



# Reinvigorating New York's Jobless Safety Net: A Progress Report

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Briefing for Community Leaders  
Robin Hood Foundation  
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# Goals for Presentation

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- Review crucial role of UI in the system of work supports and safety net programs.
- Update the community on our progress working on UI access.
- Share new research into barriers to collecting UI.
- Brainstorm with you about ways to increase awareness of UI among New Yorkers.



# What is UI & Where does it come from

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- Temporary state benefits paid to unemployed workers
  - Minimum amount of earnings
  - Searching for work and able to take a job
  - Reason for job loss must meet eligibility rules
- Up to 6 months of UI benefits per year
- Federally mandated but state funded and administered.
  - Benefits paid out of a dedicated trust fund supported by payroll taxes.



# Value of Benefits

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- Benefits are equal to  $\frac{1}{2}$  of a worker's average weekly wage in their best quarter of earnings.

	Weekly Benefit Amount
Maximum	\$405
Average	\$277



## UI Can Cover a Variety of Crucial Situations

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- Workers who lose their job when their business closes or they were laid off.
- Workers who are forced to quit due to personal emergencies – like domestic violence.
- Unemployed workers who need income support to complete a training course
- Workers whose hours are cut from full-time to part-time



# The Unsung Work Support / Safety Net

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- Key Safety Net – UI is a first responder to economic distress and **prevents** people from falling into poverty, and needing welfare or housing assistance.
- Key Work Support – UI is an **earned benefit** that facilitates transitions between jobs.
  - Eligibility is based on work history.
  - UI should be seen as part of a package of work supports along with EITC, etc.



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**Total Payments in NY State - FY  
2004 in \$ Billions**





# Unemployment is an ongoing reality in New York City

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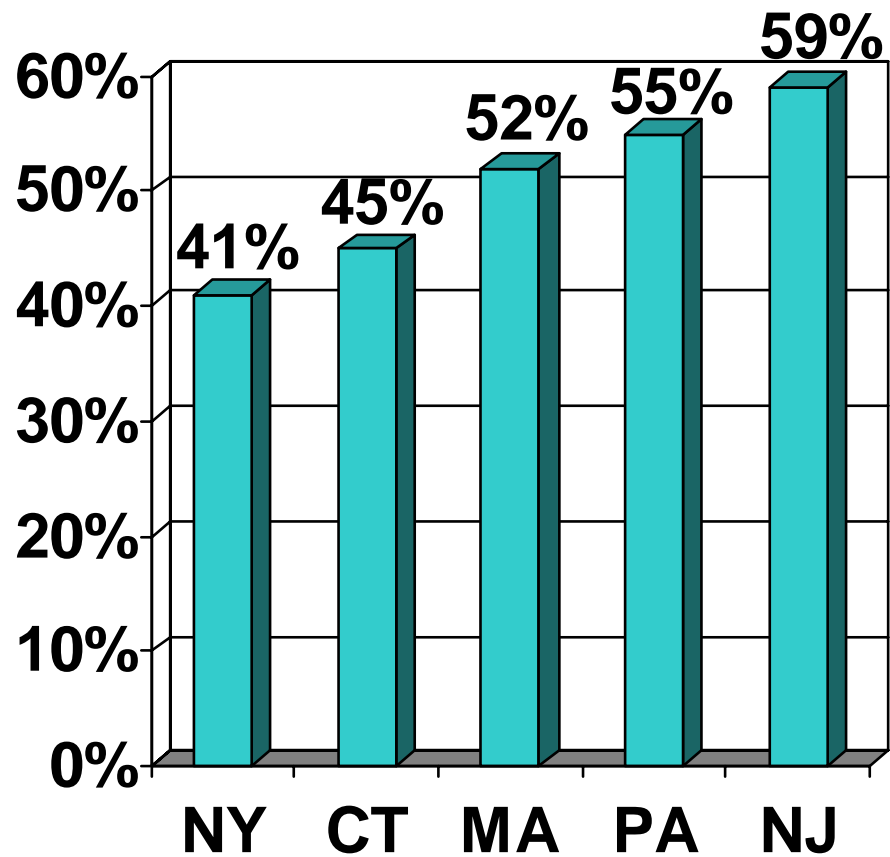
- In 2004, 600,000 city residents experienced unemployment and 2/3 of these had worked for part of that same year.
- UI provides a major boost to these families and communities.

