



PAID NOT TO WORK:

Federal Benefits and Bonuses Are Keeping Pennsylvania 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 **roughly 60 percent more Pennsylvanians on unemployment** compared to before the pandemic.

THE REALITY: INCREASED FEDERAL BENEFITS PAY TO STAY HOME

Pennsylvanians can receive **\$3,677 per month** (\$44,124 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 Pennsylvanians could receive *another* **\$1,386 per month** (\$16,632 per year) in non-cash benefits, such as Medicaid, for a total of **\$5,063 per month** (\$60,756 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	\$968
Child Tax Credits	\$600
Earned Income Tax Credit (EITC)	\$433
Food Stamps	\$376
MONTHLY TOTAL	\$3,677

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



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



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



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



Pennsylvania businesses are desperate for workers, with an **estimated 328,000 job openings** currently unfilled.

	Earnings from Work	Monthly Cash Benefits to Stay Home	Percent Difference
Monthly Earnings of a Full-Time Pennsylvania Worker Earning Minimum Wage	\$1,257	\$3,677	193 percent
Median Monthly Earnings of a Full-Time Pennsylvania Worker	\$3,481	\$3,677	6 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.**

Calculations based on original FGA analysis using data from various government and nonprofit sources.