

UI Solvency: What's An Advocate To Do?

Sharon M. Dietrich
Community Legal Services, Inc.
Philadelphia, PA

Pa's UI Trust Fund Is Broke!

- Pa. has excellent eligibility provisions (58% of unemployed get UI, compared to 37% nationally)
- But taxable wage base of \$8,000, since 1984
- Current recession comes around; guess what? Red ink galore!

What's Happening In Pennsylvania on Solvency

- UC Advisory Commission has been negotiating
- UIMA funds have been held hostage to these discussions



Why Solvency Matters to CLS

- Benefits may be cut/eligibility changed
- Employee taxes could be part of the fix – good and bad aspects
- We want the UIMA!



Solvency: What Advocates Can Do

- ❑ Support the program! Remind decision-makers that it is popular right now!
- ❑ Make sure that claimant stakeholders are broader than labor (or that there are claimant stakeholders)
- ❑ Provide technical assistance
- ❑ Present realities of proposals (client stories illustrating severance proposals)

Solvency: Provide Helpful Information

– It's Not Just About the Red Ink

- Unemployment rates (especially key areas of state)
- No. of claims during recession
- Low amount of benefits (compare to FPG)
- **Relatively low cost of benefits to employers**
- Have your employers been getting a free ride?

NELP/USDOL website as resources