	<b>Total UI Recipients</b>	<b>Total UI Benefit Payments</b>	<b>Annual Benefits - Per Recipient</b>
<b>Bronx</b>	32,285	\$155,000,000	\$4,801
<b>Brooklyn</b>	59,527	\$277,000,000	\$4,653
<b>Manhattan</b>	36,562	\$208,000,000	\$5,689
<b>Queens</b>	45,690	\$246,000,000	\$5,384
<b>Staten Island</b>	9,715	\$51,000,000	\$5,250
<b>Total</b>	<b>183,779</b>	<b>\$937,000,000</b>	<b>\$5,099</b>



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## Share of Jobless Workers Receiving Benefits - 2005





# The UI Program Could Do Even More for New York Families & Communities

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- Less than half of jobless workers in New York State receive unemployment benefits.
- Only 60% of NY State's jobless apply. Most non-applicants think they are ineligible.
- Low-wage workers in New York City are only half as likely to receive unemployment benefits as high-wage workers.



# Why we are trying to mobilize the community on UI

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- Great need:
  - New York City residents could collect \$200-\$250 million more per year in state UI benefits if more people applied.
- Getting benefits is not always easy:
  - Workers won 35% of contested cases in 2004 compared to 60% in 1984.
- Community Intervention Can Help:
  - Assistance to jobless workers after 9/11 temporarily increased reciprocity by 24%.
  - Assistance consisted of legal services, counseling by CBOs, outreach by unions, etc.



# Helping More New Yorkers Collect UI

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Part II – Debunking 5 UI Myths



## UI MYTH: I can't get UI because I was fired.

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- **Fact:** Many people who are fired get UI. To be disqualified from UI, you must have been fired for “misconduct” which is intentionally ignoring your employer’s rules. Misconduct DOES NOT include:
  - poor performance
  - making a mistake
  - your boss not liking you.



## UI MYTH : I can't get UI because I quit my job.

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Fact: You may be eligible for UI if you can show that you quit for "good cause."

Examples of good cause include:

- Employer violating employment laws such as minimum wage and overtime.
- Leaving a job due to circumstances arising from domestic violence.
- Spousal or domestic partner relocation



# UI MYTH: I'm ineligible for UI because I'm not a US Citizen.

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- Fact: You do not have to be a US Citizen to collect UI.
- The key is that you must have valid work authorization to work in the US that is not tied to a specific employer.
- The following categories can collect UI:
  - Legal permanent resident (green card holder)
  - Refugees and asylees
  - VAWA applicants
  - Some people who are adjusting status (awaiting green cards.)



## UI MYTH : I am not eligible for UI because I worked “off the books.”

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- You can still get UI if you were working off the books, as long as you are legally authorized to work, and can prove your earnings through:
  - check stubs
  - receipts, bank statements and/or
  - sworn statement.



UI MYTH: I didn't earn enough to be eligible for UI. I didn't work long enough for my last employer.

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- Fact: Only a small number of claimants are ineligible for not having enough earnings.
  - Many minimum wage workers, and part time workers earn enough to be eligible.
  - There is no minimum amount of time that a worker must have worked with a single employer.



## Monetary Eligibility Rules:

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1. The high quarter earnings must be at least \$1600.
2. The other three quarters **combined** must equal at least one half of the high quarter earnings.
3. Claimant must have earnings in at least two different calendar quarters.



## How much do I need to earn?

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April- June 2005	July- Sept. 2005	Oct.- Dec. 2005	Jan.- March 2006	April- June 2006	July- Sept. 2006
\$400	\$0	\$1600	\$400	X	Filing quarter



## Increasing Access to UI in New York: Recent Progress

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- Limited English Proficiency Access
- UI screening on benefits calculators
- Increased resources for UI representation



## Increasing Access for LEP Claimants

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- Telephone application for many languages.
- UI handbook available in English, Spanish, Russian, Haitian Creole and Chinese.
- Interpretation provided at UI hearings.



# UI Screening Added to the Self Sufficiency Calculator

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- Self sufficiency calculator used by caseworkers city-wide to determine public benefit eligibility.
  - Calculator used at all Single Stop sites.
- UI screening based on simple questions about.
  - Work history, UI application status, and reason for job loss.
  - Goal: Identify potential UI applicants not to determine exact benefit amounts.



