

**Congress of the United States**  
Washington, DC 20515

May 14, 2021

The Honorable  
Governor  
State of

Dear Governor:

Americans are ready to recover, rebuild, and return to normal life. Safe and effective vaccines are paving the way to defeating COVID-19, and now is the time to reconnect unemployed workers with jobs so temporary job losses do not become permanent ones. This is essential for our economy to fully recover.

We have heard from countless Main Street employers who are struggling to hire the workers they need, due in large part to enhanced federal unemployment insurance benefits. The \$1.9 trillion spending bill President Biden recently signed into law extended these \$300-per-week payments until September 6<sup>th</sup>. Unfortunately, we are now seeing the negative consequences of these misaligned economic incentives. An estimated 40 percent of the unemployed now earn more staying at home than working, causing severe labor shortages across the country and impacting numerous industries, including hospitality, retail, construction, and manufacturing.

Our local job creators should not have to compete with the federal government for workers. Yet that's exactly what you face in your state's local labor markets. Not only does this hurt the ability of local employers to recover from the economic slowdown of the pandemic, it produces supply shortages at the exact moment massive amounts of consumer stimulus are pushing prices higher, risking out of control inflation. Sadly, Democrats in Congress have refused to work with Republicans on this issue.

While Washington refuses to act, we are encouraged to see a number of states leading. As of this writing, at least 14 states – Alabama, Arizona, Arkansas, Georgia, Idaho, Iowa, Mississippi, Missouri, Montana, North Dakota, Ohio, South Carolina, Tennessee, and Wyoming – have announced plans to opt out of federal unemployment benefits programs in June or July, a few months before their Sept. 6 expiration.

Montana and several other states are also considering offering return-to-work bonus payments for unemployed workers who accept a job and keep it. In 2020, Idaho implemented a temporary program bonus to incentivize individuals to reenter the workforce. These actions are similar to a Republican proposal to help get Americans back to work called the *Reopening America by*

*Supporting Workers and Businesses Act of 2021* (H.R. 2188), which would allow states to turn enhanced unemployment benefits into a one-time return-to-work bonus of \$1,200 for a full-time job or \$600 for a part-time job.

We hope more states continue to lead. We encourage you to review these new state initiatives and ideas, including the back-to-work bonus strategy, which benefits both workers and employers and can serve as an effective use of the expanded money that each state received. Now that effective vaccines offer a return to normalcy, we need to also return to work. Misguided Washington policies should not slow us down.

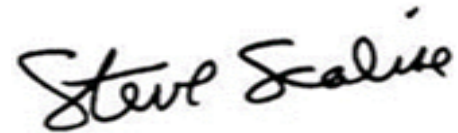
Thank you for your thoughtful consideration of this matter and for always having an open ear to pursue innovative ideas that can keep the American economy strong.

Sincerely,

Kevin McCarthy  
Member of Congress  
California Twenty-Third Congressional District



Steve Scalise  
Member of Congress  
Louisiana First Congressional District



Kevin Brady  
Member of Congress  
Texas Eighth Congressional District



Jackie Walorski  
Member of Congress  
Indiana Second Congressional District

