



COALITION ON HUMAN NEEDS

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May 21, 2010

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

Dear Madam Speaker:

The Coalition on Human Needs strongly supports The American Jobs and Closing Tax Loopholes Act of 2010 (H.R. 4213) and appreciates your leadership in crafting a package that makes the right choices to create and save jobs while protecting people and communities.

The members of the Coalition on Human Needs include service providers, religious organizations, labor and civil rights groups, policy experts and advocates for low-income and vulnerable people. Our members around the nation see the pain of high unemployment, poverty, and inability to afford health care and other services. Many juggle bills each month, without enough to pay for rent, utilities, and nutritious food, as they struggle to find work. The provisions of H.R. 4213 will help.

The continuation of the federal Unemployment Insurance program through the end of 2010 is one of the bill's most important provisions. Despite the job gains in the past two months, there are still many more job-seekers than there are jobs. It is notable that a very recent Greenberg Quinlan Rosner poll found that 38 percent of respondents either had lost a job or that someone close to them had become unemployed during the past year. Further, close to half of the unemployed have been out of work for more than six months. The need for extended UI benefits is still very great. Similarly, you have taken an essential step by continuing COBRA subsidies for health insurance for the unemployed through the end of the year.

We also greatly appreciate the bill's continued higher rates of Medicaid funding for states for an additional six months. This funding is extremely beneficial because it prevents reductions in services and saves private and public sector jobs. States are still reeling from recession-related revenue losses that have left gaping budget holes. Continued higher rates of "FMAP" funding will help states to avoid reducing access to quality health care and will also prevent slashing cuts to other vital services in order to cover Medicaid costs.

We have already written in strong support for the 12-month extension of the Temporary Assistance for Needy Families (TANF) Emergency Fund. Forty-two states plus the District of Columbia and the Virgin Islands were making use of this fund as of May 13. It is helping states respond to the desperate situations of some of the poorest families with children. Its subsidized jobs option is now being used by 28 states plus the District of Columbia, and is expected to create 185,000 temporary jobs by the end of September. Thank you for allowing states to build on these initial successes.

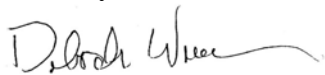
We are also extremely pleased to see \$1 billion in funding for youth employment, for use in the coming summer and through September 30, 2011. With one in four teen-agers unemployed, youth jobs funding is urgently needed.

In addition, the \$1.1 billion to capitalize the National Housing Trust Fund is much needed, and will result in production of 10,000 rental units, creating 15,000 new construction jobs and 4,000 ongoing operations jobs.

We also want to express our support for paying for some of the bill's provisions through closing tax loopholes, such as taxing the earnings of hedge fund managers and others in a similar position as work income, rather than taxing that income at the lower capital gains rate. We also favor reducing the ability of corporations to avoid paying U.S. taxes through the inappropriate use of Foreign Tax Credits and support restricting the use of "S corporations" by individuals trying to avoid paying payroll taxes.

It is truly the right choice to create and save jobs and to protect the jobless, and to treat the hardships facing millions of Americans as an emergency. It is also right to pay for the tax reductions and other non-emergency provisions in the bill through the fair tax policy changes in H.R. 4213. We urge every Member to vote for The American Jobs and Closing Tax Loopholes Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah Weinstein", with a long horizontal flourish extending to the right.

Deborah Weinstein
Executive Director