



Press Release

Options for Extending the Federal Unemployment Supplement

ALLISON EDWARDS | JULY 29, 2020

Under the CARES Act, the \$600 per week federal unemployment insurance supplement will expire on July 31st. Both Democrats and Republicans have put forward proposals to continue this aid, but each party's proposal demonstrates a different vision for the role of the federal assistance, argues AAF's Labor Market Policy Data Analyst Isabel Soto. In a new insight, Soto assesses both plans along with their implications for the short- and long-term.

Her central points:

- While both parties have put forward proposals to continue the federal supplement in some form, the amount and length of additional UI support varies significantly between the plans, and both face a feasibility challenge in the short term;
- A plan introduced by Democratic Senators Wyden and Schumer could cost upward of \$960 billion over the next 4 years or longer, given that there is no clear expiration date attached to their proposed benefits, and would likely cause significant problems in implementation if it were passed; and
- Republicans' plan for unemployment assistance contained in the Health, Economic Assistance, Liability Protection, and Schools (HEALS) Act would reduce the federal supplement in two stages — \$200 until the end of September and then at 70 percent wage replacement — and would cost \$110.7 billion.

[Read the analysis.](#)