# New UI Legal Representation Project

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- First-time public support to Legal Services for legal advice & representation of unemployed workers.
  - Fills in a gap in services: represented claimants are twice as likely in hearings.
- City-wide Legal Services for New York Unemployment hotline connects callers to free legal services in neighborhood offices.
  - Hotline Number: 646-442-3332



# Helping More New Yorkers Collect UI

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Part III – New Perspectives on the UI  
Program



# Supporting Families in Need Through the UI System

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- New York's UI system allows claimants who face job loss resulting from family & personal crises to collect UI.
- Women and low-income claimants are more likely to leave work due to illness or lack of childcare.
  - Women are more likely to quit work due to a problem with their family caregiving arrangements.
  - Low-wage workers are less likely to have health care, sick and vacation leave, or the income to hire outside caregivers.



# Identifying Acceptable Quits

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- Claimants who quit due to illness or lack of childcare will likely be eligible when they make efforts to protect their job.
- For illnesses, eligible claimants must:
  - obtain a pre-quit doctor's note
  - pursue alternatives, including unpaid leave of absence or shift changes, offered by employer.
- For caregiving, eligible claimants must:
  - prove that *claimant's* care is necessary
  - show a permanent assignment to a shift that precludes claimant from spending any time with child.



# Extending UI While in Training

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- UI claimants who enroll in DOL-approved training programs can:
  - waive the normal requirement to look for a new job and take a job offered to them, and
  - extend their eligibility for Unemployment Insurance (UI) benefits beyond the 26 week maximum (for up to six additional months).
- Both the training and the claimant must be DOL-approved.
- Known as the “599” program.



# Who is Eligible For Training?

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- Claimants may receive extended UI benefits while in training, if the training:
  - Upgrades existing skills or leads to more long-term employment, and
  - The training is for an occupation or skill for which there are reasonable current or expected employment opportunities
- NOTE: Usually employment opportunities in claimants' recent jobs must be substantially impaired.



# Applying for Training

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- Claimants must apply for a 599 training extension before their regular 26-week benefit period ends
- Claimants must apply for a DOL-approved training by their 13<sup>th</sup> week of UI to receive the maximum 26 additional weeks available through Section 599
- Extended benefits may be paid if funds are available (only \$20 million allocated annually).
  - In 2005, 4,000 out of 14,500 applications were approved.



## How about those benefits?

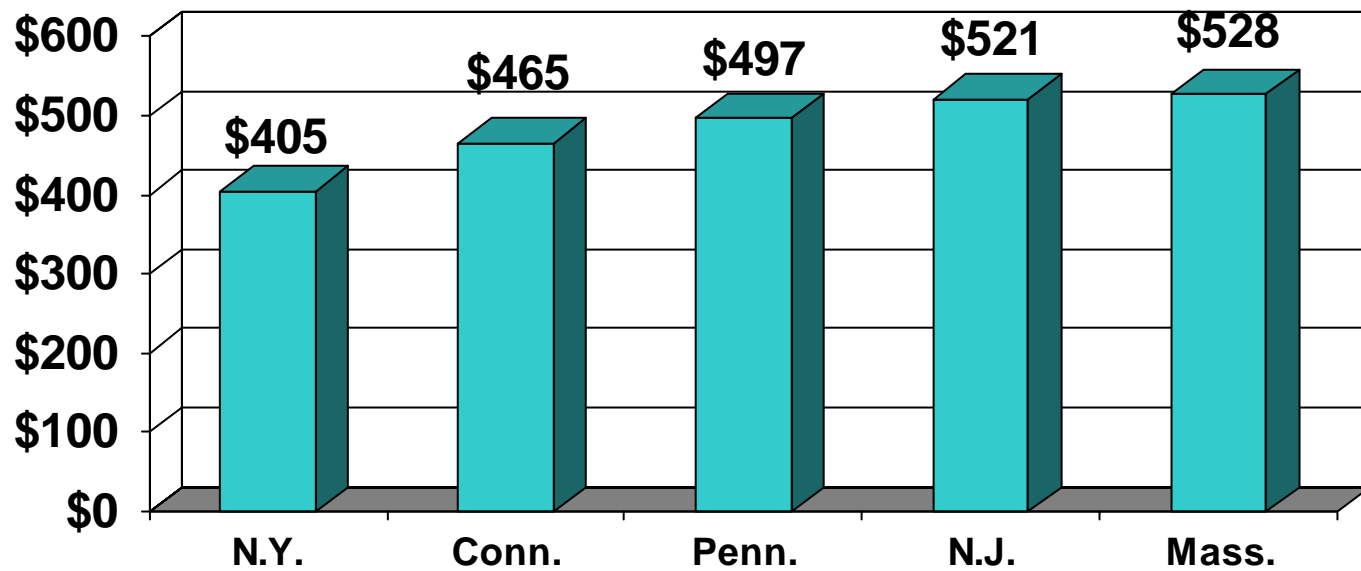
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- NY State's average weekly UI benefits are \$277 per week – right at national average.
- New York ranks 48<sup>th</sup> worst out of the state's in terms of wage replacement.
- Other high-wage, high cost of living Northeast states are more generous.



