

Hire US, America

A 21-step emergency action plan for reversing the U.S. jobs crisis

- Create a Works Progress Administration (WPA) style jobs program and hire the jobless in the public sector. History has proven that, in times of widespread economic hardship, when the private sector is unable to hire, it is up to the public sector to jumpstart employment. A 21st century WPA, similar to the President Franklin D. Roosevelt program during the Great Depression, would help get Americans back to work *immediately*. There's work to be done. The federal government should hire jobless Americans to restore our crumbling urban infrastructure; renovate factories and install new equipment; and provide muchneeded community services in education, public safety, childcare, and health care; and improve our transportation grid.
- 2. **Craft a national industrial policy.** Much of the current decline in jobs and the U.S. economy can be attributed to decades of failed policies that have governed the U.S. manufacturing sector. The outsourcing of American jobs and bad U.S. trade policies have stifled our middle class and compromised our nation's ability to compete in the 21st-century economy. A recovery without a concerted investment in U.S. manufacturing is no recovery at all. Congress must craft a comprehensive national industrial policy in order to reverse the mistakes of the past, restore the production of American-made goods, get Americans back to work, jumpstart our economy and secure economic prosperity for our nation's future.
- 3. **Discourage outsourcing of American jobs.** Allowing U.S. companies to receive tax benefits for sending jobs overseas at a time when over 31 million Americans are either unemployed or underemployed because they can't find full-time work is cruel and unusual punishment. Yet, this atrocity the exodus of U.S. production and jobs to other parts of the globe has been going on for decades. Its effects are being felt more now than ever before as the dream of economic security and prosperity slips further away for more and more Americans. Policy changes to discourage outsourcing are a prerequisite to a real U.S. recovery and must be enacted immediately.
- 4. **Renegotiate all trade agreements, beginning with NAFTA.** Touted as a key to raising North American living standards, so called "free trade" deals like NAFTA have done quite the opposite. They've created the worst polarization of wealth since the 1920s as multinational corporations have shifted production to areas where wages are low, worker rights nearly nonexistent, and little regard is paid to the environment.

A revitalization of U.S. jobs and our nation's hiring cycle requires the U.S to withdraw from NAFTA and all other trade agreements at once.

- 5. **Stop China's unfair currency manipulation.** Beijing's policy of holding the value of its currency down to give China an edge in export markets is fueling our record trade deficit, while at the same time stifling U.S. job growth. Experts argue China's currency manipulation has displaced as many as three million U.S. jobs. The U.S. must put an end to this injustice by formally citing China for currency manipulation, leveling the playing field by levying a tax on Chinese imports, and adopting a much tougher trade policy.
- 6. Enact strong and enforceable "Buy American" legislation. To maintain our manufacturing capability and the millions of jobs that go with it, America must prime the manufacturing pump. We must buy our own products. We cannot expect to restart our major industries and our economy without giving them the business, literally. U.S. taxpayer money should benefit U.S. taxpayers. Strong, enforceable "Buy American" legislation must be a part of the U.S. recovery strategy.
- 7. **Provide investment tax credits for businesses to modernize their plants and purchase new machinery.** A 10 percent investment tax credit for the rehabilitation and renovation of existing manufacturing facilities could pump billions of dollars into modernizing America's plants. With an additional investment tax credit for new equipment, businesses could retool their factories. If these two investment tax credits could be banked to offset future profits, millions of new jobs would be created.
- 8. Increase aid to states, counties and municipalities in order to restore and/or maintain vital services. Many communities have laid off, furloughed and cut back on hiring teachers, police, firefighters, childcare providers, emergency health care providers and transportation personnel due to the poor economy. Providing local governments with the financial means to restore and/or maintain these critical services will prevent local tax increases, increase employment in the community, and stimulate local businesses as families start spending again.
- 9. Pool a portion of the Obama Cabinet's discretionary funds and use those moneys to create emergency job creation programs in communities with the highest levels of unemployment. Each year, Congress appropriates billions of dollars that can be used at the various cabinet secretaries' discretion. And each year, billions of dollars are spent helter skelter in the final months of the fiscal year. So, rather than throwing money at government contractors, a portion of those discretionary funds should be dedicated to putting Americans back to work. Under the direction and supervision of the White House, these pooled discretionary funds could jump start local job creation.
- 10. Make Wall Street pay back Main Street through the enactment of a financial transactions tax. Taxing financial transactions on Wall Street only makes sense. After all, it was Wall Street, and its affection for reckless deals, which broke the

economy in the first place. Economists argue a small fee on the sale or transfer of stocks, bonds and other financial assets could generate as much as \$100 to \$150 billion a year. The money could then be used to pay for temporary aid to states, serve as hiring incentives for public- and private-sector employers and fund infrastructure projects.

