

SCOTT BROWN AND DO-NOTHING SENATE WILL CAUSE 900,000 MORE TO LOSE JOBS

Count me among those who are grateful that Harry Reid scaled back the Senate jobs bill instead of letting MaxTax Baucus and Chuck Grassley use it to push through another estate tax break for Paris Hilton. That said, what he is pushing is another poorly-designed tax break that will do little to support jobs. More importantly, it offers no relief for states, trying to keep teachers and cops and firemen on the job. And that means as many as 900,000 people will lose their jobs because the Senate is unwilling or unable to do what the House has already done. (h/t Calculated Risk)

Federal aid to the states was among the top priorities in an early Senate job creation bill, as well as in a \$154 billion measure passed by the House in December. But it has fallen off the list as Senate Democrats look to craft legislation that will attract bipartisan support.

Senate Majority Leader Harry Reid, D-Nev., on Thursday unveiled a jobs bill that does not contain state aid. A Senate Democratic aide said Reid hopes to back a state aid measure in the future. Republican support, however, remains questionable.

[snip]

States are looking at a total budget gap of \$180 billion for fiscal 2011, which for most of them begins July 1. These cuts could lead to a loss of 900,000 jobs, according to Mark Zandi, chief economist of Moody's Economy.com.

The article goes on to describe CA's well-publicized woes. But it also notes that Senator Scott Brown's state of Massachusetts may have to dramatically cut back because it is not getting \$600 million in federal Medicaid funds they were counting on.

Just so long as we make it clear that Scott Brown bears a great deal of responsibility for holding that money up.