



National Employment Law Project

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HOUSE RECOVERY BILL WOULD BRING SWIFT RELIEF TO ECONOMY & UNEMPLOYED WORKERS

PROPOSAL FILLS MAJOR HOLES IN SAFETY NET

New York – As the House Democratic Leadership released details of its economic recovery proposal today, the National Employment Law Project praised several provisions in the bill, known as the American Recovery and Reinvestment Bill, and urged Congress to seek its swift passage after it is introduced next week. The bill, which was developed in conjunction with President-elect Obama, will bring immediate and effective relief to unemployed workers as jobless numbers continue to rise.

“The House bill announced today will tremendously help unemployed workers weather the storm until their next jobs come along. This proposal would deliver an instant boost to state economies and provide relief to thousands of workers falling through the cracks. Passage of this proposal will be essential to an effective recovery of our economy,” said Christine Owens, Executive Director of the National Employment Law Project.

Key provisions for unemployed workers in the American Recovery and Reinvestment Bill include:

- Enactment of the Unemployment Insurance Modernization Act (UIMA), which would ensure at least 500,000 mostly part-time, low-wage and female workers currently ineligible for benefits would qualify for unemployment insurance;
- Extending the deadline to qualify for the Emergency Unemployment Compensation extensions through December 31, 2009;
- A \$25 per week increase in unemployment benefits, paid for by the Federal government;
- Subsidizing 65% of COBRA premiums for unemployed workers and providing Medicaid coverage for unemployed workers below 200% of the federal poverty guidelines;
- \$500 million in new funding to help equip the Employment Service to play a key role accessing the new jobs to be created by the plan
- \$4 billion in additional WIA funding targeting key industries

“Proposals like the Unemployment Insurance Modernization Act not only support states and unemployed workers who currently fall through the system’s cracks but also provide an immediate boost to the economy. The UIMA is critical to accommodate the modern workforce, which includes large numbers of part-time, low-wage and female workers who are currently left out of the safety net,” continued Owens.

The UIMA would provide up to \$7 billion for states to cover more than 500,000 workers not covered under the current system, and set aside \$500 million to help every state address the administrative demands of fielding claims from the growing number of workers applying for benefits.

The House announcement came as another week of jobless claims numbers were announced today – including the highest 4-week average for continued claims since December 1982 – underscoring the urgency of relief for unemployed workers.

For more information about the National Employment Law Project and the proposal in the House bill released today, visit www.nelp.org and read our UI Modernization Fact sheet at http://nelp.3cdn.net/7cae491105e498cce3_b3m6b5lyz.pdf

To speak with an employment expert or contact unemployed workers directly, contact Tim Bradley at 646-452-5637.

For nearly 40 years, the National Employment Law Project has worked to restore the promise of economic opportunity for working families across America. In partnership with national, state and local allies – grassroots and national organizations, worker centers and unions, policy makers and think tanks – NELP promotes policies and programs that create good jobs, strengthen upward mobility, enforce hard-won worker rights, and help unemployed workers regain their economic footing through improved benefits and services.

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