

ECONOMIC UPDATE

June 30, 2022

Economic Issue in Focus: Passage of the Bipartisan Safer Communities Act Will Have Positive Outcomes for Communities, Society and the Economy

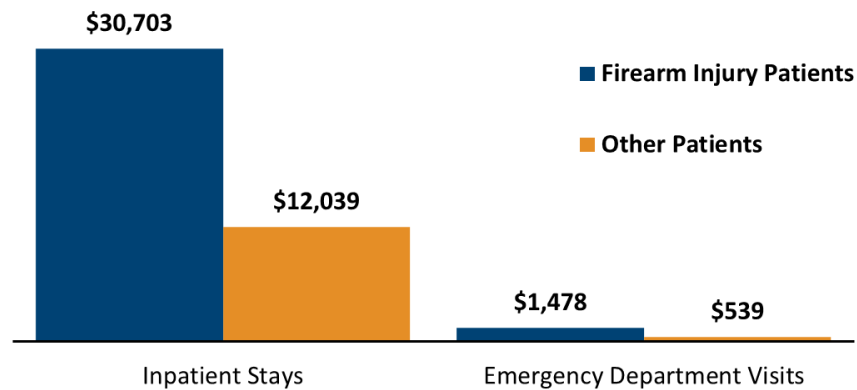
The recent passage of the Bipartisan Safer Communities Act—the most significant gun safety law in three decades—will strengthen background checks, encourage states to implement red-flag laws, crack down on gun trafficking and fund mental health programs. This law is an important step for fighting gun violence. Last week’s Supreme Court decision overruling a long-standing policy regulating concealed handguns in public will likely increase the prevalence of guns in public spaces, highlighting the need for common-sense gun violence reduction measures. While the loss to the families and communities of the victims of gun violence cannot be calculated, the toll of gun violence cascades through the rest of the economy in real and measurable ways.

Gun violence hurts local economies by significantly reducing the growth of new businesses, as well as the number of jobs these businesses create. The Urban Institute [found](#) that some local economies experiencing increased gun violence saw their business growth rate reduced by 4%. This finding is consistent with past research that confirms increased gun violence is [associated with](#) businesses scaling back and the prevention of new business formation.

Gun violence also leads to significant health care costs both in the immediate aftermath of an incident and over the long term. Survivors of gun-related injuries see their health care spending [increase](#) by \$2,495 per month on average in the first year following an injury, with spending soaring by over \$25,000 in the first month alone. Nationwide, medical costs for fatal firearm injuries [totaled](#) \$290 million in 2020—nearly a third of all firearm-related medical costs—and the average cost per person affected was \$9,000. Much of these costs are paid for by public health insurance providers, such as Medicaid, creating significant, avoidable costs for these programs.

Firearm Injuries Cost Nearly Three Times More Than Other Hospital Care

Average cost of initial hospital care by injury type, 2016-2017



Source: Government Accountability Office, *Firearm Injuries: Health Care Service Needs and Costs*



Key Economic Indicator To Track

- **The Number of Americans Receiving Unemployment Insurance Remained at the Lowest Level Since 1970:** The four-week moving average of Americans receiving unemployment insurance benefits has reached the lowest level since 1970. For the week ending June 25, the [number](#) of Americans who filed new claims for unemployment insurance was 231,000. This is over 71% lower than when President Biden took office and is indicative of a strong labor market where Americans are able to find jobs.
- **Core PCE Inflation Moderated for the Fourth Month in a Row:** Data from the Bureau of Economic Analysis shows the PCE price index—the Federal Reserve’s preferred measure of inflation—moderating for a fourth consecutive month. Core PCE inflation, which excludes food and energy, increased at a pace of 0.3% in May, the same as in the previous three months, and 4.7% year-over-year, down from 4.9% in April. As increases in food and gas prices due to pandemic disruptions and Russia’s invasion of Ukraine continue to drive overall inflation, Democrats in Congress and the Biden administration have taken a number of [actions](#) to fight inflation and bring down costs for workers and families.

