans to reconnect healthy workers back to their jobs.
Democrat work disincentives include the additional $300/week, which is crudely designed resulting in more than 100% wage replacement, but also providing fully subsidized health insurance for those receiving unemployment benefits, and new policies that allow unemployed workers to turn down job offers.

To work or not to work?
Under Democrats’ bad policies, all arrows point in one direction.

- Under the American Rescue Plan, unemployed workers receive an extra $300/week, on top of state benefits, in Federal Pandemic Unemployment Compensation, until September 6. These enhanced benefits result in many unemployed workers making more than 100% of what they made when they were working.

  Work?  Don’t Work  

- Under the American Rescue Plan, anyone who has received unemployment benefits will be considered to have income at 133 percent of the federal poverty level for the purposes of calculating how much they owe in premium contributions – allowing unemployed workers to get a zero-premium plan.

  Work?  Don’t Work  

- Under the American Rescue Plan, beginning April 1, 2021, through September 30, 2021, eligible individuals who have been laid off can choose to continue group health benefits without having to pay COBRA premiums.

  Work?  Don’t Work  

- The Biden Administration has issued new policy that make it easier for unemployed workers to turn down jobs without losing their benefits. In February, the Department of Labor issued guidance that instructs state workforce agencies to provide Pandemic Unemployment Assistance benefit to individuals who refuse an offer of suitable work or to return to work because they believe their workplace is “not in compliance with local, state, or national health and safety standards.”

  Work?  Don’t Work  