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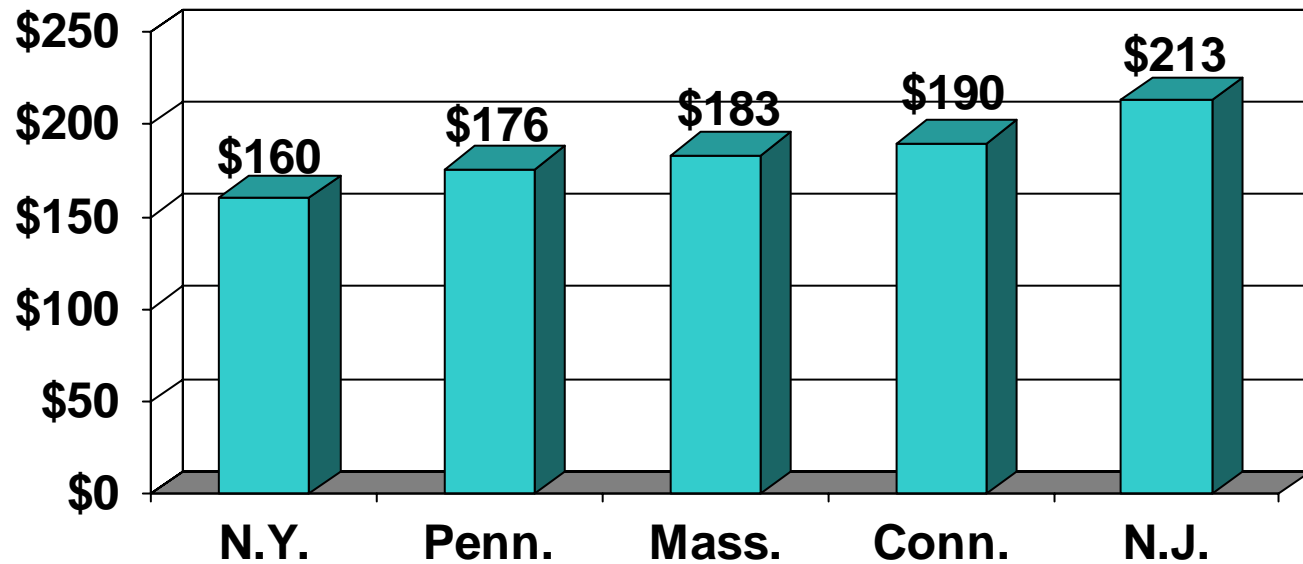
## Maximum Weekly UI Benefit Amount (No Dependents)





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**Weekly UI Benefit - Single Mom (with 2 Kids)  
Working Full Time & Earning \$8 Per Hour**





# New York Can Do Better – Suggested Policy Reforms

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- Reforms to Help Middle Income Workers
  - Increase the maximum weekly benefit to \$500, and index it to inflation as is done in 32 states.
- Reforms to Help Low-Income Workers
  - Give low-income families a bit extra – 60% of average weekly wages rather than 50% (done in 8 states).
  - Add a dependent allowance to help parents meet extra expenditures (done in all of our neighboring states).



## UI can help fill the gap for underemployed workers

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- In 2005, 650,000 partial unemployment checks were paid to individuals working part-time in New York State. (8% of program).
- Benefits are paid to
  - Workers cut from full-time to part-time hours
  - UI recipients who only can find part-time work
- New York could improve this part of the program by switching to an earned income disregard system akin to welfare.



# How Community Groups Can Get Involved

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- Invite us to conduct a training for your staff, clients or constituents
- Refer clients with UI problems to LSNY
- Get involved with UI policy advocacy
- Contact
  - Dimple Abichandani, Legal Services for New York City
    - 646-442-3552 / [dabichandani@lsny.org](mailto:dabichandani@lsny.org)
  - Tosh Anderson, New York Unemployment Project
    - 212-625-0288 x 5653 / [tosh@nyup.org](mailto:tosh@nyup.org)
  - Andrew Stettner, National Employment Law Project
    - 212-285-3025 x 110 / [astettner@nelp.org](mailto:astettner@nelp.org)