- 11. **Build a revitalized, green economy by investing in green jobs.** In addition to infrastructure jobs, green jobs will also help to ensure continuous growth and preserve America's economic security. We need to be investing in the kinds of jobs that build and sustain our economy over time. The clean energy sector offers enormous opportunities to do just that, reviving our economy while at the same time helping the U.S. to become a leader in renewable energy and energy efficiency.
- 12. **Provide incentives for skills training and higher education.** A plan for moving our country forward and reenergizing our workforce must also include measures for preparing our workforce for the future. Two years of technical training should be offered to both unemployed workers and recent high school graduates free of charge. And, tuition at community colleges, universities and high-tech institutes should be heavily subsidized, just as Roosevelt's GI Bill did after World War II.
- 13. Extend unemployment insurance benefits. Millions of unemployed Americans, idled in this Grave Recession through no fault of their own, depend on unemployment insurance benefits to carry them through. For many, it is the only source of income and means for providing for themselves and their family. With the ranks of long-term joblessness continuing to grow and this Grave Recession achieving record depths, it is wrong to continue stringing the jobless along with temporary benefit extensions. This recession is far from over. Congress must act now to craft a long-term extension and preserve this much-needed lifeline.
- 14. Add a Tier 5 to unemployment benefit extensions. The recession took many economists and government officials by surprise. And though they knew it was deep, no one expected folks to be out of work for as long as 99 weeks. Yet, thousands of people have been and are. It's safe to say at this point, these former workers are not in a recession but a depression. Many idled through no fault of their own haven't seen an unemployment check in months. Congress' temporary extensions to date only cover the jobless receiving unemployment benefits for less than 99 weeks (Tier 4 or lower). Workers unemployed for longer than that need help. Congress must add a Tier 5 to all further extensions to cover these long-term unemployed Americans.
- 15. **Extend COBRA and the 65 percent subsidy.** COBRA allows millions of Americans to continue receiving health care benefits for a maximum of 18 months after leaving their employer. But in a recession plagued by long-term unemployment, more and more people are finding themselves out of work long after their benefits expire. When passing the health care reform bill, Congress failed to include a

measure extending COBRA benefits until 2014, when many of the new, state-run health care exchanges would be in place. In addition, measures to extend a 65 percent government subsidy, which helps millions even afford COBRA coverage, continue to hang in a political purgatory. Without COBRA or the subsidy, many jobless Americans will be left without health care coverage or, worse, forced to forego coverage in order to feed their family, pay bills and/or keep a roof over their head. A long-term extension of overall COBRA coverage and the 65 percent subsidy would ensure workers and their families are continuously protected.

- 16. Increase the maximum food stamp benefit amount; expand the income requirement threshold for eligibility to include the jobless; and adjust the eligibility requirements to ensure that the long-term unemployed can readily qualify. Food is no longer an everyday expense for millions of Americans who have lost their jobs. In many cases, buying groceries is sometimes weighed against making a rent or mortgage payment, seeking medical care or paying a utility bill. For that reason, millions of jobless Americans have turned to food stamps. But research shows that by the third week, 90 percent of those benefits are gone in the average household. In addition, thousands of jobless Americans especially those without dependants have been denied food assistance because they don't meet the income requirements. Even when applying under meager unemployment benefits, many are being told they make too much money and are, therefore, denied help. We need to ensure every unemployed person receives the supplemental nutrition assistance they need to make it through these very long and extremely difficult times.
- 17. Re-create the Comprehensive Employment and Training Act (CETA) program; target new jobs to employ the structurally unemployed; and focus on economically depressed communities. A re-creation of the CETA program will help idled Americans get back to work today, while preparing them for the jobs of tomorrow. Enacted in 1973, CETA trained workers and provided them with jobs in the public sector. The program targeted those with low incomes and the long-term unemployed. It also provided jobs to low-income high school students in the summer. The intent was to provide the unemployed with marketable skills needed to find permanent employment.
- 18. Permit unemployed Americans to tap their retirement accounts without incurring a ten percent penalty for early withdrawals. The jobless may have lost their jobs, but their mortgage, bills and financial obligation to their families still exist – in fact, in many cases the cost has gone up. Because they're tight on cash, many are looking to their nest egg to help make up the difference. In light of the historic financial crisis, federal policy should ensure that unemployed workers needing to tap into their retirement savings earlier than expected aren't penalized for simply trying to keep their head above water today.
- 19. Re-imagine the Workforce Development Act (WIA) to integrate regional training systems in order to retool America's workforce and transform regional economies. As Congress debates reauthorization of the 1998 WIA, it should consider

amending the employment training and vocational development law to promote talent development amongst regions – rather than at the local level. The current system all too often creates silos that, in some cases, result in workers being trained for jobs that do not meet current and future employer and economic needs. By thinking and collaborating across functional and jurisdictional boundaries, workforce development leaders can work to ensure the various stakeholders – employers, economic development and workforce development boards, community colleges and others – create effective approaches to transforming their regional economies and providing high-wage job opportunities for workers.

- 20. Reinstitute the Civilian Conservation Corps (CCC) and fund conservation projects and improvements in our national and state parks. The CCC was a public works relief program focused on conservation and natural resource development projects during the Great Depression. More than 3 million young men ages 18 to 24 were put to work planting trees and constructing parks. The result of their work can be seen in many of today's state parks. Reinstituting a 21st century CCC program for today's unemployed would boost our economy, while at the same time help to improve the environment.
- 21. Bar employers from using a job applicant's credit rating as a basis for employment. Millions of Americans are finding themselves in a catch-22 in this financial crisis: they have bad credit because they lost their job, and they can't get a job because they have bad credit. More and more companies have added credit checks to their job screening checklists as a means of assessing an applicant's "character." Truth is there is currently no hard evidence proving one has anything to do with the other especially when more than 31 million Americans have been kicked out the job market through no fault of their own. The Equal Employment for All Act, HR 3149, seeks to end employer credit checks. Its enactment would give vulnerable "credit challenged" citizens students, recent college graduates, low-income families, senior citizens and minorities an opportunity to rebuild their credit history by getting a job.