

July 27, 2021

The Honorable Mitch McConnell  
United States Senate  
317 Russell Senate Office Building  
Washington, D.C. 20510

Dear Minority Leader McConnell:

Our national debt from the past year now exceeds the cumulative deficits for the first 200 years of our country's existence. The enormity of recent federal spending is driving inflation rates up and jeopardizing the long-term health and immediate growth of our economy. It is absolutely vital that we recommit ourselves to fiscal responsibility so American families and businesses can thrive.

Various unemployment and welfare programs created or expanded in response to the pandemic are now disincentivizing a return to work. In some cases, individuals with two dependents can collect more than \$44,000 per year in cash-style benefits, all in lieu of work at a time when there are 9.3 million open jobs.<sup>1 2</sup> While Senate Democrats are pushing to make many of the pandemic programs permanent, we must make it a priority to end these policies because they are keeping Americans on the sidelines by discouraging work and encouraging continued dependency.

Therefore, as part of any discussions surrounding a potential debt ceiling increase or any new spending, we urge you to consider the following priorities and make them preconditions to any legislation that once again raises or suspends the debt ceiling, or appropriates more dollars:

- **End all federal pandemic unemployment programs on time**, including Pandemic Unemployment Assistance (PUA), Federal Pandemic Unemployment Compensation (FPUC), Pandemic Emergency Unemployment Compensation (PEUC), Mixed Earners Unemployment Compensation (MEUC). More than 65 percent of business owners agree that the \$300 federal unemployment payments specifically are making it more difficult to hire.<sup>3</sup> A majority also say they have had to turn down business opportunities, and that their workers are suffering lower morale from heavier-than-normal workloads.<sup>4</sup> Voters are also nearly twice as likely to identify these bonus programs as the cause for people staying on unemployment than low wages.<sup>5</sup> A majority of states have announced their early opt-out of these programs, and multiple polls show voters

---

<sup>1</sup> Hayden Dublois and Jonathan Ingram, Foundation for Government Accountability, "Paid to stay home: How the \$300 weekly unemployment bonus and other benefits are stifling the economic recovery," thefga.org, (2021), <https://thefga.org/wp-content/uploads/2021/05/Unemployment-Benefits-Are-Paying-Better-Than-Work.pdf>

<sup>2</sup> U.S. Department of Labor, Bureau of Labor Statistics, "Job Openings and Labor Turnover Summary," bls.gov, June (2021), <https://www.bls.gov/news.release/jolts.nr0.htm>

<sup>3</sup> Center for Excellence in Polling, "National business owners UI bonus poll," excellenceinpolling.com, June (2021), <http://excellenceinpolling.com/wp-content/uploads/2021/06/CEP-National-Business-Owners-UI-Bonus-Poll-crosstabs.pdf>

<sup>4</sup> Ibid.

<sup>5</sup> Center for Excellent in Polling, "2021 national 2nd quarter tracking poll," excellenceinpolling.com, June (2021), <http://excellenceinpolling.com/wp-content/uploads/2021/06/2021-National-Q2-Tracking-Poll-crosstabs.pdf>

agree with that decision.<sup>6 7 8</sup> Additionally, states that announced June opt-outs are enjoying more than double the reduction in unemployment claims as states keeping the programs until September.<sup>9,10</sup> In fact, since May, opt-out states have seen a 35 percent drop in new claims, and 19 percent drop in people on unemployment overall.<sup>11</sup>

- **Do not make the anti-work changes to the Child Tax Credit permanent.** Much of the \$44,000 in cash-type benefits referenced above comes from transforming the child tax credit into a costly new welfare program.<sup>12</sup> The credit was designed to provide tax relief for working families, not disincentive work as it does now by providing handouts to non-working parents.<sup>13</sup> Any permanent extension of these negative changes would cost trillions of dollars and could leave more low-income Americans out of the economic recovery. In a recent poll, a majority of American voters—53 percent—want the increase in the child tax credit to expire as planned. Only one-third want to see it continue.<sup>14</sup>

As this nation works to return to normal, our commitment must return to fiscal responsibility and sensible policy. As you would agree, our party believes in reducing dependency, facilitating wealth creation for all, and serving as good stewards of the federal budget and taxpayer dollars. Those ideals, which are informed by our fundamental belief in the dignity of work and value of the individual, are paramount to exercising good judgment as members of the Senate.

Thank you for your attention to this matter. As always, we remain grateful for your leadership and service.

