



National Employment Law Project

From the National Employment Law Project

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NEW NATIONAL & STATE-BY-STATE ANALYSIS:

**WITHOUT CONGRESSIONAL ACTION, NEARLY 5
MILLION JOBLESS WORKERS WILL LOSE BENEFITS
BY JUNE**

***NELP: Long-Term Unemployment Crisis Requires Extension of
ARRA Benefits by February 12th***

Washington, DC – Today, the National Employment Law Project (NELP) released new national and state-by-state analyses finding that nearly 1.2 million jobless workers will become ineligible for federal unemployment benefits in March unless Congress extends the unemployment safety net programs from the American Recovery and Reinvestment Act (ARRA). By June, this number will swell to nearly 5 million unemployed workers nationally who will be left without any jobless benefits.

After a two-month reauthorization in December, the critical benefits provided to jobless workers by the ARRA are set to expire at the end of February. In December, the House passed a \$154 billion jobs bill, including an extension of the ARRA unemployment provisions; the Senate has yet to propose a jobs bill.

NELP's national and state-by-state estimates, "Workers Losing Federal Unemployment Benefits in 2010 Due to Expiration of the ARRA," are available [here](#).

"Congress must swiftly act to maintain the lifeline for millions of jobless Americans caught in the undertow of record long-term unemployment in this ongoing downturn," said **Christine Owens, Executive Director of the National Employment Law Project**. "At the end of last year, Congress wisely agreed that our hardest hit workers and our economy were not yet out of the woods, and reauthorized the jobless benefits and health care subsidies from the ARRA. It is critical for Congress to renew these unemployment provisions through the end of the year before its Presidents Day recess for the millions workers again facing the end of the line— and to avoid missing the boat on this timely and effective economic jolt."

The Congressional Budget Office estimates that UI benefits generate up to \$1.90 in GDP per every dollar spent, making the UI provisions the most cost-effective policy for stimulus efforts in 2010. According to the Economic Policy Institute, extending the ARRA's provisions for the duration of 2010 would generate an additional 800,000 needed jobs, since safety net spending results in greater disposable income for recipients to use on goods and services.

“Unemployment benefits contribute to economic recovery: quickly spent on basic needs, they are the best bang-for-the-buck government stimulus spending and help to create new jobs. The ARRA provisions have already aided millions of workers— and delivered billions of dollars in stimulus. By keeping these benefits intact for the rest of 2010, Congress can prevent the bottom from falling out of this critical safety net and continue to inject dollars into local economies finally turning the corner,” added **Ms. Owens**.

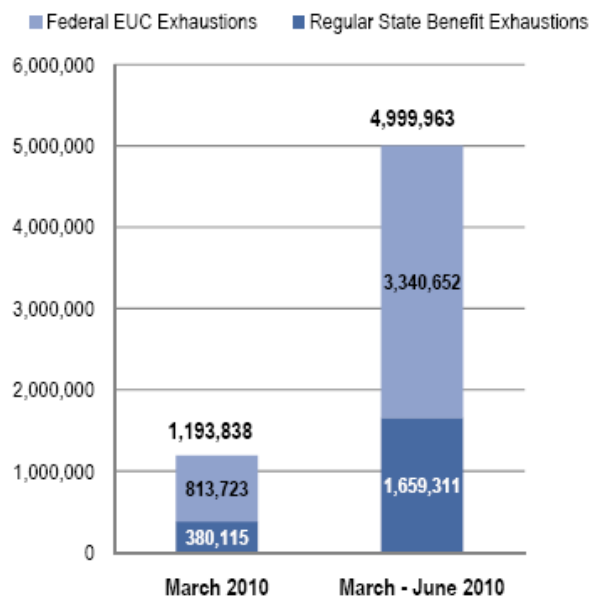
The ARRA, enacted in February 2009, funded a comprehensive set of protections to help unemployed workers throughout the year. A similar approach will be necessary in 2010 as long-term unemployment continues at record levels.

To date, these extensions and supplements have had significant impact. Currently, 5.6 million people are accessing one of the federal extensions (34-53 weeks of Emergency Unemployment Compensation; 13-20 weeks of Extended Benefits, a program normally funded 50 percent by the states). During the first nine months following the enactment of the Recovery Act (from March – November, 2009), nearly \$8.3 billion in additional benefits have been distributed through the \$25 weekly supplement.

NELP’s projection today is a combined estimate of exhaustions from state-provided benefits and federally-funded extensions. Of the almost 1.2 million workers facing a cut off of benefits in March alone:

- 380,000 workers will exhaust their 26 weeks of state benefits without accessing the temporary EUC extension program or the permanent federal program of Extended Benefits.
- Another 814,000 workers will not be eligible to continue receiving EUC past their current tier of benefits.

Workers Losing Federal Unemployment Benefits in March-June 2010 Due to Expiration of the ARRA



Though June of this year, nearly 5 million workers will be left without additional EUC benefits, including 1.7 million who will run out of their limited 26 weeks of state unemployment benefits and another 3.3 million who will not be able to collect their full weeks of EUC. Additionally, when just considering the regular state program alone, at least 5 million workers will run out of their regular state benefits without

any federal options available to them – meaning that they can rely on nothing more than their 26 weeks of regular benefits, unless the ARRA is reauthorized.

