



## Unemployment insurance running out for 1.3M long-term unemployed

December 27, 2013

WASHINGTON, Dec. 27 (UPI) -- Extended unemployment benefits expire this weekend for 1.3 million long-term unemployed Americans, an event the White House said "defies" reason.

Federal emergency unemployment benefits will end Saturday after Congress declined to renew funding for the program. The National Employment Law Project said 1.9 million more Americans will lose their benefits by mid-2014 when their 26 weeks of state assistance ends, USA Today reported Friday.

In a statement issued Friday, National Economic Council Director Gene Sperling said allowing the benefits to expire "defies economic sense."

"Never before have we abruptly cut off emergency unemployment insurance when we faced this level of long-term unemployment and it would be a blow to these families and our economy," Sperling said.

Sperling said Congress should act as soon as it returns from its winter recess to pass bipartisan legislation developed by Sens. [Jack Reed](#), D-R.I., and [Dean Heller](#), R-Nev.

"From a human level, cutting 1.3 million Americans off their lifeline doesn't make any sense and it's not anything we should be doing," Reed said.

The measure developed by Reed and Heller would extend the program for three months to give Congress time to find ways to compensate for the \$25 billion annual cost.

Benefit checks average about \$300 a week.

[Chris Edwards](#), an economist for the libertarian Cato Institute, said it is time for the program to end.

"These are called emergency benefits," he said. "The U.S. economy has been out of recession for over four years."

The unemployment rate fell to 7 percent in November from a high of 10 percent in October 2009. However, much of the fall is attributed to people dropping out of the workforce.

Moody chief economist [Mark Zandi](#) projected ending the benefits would lower the unemployment rate further, with some people ending their job search and others taking lower-paying jobs they previously had rejected.