Sincerely,

Tarren Bragdon  
President and CEO  
Foundation for Government Accountability

Adam Brandon  
President  
FreedomWorks

---

<sup>6</sup> Foundation for Government Accountability, “Federal pandemic unemployment bonus opt-out tracker,” thefga.org (2021), <https://thefga.org/unemployment-opt-out/>

<sup>7</sup> Ben Casselman, New York Times, “A survey finds support for halting federal unemployment benefits,” nytimes.com, June (2021), <https://www.nytimes.com/2021/06/25/business/economy/unemployment-benefits-survey.html>

<sup>8</sup> Greg Iacurci, CNBC, “54% of Americans support states’ decision to end \$300 unemployment benefit, Quinnipiac poll finds,” cnbc.com, May (2021), <https://www.cnbc.com/2021/05/26/54percent-of-americans-support-state-cuts-to-300-unemployment-quinnipiac.html>

<sup>9</sup> Eric Morath and Joe Barrett, Wall Street Journal, “Americans are leaving unemployment rolls more quickly in states cutting off benefits,” wsj.com, June (2021), [https://www.wsj.com/articles/americans-are-leaving-unemployment-rolls-more-quickly-in-states-cutting-off-benefits-11624786202?mod=trending\\_now\\_news\\_pos2](https://www.wsj.com/articles/americans-are-leaving-unemployment-rolls-more-quickly-in-states-cutting-off-benefits-11624786202?mod=trending_now_news_pos2)

<sup>10</sup> Jonathan Ingram, Nic Horton and Hayden Dublois, Foundation for Government Accountability, “Three Key Signs Opting Out of the Unemployment Bonus is Working,” thefga.org, July (2021), <https://thefga.org/paper/three-signs-opting-out-unemployment-bonus-is-working/>

<sup>11</sup> Hayden Dublois and Jonathan Ingram, Foundation for Government Accountability, “States opting out of the unemployment bonus are leading America’s economic comeback,” thefga.org, June (2021), <https://thefga.org/wp-content/uploads/2021/06/How-States-Ending-the-Bonus-Are-Leading-the-Economic-Recovery.pdf>

<sup>12</sup> Foundation for Government Accountability, “Biden’s Anti-Work Child Tax Credits Are a Recipe for Disaster,” thefga.org (2021), <https://thefga.org/one-pagers/child-tax-credit/>

<sup>13</sup> Dr. Laurie Todd-Smith, America First Policy Institute, “Reimagining Child Care in America” americafirstpolicy.com, June (2021), [https://americafirstpolicy.com/docs/afpi\\_reimagining-child-care-in-america.pdf](https://americafirstpolicy.com/docs/afpi_reimagining-child-care-in-america.pdf)

<sup>14</sup> Center for Excellent in Polling, “Expanded tax credits poll” excellenceinpolling.com, July (2021), <https://excellenceinpolling.com/wp-content/uploads/2021/07/Tax-Credit-Message-Test-Poll-crosstabs-7-20-21.pdf>

Ryan Ellis  
President  
Center for a Free Economy

Andrew Langer  
President  
Institute for Liberty

Phil Kerpen  
President  
American Commitment

Steve Moore  
Co-Founder  
Committee to Unleash Prosperity

James Taylor  
President  
Heartland Institute

Carrie Lukas  
President  
Independent Women's Forum

Brent Wm. Gardner  
Chief Government Affairs Officer  
Americans for Prosperity

Jenny Beth Martin  
Honorary Chairman  
Tea Party Patriots Action

CJ Szafir  
President  
Institute for Reforming Government

Tom Schatz  
President  
Council for Citizens Against Government Waste

Dave Trabert  
Chief Executive Officer  
Kansas Policy Institute

Seton Motley  
President  
Less Government

Michael Melendez  
Executive Vice President  
Libertas Institute

Andrew F. Quinlan  
President  
Center for Freedom and Prosperity

Daniel Mitchell  
Chairman  
Center for Freedom and Prosperity

David Williams  
President  
Taxpayers Protection Alliance

Heather Higgins  
CEO  
Independent Women's Voice

Brooke Rollins  
President and CEO  
America First Policy Institute

Brett Healy  
President  
The John K. Maclver Institute for Public Policy

David McIntosh  
President  
Club for Growth

Jon Caldara  
President  
Independence Institute

Jameson Taylor  
CEO and President  
Center for Political Renewal