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INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA - UAW

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RON GETTELFINGER, President

ELIZABETH BUNN, Secretary-Treasurer

VICE PRESIDENTS: GENERAL HOLIEFIELD • BOB KING • CAL RAPSON • JIMMY SETTLES



IN REPLY REFER TO

May 18, 2010

1757 N STREET, N.W.  
WASHINGTON, D.C. 20036  
TELEPHONE: (202) 828-8500  
FAX (202) 293-3457

Dear Representative:

Later this week the House is expected to take up the Promoting American Jobs and Closing Tax Loopholes Act of 2010 (H.R. 4213). The UAW strongly supports this important legislation; we urge you to vote for this measure when it is considered by the House.

This legislation includes an extension of the federal unemployment insurance (UI) and COBRA benefits contained in the American Recovery and Reinvestment Act, which are currently set to expire on June 5. Despite recent hopeful signs of economic recovery, the fact remains that the national unemployment rate is 9.9% and that over 15 million Americans are unemployed and seeking work. Approximately 5.7 million Americans are currently receiving on federal UI benefits, and most economists agree that the unemployment rate will remain unacceptably high for the remainder of this year, even if the economy continues to rebound. Forty six percent of the nation's unemployed workers have been unemployed for over six months, 20 percentage points higher than the previous high of 26 percent set in the summer of 1983.

Thus, it is apparent that the enormous need for federal UI benefits is undiminished from when the program was instituted in 2009. The jobless aid included in the Recovery Act has been a boon not only to individual displaced workers and their families, but also to the national economy. The Congressional Budget Office has repeatedly affirmed that unemployment benefits provide the most significant stimulus to the economy above all other policy options. Accordingly, the UAW believes it is imperative that Congress act now to extend the UI benefits and COBRA assistance for unemployed workers.

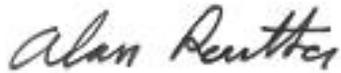
The UAW also strongly supports other important provisions in H.R. 4213, including:

- assistance for hard-pressed states by increased the federal share of Medicaid (known as FMAP); many states are depending on this assistance to avoid having to lay off first responders, teachers and other workers;
- financing for infrastructure projects and summer jobs programs;
- pension funding reforms that will give companies additional time to fund shortfalls created by the sharp drop in the stock market; this will prevent many employers from being forced to cut back on investments that are vital to the creation of jobs.

The UAW is pleased that H.R. 4213 is paid for, in part, by closing the tax loophole, known as "carried interest," that allows hedge fund managers to pay lower taxes on their income than ordinary workers.

The UAW believes it is critically important that Congress move forward expeditiously to enact the Promoting American Jobs and Closing Tax Loopholes Act of 2010 (H.R. 4213). This will ensure that laid off workers continue to receive vital assistance, while also helping to create jobs for American workers. We therefore urge you to vote for this bill when it is taken up by the House.

Sincerely,

A handwritten signature in black ink that reads "Alan Reuther". The signature is written in a cursive, flowing style.

Alan Reuther  
Legislative Director

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