JEC Spotlight: Structural Discrimination Has Created Economic Instability for Many LGBTQ+ Americans

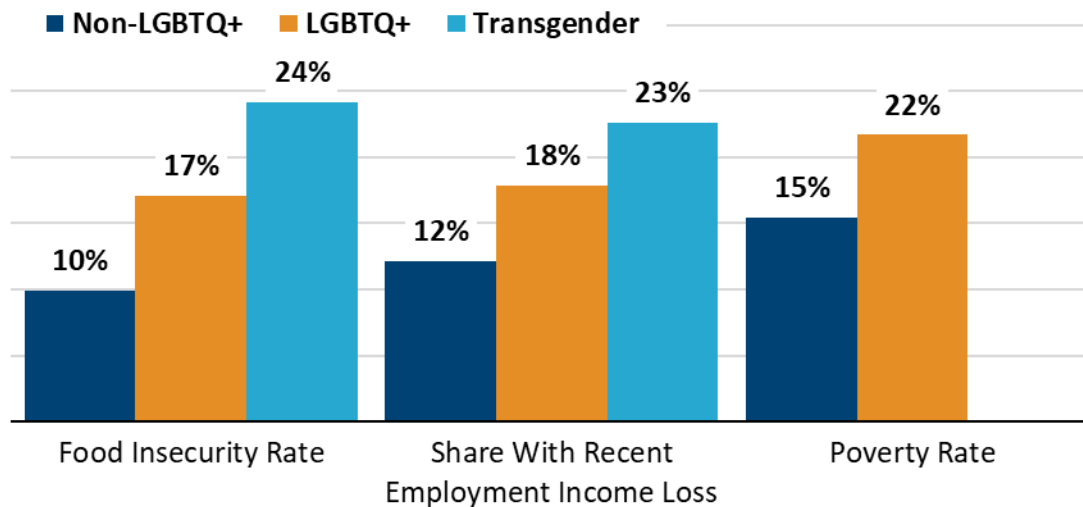
In celebration of Pride month, the JEC released an [issue brief](#) on the [important contributions](#) the LGBTQ+ community makes to the U.S. economy. Despite broader cultural acceptance of some members of the LGBTQ+ community, continued structural bigotry leads to poorer health outcomes and greater economic insecurity, particularly for transgender Americans and LGBTQ+ people of color. LGBTQ+ Americans are disproportionately likely to face economic hardship, even as an increasing number of [prominent and wealthy](#) people are openly LGBTQ+.

Due to historic and ongoing discrimination against LGBTQ+ Americans, they are [more likely](#) to live in poverty, be unemployed, lack health insurance and face food insecurity than non-LGBTQ+ Americans. Joint Economic Committee analysis of Census data, illustrated below, shows economic disparities that impact the

LGBTQ+ Americans, especially transgender Americans. Nonetheless, a lack of robust and reliable data on the LGBTQ+ community limits how much researchers know about their economic lives.

LGBTQ+ Americans Face Greater Economic Insecurity

Share of Americans experiencing economic hardship in late 2021 and early 2022



Source: Joint Economic Committee analysis of Household Pulse Survey Data and "Food Insufficiency Among LGBT Adults During the COVID-19 Pandemic," Williams Institute, UCLA, April 2022.

Note: Food insecurity and loss of employment income data refer to March-April 2022.

Poverty rate data refers to July-October 2021 and do not include transgender data.



Selected JEC Resources

- [*Democrats Are Working to Fight Inflation, Lower Costs and Address Supply Shortages*](#)
- [*Oil Companies Are Enjoying Market Influence and Record Profits, While U.S. Families Foot the Bill for High Gas and Energy Prices*](#)
- [*Expanded ACA Tax Subsidies in the American Rescue Plan Helped 5.8 Million Americans Newly Enroll in ACA Plans*](#)
- [*State-by-State Fact Sheets: May Employment Data*](#)
- [*Unions Provide Major Economic Benefits for Workers and Families*](#)
- [*The Bipartisan Infrastructure Law Funds a Historic Effort To Remove Lead Pipes That Threaten Public Health and the Economy*](#)

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