“It is critical for Congress to extend these benefits through all of 2010. Nationally, there are 6.4 unemployed workers for every job opening nationally, up from 1.7 at the start of the recession. With new hiring always lagging behind economic recovery, as employers first increase work for current employees, and hours cut more in this recession than any other, we know the prospects for new hiring aren’t promising in the short-term,” said **Ms. Owens**. “Clearly, workers need continued support while our economy meets the tall order of creating of nearly 11 million jobs to bring employment back to pre-recession levels.”

Long-term unemployment has surpassed the severity of previous recessionary periods: currently, nearly 40% of unemployed Americans— over 6.1 million workers— have been unemployed for six months or longer. By comparison, the previous peak in long-term unemployment was 26 %, in 1983. On average, unemployment now lasts nearly 7 months, an increase of 75 percent since the start of the official start of the recession two years ago.

“Any delay reauthorizing the ARRA will have devastating consequences for both workers and the struggling communities hardest hit by the recession. Starting on February 19th, state agencies that administer unemployment benefits will be forced to notify workers that the program will be shut down by the end of month, as required by federal law. Thus, if Congress doesn’t reauthorize the programs before their recess on February 12th, this deadline will create chaos for the state agencies and workers facing an uncertain future,” said **Ms. Owens**.

For more information on the methodology used to arrive at the estimates presented in the new NELP chart, please contact Anna Deknatel at anna@berlinrosen.com. NELP is also available to help identify workers whose benefits are expiring.

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Workers Losing Federal Unemployment Benefits in 2010 Due to Expiration of the ARRA
National Employment Law Project, February 2010

State	March 2010			March - June 2010		
	Workers Exhausting Regular State Benefits without Additional Federal Extensions	Workers Prematurely Exhausting their Federal Benefits	Total	Workers Exhausting Regular State Benefits without Additional Federal Extensions	Workers Prematurely Exhausting their Federal Benefits	Total
Alabama	4,404	10,666	15,070	20,396	46,122	66,517
Alaska	0	198	198	0	1,030	1,030
Arizona	12,006	16,826	28,832	46,198	73,967	120,166
Arkansas	3,099	7,556	10,656	20,017	30,337	50,354
California	72,460	128,815	201,274	311,465	544,064	855,529
Colorado	8,051	12,995	21,045	37,461	55,831	93,292
Connecticut	0	882	882	0	3,890	3,890
Delaware	1,050	2,672	3,722	5,183	10,858	16,041
District of Columbia	1,751	2,296	4,047	6,625	10,399	17,024
Florida	37,956	67,060	105,016	139,012	276,702	415,714
Georgia	15,782	32,503	48,284	66,516	131,704	198,220
Hawaii	1,819	2,549	4,368	6,732	10,655	17,387
Idaho	2,494	5,202	7,696	14,471	21,872	36,343
Illinois	21,057	44,374	65,431	99,605	191,103	290,708
Indiana	9,751	28,609	38,360	45,816	114,463	160,279
Iowa	3,301	9,306	12,607	17,086	34,231	51,318
Kansas	0	1,737	1,737	0	3,219	3,219
Kentucky	3,248	11,065	14,313	15,361	44,198	59,558
Louisiana	4,967	5,313	10,280	20,705	23,441	44,146
Maine	1,225	2,791	4,016	6,833	11,758	18,592
Maryland	5,494	10,911	16,405	26,504	44,414	70,918
Massachusetts	12,617	24,164	36,781	51,505	101,585	153,089
Michigan	8,932	53,058	61,990	41,992	183,716	225,708
Minnesota	0	1,108	1,108	0	4,921	4,921
Mississippi	2,758	6,404	9,162	12,648	25,945	38,592
Missouri	7,346	13,229	20,575	32,560	58,738	91,298
Montana	756	2,113	2,869	6,250	9,270	15,521
Nebraska	2,175	2,247	4,422	9,676	10,683	20,359
Nevada	6,681	13,305	19,986	33,038	56,672	89,711
New Hampshire	0	149	149	0	587	587
New Jersey	0	3,903	3,903	0	14,569	14,569
New Mexico	0	0	0	0	796	796
New York	26,823	58,824	85,647	111,697	244,500	356,197
North Carolina	0	3,216	3,216	0	13,515	13,515
North Dakota	281	433	714	2,425	2,312	4,737
Ohio	12,006	37,614	49,620	49,624	156,425	206,050
Oklahoma	3,851	6,719	10,570	15,306	28,456	43,762
Oregon	0	995	995	0	4,910	4,910
Pennsylvania	20,553	42,047	62,599	90,876	185,824	276,700
Rhode Island	0	309	309	0	1,520	1,520
South Carolina	7,186	16,383	23,568	30,816	68,760	99,576
South Dakota	183	341	524	1,112	1,539	2,650
Tennessee	7,880	25,994	33,875	32,334	86,672	119,006
Texas	29,583	53,267	82,850	123,170	205,668	328,838
Utah	2,827	3,712	6,540	17,386	22,395	39,781
Vermont	0	121	121	0	431	431
Virginia	7,589	14,172	21,761	31,059	59,943	91,002
Washington	0	824	824	0	4,130	4,130
West Virginia	1,389	4,339	5,727	7,121	16,287	23,408
Wisconsin	7,924	19,345	27,269	47,551	79,542	127,093
Wyoming	862	1,060	1,922	5,179	6,084	11,263
Total	380,115	813,723	1,193,838	1,659,311	3,340,652	4,999,963

States with "0" workers listed in the table have the Extended Benefits program permanently in place, which is funded 50 percent by the states after the ARRA expires. These estimates assume that the state Extended Benefits trigger (requiring 6.5 percent unemployment and increasing unemployment) will remain in effect through June 2010.