Share of Unemployed Receiving Jobless Aid at Record Low
Report Offers Policies to Help Jobless Workers, as President’s Budget Highlights Need for Reform

Washington, DC—About one in four unemployed workers (27 percent) received jobless aid in 2014—a record low, according to The Job Ahead: Advancing Opportunity for Unemployed Workers, a report released Tuesday by the National Employment Law Project.

“The share of jobless workers receiving unemployment insurance is at its lowest level ever, thanks in part to deep cuts to state programs and outdated eligibility rules that effectively exclude far too many lower-wage workers,” said Claire McKenna, policy analyst with the National Employment Law Project and the report’s author.

The report comes a day after President Obama released a budget that proposes a suite of reforms to the federal-state unemployment insurance program, including connecting jobseekers to high-quality reemployment services, improving the efficiency of the federal Extended Benefits program for long-term unemployed, and providing $5 billion in incentive funds for states to strengthen their unemployment programs. Many of the proposals echo policies discussed in the NELP report, which focuses on state-level reforms with corresponding federal policy options.

More than one year has passed since Congress let expire federal jobless aid for workers unemployed longer than six months, and today, the nation’s unemployed workers have only regular state unemployment insurance to fall back on. But only 27 percent of unemployed workers received regular state unemployment benefits in 2014 compared to 37 percent immediately before the recession in 2007.

Severe cuts to the duration of jobless benefits by lawmakers in eight states have been a contributing factor in the declining share of unemployed receiving aid. So too have been outdated eligibility rules that exclude part-time and temporary workers from unemployment programs, despite increasing numbers of women in the labor force and workers in contingent work arrangements since the program was established decades ago.

These findings form the backdrop of NELP’s report, which offers four sets of recommendations to state and federal policymakers to help strengthen the economic security and reemployment prospects of America’s unemployed and underemployed workers:

- **Preventing long-term unemployment.** The report calls for ramping up public reemployment services, encouraging states to enact work-sharing laws to help businesses avoid layoffs during recessions, and prohibiting hiring discrimination against jobless workers. The report also urges improved state rules regarding partial unemployment benefits so more claimants can consider working part time while they look for a full-time job.

- **Expanding unemployment insurance access for lower-wage workers.** Even before the recession, jobless benefits were reaching fewer unemployed workers because of outdated rules excluding part-time and temporary workers, and workers who must quit their job for compelling personal reasons. Key steps include extending eligibility to part-time workers and anyone who wants to work fewer hours to accommodate
family demands, getting rid of rules that grant the temporary staffing industry favored status, and recognizing the full range of personal reasons that compel people, especially workers with limited resources, to quit their job.

- **Providing greater help for long-term unemployed jobseekers.** Prospects of reemployment decline the longer someone is out of work, and the long-term unemployed are more likely to drop out of the labor force entirely. The report urges keeping the long-term unemployed engaged through subsidized work programs targeting those who have exhausted jobless aid, providing additional benefits to workers receiving training, and preserving the long-standing 26-week durational standard. It also calls for redesigning the permanent federal Extended Benefits program.

- **Shoring up unemployment insurance infrastructure.** Record levels of application-filing exposed major weaknesses in basic program framework. The report calls for adopting financing measures that automatically build program reserves during periods of economic growth, setting aside funding for program administration, and reducing access barriers for workers with labor market disadvantages.

The report comes as policymakers seek to turn the page on the Great Recession, following the strongest year of post-recession job gains yet and rapidly declining unemployment. But these welcome signs of recovery understate the enduring weakness in the labor market. There is consensus that the nature of work is irrevocably changing, and that workers face a future of greater and longer periods of unemployment and underemployment, according to the report.

Lawmakers must adopt strategies to help unemployed workers move into good-paying jobs as quickly as possible, and to ensure long-term unemployed workers do not recede to the margins of the labor market or withdraw completely.

“We are sending a wake-up call to state and federal policymakers that it’s time to strengthen our unemployment and reemployment programs to mitigate the severe consequences associated with job loss and extended unemployment,” said McKenna. “It’s important to get a jump on this before the next inevitable downturn hits.”

**DOWNLOAD THE REPORT:** [The Job Ahead: Advancing Opportunity for Unemployed Workers](#)

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*The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit [www.nelp.org](http://www.nelp.org).*