



Philip Gunn
SPEAKER
Mississippi House of Representatives
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Via Hand Delivery and Email to Brad.White@GovReeves.ms.gov

Honorable Tate Reeves
P.O. Box 139
Jackson, MS 39205

Governor Reeves,

I and other House members are continually being contacted by increasingly desperate small businesspeople who inform us their businesses are at risk. They report that they cannot get employees to return to work because they can earn more from combined federal and state unemployment benefits than their normal wages.

Under Mississippi law claimants are required to demonstrate that they are unsuccessfully searching for work as a precondition of obtaining unemployment benefits. However, employers tell us that MDES is not effectively enforcing that requirement, which claimants easily evade.

One small businessman informed us that in a short span, eighteen (18) job applicants signed up for interviews, but all but three were no-shows. He believes these individuals are reporting to MDES that they have interviews to meet the work search requirement but have no intention of taking the job, as they can make more money on unemployment. He reported these individuals to MDES to no avail. We have heard similar reports from other businesspeople. "Help Wanted" signs are now commonplace.

We have also received reports that businesses are operating at reduced capacity due to their inability to field a full staff, because unemployment benefits are more attractive than normal wages. And they report that their employees who are doing the right thing by returning to work are being overworked trying to make up for the lack of other staff.

These businesses are no longer suffering from a lack of demand due to COVID-19. Rather, they are suffering from a labor shortage caused by unemployment benefits that exceed normal wage levels for productive work.

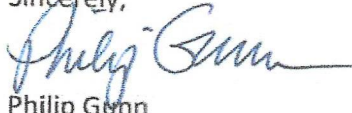
As we are recovering from COVID-19, we must do everything we reasonably can to return our businesses to a normal footing.

Last, week, the governors of Montana and South Carolina announced they were ending their states' participation in the \$300 per week of federal COVID-19-related unemployment benefits. It is time for Mississippi to take steps to ensure that unemployment is only available to those who legitimately cannot find work.

We realize that there are many people impacted by the pandemic, but as governor you have the ability to make sure that MDES is doing everything within its power to make sure that if a person is able to work and offered a job that they go back to work. Our economy cannot rely on unemployment funds to spur the economy, we must have Mississippians working again, and we have to support our small business owners who need the help.

I ask that you take the steps necessary to promptly and effectively enforce the work search requirement or, if that cannot be accomplished, to terminate Mississippi's participation in the federal COVID-19 unemployment benefits.

Sincerely,

A handwritten signature in blue ink that reads "Philip Gunn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Philip Gunn
Speaker of the House

PG/ck

cc: Members of the Mississippi House of Representatives