



PRESS RELEASE

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Congress Must Act Before New Mexicans Exhaust Jobless Benefits **Unemployment benefits boosting NM economy**

ALBUQUERQUE— New Mexico Voices for Children is marking Labor Day by urging the state's congressional delegation to expand unemployment insurance before New Mexicans reach the end of their federally-funded jobless benefits. According to the National Employment Law Project (NELP), more than 1,500 New Mexicans are expected to collect their last unemployment check by the end of 2009 – even as they struggle to find work and pay their bills in the midst of the most severe economic downturn since the Great Depression.

"New Mexico's working families are counting on Congress to make this cause their top priority so they are not left out in the cold without a paycheck or unemployment check to pay their mortgages and other bills," said Gerry Bradley, Research Director of the child advocacy organization. "Without action to expand benefits, New Mexico will hit a severe setback on the road to recovery. These extensions not only help struggling families stay afloat – they are a direct stimulus to the local economy, which will help with job creation." said Bradley.

The American Recovery and Reinvestment Act (ARRA), passed in February, provided crucial support to New Mexico's jobless workers. In the first six months after its passage (from February to July), federal aid to jobless workers generated almost \$68 million in direct relief to New Mexico's families who were hardest hit by the recession. That includes almost \$43 million in federally-funded extended benefits. In addition, the ARRA boosted unemployment checks by \$25 a week, generating more than \$25 million in hard cash to New Mexico workers to help cover basic necessities.

Advocates for working families have called on Congress to expand jobless benefits by 10 to 20 weeks (depending on the state's unemployment rate), continue all the benefits provided unemployed families by the ARRA, and suspend the federal rule now requiring state and local governments to pay the full costs of the Extended Benefits program.

"The federal stimulus benefits have significantly blunted the effects of the downturn, and Congress needs to continue building on that success. The unemployment crisis has proved more dire than anyone anticipated six months ago," said Bradley. "We have the option of leaving thousands of workers with zero income, destabilizing local communities, and prolonging the downturn, or we have the option of extending benefits and injecting more stimulus at a crucial juncture of the recovery. The choice for our leaders in Congress is clear," he concluded.

NELP's report is attached separately as a pdf and is available online at: <http://www.nelp.org/page/-/UI/jobs.statement.aug.09.pdf?nocdn=1>

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