



What's at Stake?

The New Jersey Citizen Action Agenda for the Post-Election Legislative Session

In November and December Congress returns to work. It will confront an economy that has left nearly 15 million Americans unemployed and another seven million displaced by the economic crisis. Economic inequality is on the upswing, with a shocking 44 million Americans – one in every seven – living below the poverty line. Here is an overview of three pressing issues – jobless benefits, fair and responsible taxes and preserving the safety net.

1. Jobs and income support for working families, the unemployed and under-employed.

At the end of November, millions of unemployed Americans will lose their unemployment insurance benefits unless Congress acts immediately after it returns to Washington. In addition to pushing even more people below the poverty line, this move would result in even more job loss and would make it more difficult for our sluggish economy to recover. Economists say unemployment benefits are among the most immediate and effective ways to stimulate the economy because recipients in need of help spend their benefits immediately. Last year 3.3 million people were saved from poverty through this program. Congress should extend the UI program through 2011, or until the economy recovers. **Congress must act within two weeks of returning to work to avoid a lapse in benefits for millions of Americans.**

2. Fair and responsible taxes and the revenues to help restore the economy.

The 2001 and 2003 Bush era tax cuts for the middle and upper class are scheduled to expire on Dec. 31. President Obama and the House and Senate Democratic leadership have proposed extending the tax cuts targeted to middle-class and working families. This tax cut benefits all wage-earners, by cutting taxes on their income up to \$200,000 (or \$250,000 combined income for couples). Some in Congress want to give the rich another tax cut, on their income above \$200,000/\$250,000, at a cost of \$700 billion—nearly \$1 trillion with interest—over 10 years. **Congress must permanently extend the tax cuts for ALL of us (up to \$200,000 income) and allow the tax cuts for the rich to expire.**

3. Investments in our financial security and an economy that works for all of us.

The National Commission on Fiscal Responsibility and Reform is expected to finish its work and possibly forward recommendations on how to improve the nation's fiscal outlook to Congress by Dec. 1. If the Commission does adopt recommendations – 14 out of 18 affirmative votes are needed for it to do so – Congress is committed to voting on the recommendations. **Congress must oppose cuts to Social Security benefits (including raising the retirement age), and oppose cuts to key domestic spending programs. Eliminating wasteful Pentagon spending and restoring fair and responsible taxes on corporations and the rich will reduce the deficit without harming working Americans.**