



## Between a Rock and a Hard Place: Confronting the Failure of State UI Systems to Serve Women and Working Families

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### EXECUTIVE SUMMARY

The unemployment insurance system—which serves as the first line of defense for millions of workers and their families when they lose their jobs—fails to meet the needs of American women. A survey of state unemployment insurance (UI) programs shows a tremendous "gender gap" in qualification standards for UI benefits. In 41 states, men are more likely to receive unemployment insurance benefits than are women. In some states, men receive UI at a rate as much as 20 percent higher than women. Critically, among workers who quit their jobs, women are 32 percent less likely to qualify for UI benefits than men.\*

The problems are structural: unemployment insurance programs are based on an outdated "male breadwinner" model that has little relevance to today's workforce in which 60 percent of women work outside the home. Changes adopted since the early years of UI have exacerbated the problems originally built by the male breadwinner model. Specifically, by eliminating options to leave work for reasons not directly related to work and increasing disqualification penalties, states have made it more difficult for women to qualify for UI. For example:

- 30 states lack adequate provisions that recognize family reasons as "good cause" to leave a job. "Good cause" is defined as leaving a job because of personal factors such as illness or pregnancy, care of a family member, domestic violence, sexual harassment, or following a spouse who relocates. In most states, these reasons disqualify the worker from receiving UI benefits. Such restrictive policies disproportionately affect women since they more likely to leave their jobs due to domestic responsibilities.
- 43 states do not pay UI benefits to part-time workers under the same rules that apply to full-time workers. Part-time work is a significant means through which women adjust work schedules to accommodate or avoid work/family conflicts. State rules regarding part-time work should be more consistent with the reality that working women are full participants in the labor force.
- 46 states lack temporary disability insurance (TDI) programs that pay benefits, generally via the unemployment insurance system, to workers who are unable to work because of their own disability. TDI programs offer partial wage replacement to workers who are temporarily unable to work because of illness or disability, usually including illnesses and disabilities relating to pregnancy. They fill in the gaps left by systems that offer unpaid leave or payment based only on availability for work, and they keep workers attached to the labor force.

#### In addition, the report finds:

- Only 15 states have specific provisions to allow individuals who must quit work because of illness, disability, or care for a sick family member to be covered by UI. Sixty-five percent of mothers with children under the age of six and 78 percent of mothers of children age six to 13 work outside the home. Since women are more likely to leave their job to be primary providers when family members are ill or need child care, women are disproportionately affected.
- Only 13 states have specific provisions that allow a woman to quit her job because of sexual or other personal harassment and receive UI benefits. Almost half of all women will suffer sexual harassment at least once in their work life. Of these, nine percent will quit a job to avoid harassment, with as little as 20 percent filing a formal complaint regarding the harassment. Women who leave their jobs under these circumstances should be covered by the UI system.
- Only 18 states have specific provisions that allow women who quit their jobs due to domestic violence to qualify for UI. Of women who are victims of domestic violence, studies show that abuse follows women to work in three-quarters of the cases. When a woman is forced to leave a job for reasons of abuse, she should have access to UI benefits.
- Only 13 states provide extra UI benefits to dependents of the unemployed. In most states, UI benefits are set according to a formula based on a fraction of the worker's prior earnings with no consideration of the number of dependents supported by the worker. In twelve states, an additional stipend is paid for dependents, in order to help families meet their basic needs.
- States should adopt policies that close the "gender gap" in their UI systems. Because the states operate their own UI systems with little oversight by the federal government, they are also free to address these issues in state legislation. States can provide for general rules that "personal compelling" reasons justify an individual leaving his or her job. Or they can enact general rules relating to domestic circumstances. Finally, they can enact specific statutes that provide that it is "good cause" to leave a job due to child care conflicts, care-giving responsibilities, illness, sexual harassment and domestic violence. These are essential steps towards restoring gender and family balance to the UI system.

\* New Mexico is one state that has recently begun to address work-family conflicts in its UI system. On March 11, 2003, the New Mexico legislature passed a comprehensive UI bill. The Governor is expected to sign the bill by March 14, 2003. It reforms many aspects of the New Mexico UI system, including that it will provide UI benefits to part-time workers, an additional weekly payment to unemployed persons with dependents, and benefits to victims of domestic violence who must leave work due to the violence. The bill is especially targeted to aid single-parent, part-time and low-income workers.

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