Over 1,000 Job Providers Tell State Senate to Oppose Job-Killing Unemployment Insurance Expansion

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Standing united in opposition to a proposed expansion of Michigan's 100 percent employer-financed unemployment insurance system (HBs 4785-86), over 1,000 Michigan job providers, employing hundreds of thousands of workers, recently signed a letter to the State Senate urging defeat of this harmful legislative package.

"This letter sends a clear message to legislators that the proposed unemployment insurance expansion is a real threat to Main Street," said Wendy Block, Director of Health Policy and Human Resources for the Michigan Chamber of Commerce. "This proposal would increase unemployment insurance taxes on Michigan employers at a time when they can least afford it, which could lead to further layoffs and other reductions in business operations."

"While we recognize that the appeal of \$138.9 million in one-time federal money is alluring, these dollars are not 'free' because Congress has demanded that the changes to the unemployment system be made permanent, which will increase unemployment insurance taxes on job providers to the tune of \$69.7 million per year," said Charles Owens, State Director for the National Federation of Independent Business.

"This proposal further exacerbates the problem that Michigan already owes over \$2 billion to the federal government for its unemployment insurance system," said Jennifer Spike, Director of Human Resource Policy at the Michigan Manufacturers Association. "There are significant risks in taking on additional, permanent costs that will further strain the unemployment insurance trust fund and the ability to help those who are currently eligible for unemployment checks."

The letter to the State Senate was signed by members of several Michigan business organizations, including the Grand Rapids Area Chamber of Commerce, Lansing Regional Chamber of Commerce, Michigan Association of Insurance Agents, Michigan Chamber of Commerce, Michigan Grocers Association, Michigan Restaurant Association, Michigan Manufacturers Association, National Federation of Independent Business and Small Business Association of Michigan.

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