



PAID NOT TO WORK: Federal Benefits and Bonuses Are Keeping Arizona Workers Home

THE PROBLEM: NEW FEDERAL PROVISIONS HAVE GREATLY EXPANDED UNEMPLOYMENT AND OTHER BENEFITS



2020 saw a massive expansion in federal welfare and other benefit programs, including a **\$600 weekly unemployment insurance (UI) bonus**.



Congress has doubled down on this benefits expansion and **resurrected a \$300 weekly UI bonus**.



There are still **more than three times as many Arizonans on UI rolls** compared to before the pandemic.

THE REALITY: INCREASED FEDERAL BENEFITS PAY TO STAY HOME

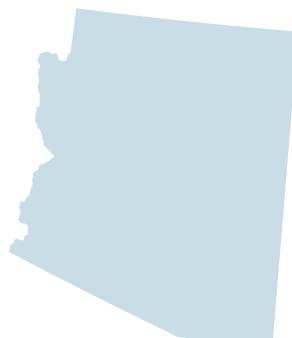
Arizonans can receive **\$3,690 per month** (\$44,280 per year) in cash or cash-equivalent benefits by remaining unemployed.



How much does it pay to be unemployed?
More than \$21 per hour

These Arizonans could receive another **\$1,479 per month** (\$17,748 per year) in non-cash benefits, such as Medicaid, for a total of **\$5,169 per month** (\$62,028 per year).

More than 60 percent of these cash benefits are due to the UI payments and the UI bonus.



Cash/Cash Equivalent Programs	
UI Bonus	\$1,300
Average State UI	\$987
Child Tax Credits	\$600
Earned Income Tax Credit (EITC)	\$433
Food Stamps	\$370
MONTHLY TOTAL	\$3,690

Based on a low-income Arizonan with two children under the age of six.



PAID NOT TO WORK: Federal Benefits and Bonuses Are Keeping Arizona Workers Home

THE IMPACT: THE BENEFITS FROM STAYING HOME ARE MORE LUCRATIVE THAN WORKING



Unemployed Arizonans can receive more in cash and cash-equivalent benefits by staying home instead of returning to work.



New Biden-issued guidance allows even more Arizonans to remain on unemployment and refuse work offers.



Arizona businesses are desperate for workers, with an estimated 196,000 job openings currently unfilled.

	Earnings from Work	Monthly Cash Benefits to Stay Home	Percent Difference
Monthly Earnings of a Full-Time Arizona Worker Earning Minimum Wage	\$2,106	\$3,690	75 percent
Median Monthly Earnings of a Full-Time Arizona Worker	\$3,354	\$3,690	10 percent

THE BOTTOM LINE

Federal lawmakers should reject additional benefit expansions.

Federal policymakers should push back on Biden's welfare-for-all agenda.

If the UI bonuses don't expire on time, those on unemployment could receive extra UI benefits for roughly 80 weeks—pushing the debate to 2022.

To unleash the economic recovery, new and enhanced benefit programs—like the federal UI bonus and child tax credit—should be allowed to expire on time.