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Responding at the Federal and State Levels to the Needs of Unemployed Families Resulting From Hurricanes Harvey and Irma

The devastation caused by Hurricanes Harvey and Irma, like Hurricanes Katrina, Rita, Ike and Sandy before it, provides a stark reminder of how vulnerable our communities are to natural and man-made disasters, and the absolutely vital role that unemployment benefits play in providing economic security to shore up workers, families, and businesses hard hit by disasters. In times of severe economic downturns and unemployment, which are all too often caused by major disasters, working families rely on state unemployment insurance (UI) and a federal program called Disaster Unemployment Assistance (DUA) to get back on their feet while they rebuild their communities.

What is Disaster Unemployment Assistance (DUA)?

- DUA is a program of financial assistance available to workers (including the self-employed) in those counties declared as disaster areas by the president if they are continuously unemployed as a direct result of a disaster.
- Unemployed workers may not receive DUA if they qualify for state UI benefits.
- DUA benefits can last up to a maximum of 26 weeks (unless they are extended by Congress).
- The minimum DUA benefit is set at half the average UI benefit provided by the state. In Texas, where 39 counties were declared major disaster areas after Hurricane Harvey, the minimum weekly DUA benefit is \$202.17. A major disaster was not declared in any Louisiana counties. A major disaster was also declared in certain states and U.S. territories impacted by Hurricane Irma, including Florida (where workers are entitled to a minimum weekly DUA benefit of \$120), Puerto Rico (\$59 per week) and the U.S. Virgin Islands (\$167 per week).
- Federal rules require workers to file for DUA within 30 days from when the availability of DUA is announced by the state (unless the workers have “good cause” for filing late), and they must provide information substantiating their earnings and employment history within 21 days after filing for benefits.

What UI Benefits Are Provided in States and U.S. Territories Impacted by Hurricanes Harvey and Irma?

- The UI eligibility standards and benefits levels vary significantly across the states.
- The average Texas worker receives about \$404 a week in UI benefits, compared to just \$240 in Florida, \$217 in Louisiana, \$118 in Puerto Rico, and \$333 in the Virgin Islands (the national average is \$354).
- Only 9 percent of unemployed workers in Florida collect state UI benefits (which is the lowest ranking in the nation). Only 13 percent of unemployed workers in Louisiana collect state UI benefits, compared to 27 percent in Texas (the national average is 27 percent, which is a historically low level).

What Additional Steps Should Be Taken at the State and Federal Levels to Better Protect Unemployed Workers and Businesses Hard-Hit by Hurricanes Harvey and Irma?

Key DUA Reforms

After cost-cutting reforms to the DUA program adopted in 1988, the program was restricted to those workers who do not qualify for regular state jobless benefits, mostly including the self-employed and those who have exhausted regular state UI benefits. By shifting the responsibility from federal FEMA funding to the individual state UI programs, jobless families are often left with extremely limited support when they need the help most. At the same time, employers and the disaster states are left paying the extra costs of the program when they can least afford to do so.

Congress should reform the DUA program as follows:

- Remove the federal restriction requiring unemployed families from disaster areas who qualify to collect limited state unemployment benefits rather than federally-funded DUA;
- Establish a minimum DUA benefit that is 1.5 times the national average state UI benefit (or \$531), thus eliminating the extreme arbitrariness resulting from the current law -- where DUA benefit levels are determined by the states -- and mitigating the economic hardship imposed on workers in Florida and other states that pay especially low benefits relative to the average state wages ;
- Extend the maximum period of DUA benefits from 26 weeks under the current law to 52 weeks to account for the especially severe economic hardship caused by today's disasters.
- Increase the state administrative funding to cover all the costs incurred in processing DUA benefits during major disasters.

The U.S. Department of Labor (DOL) should reform the DUA program as follows:

- Consistent with the authority provided under federal law, DOL should significantly increase the minimum DUA benefit in the states above the current minimum amount (which is set at 50 percent of the average state UI benefit).
- DOL should remove the unfair offsets against DUA benefits for other sources of income, which far exceed the offsets required under most state laws.
- DOL should cover more workers employed outside the disaster area who were laid off by employers who lost significant revenue as a result of the disaster event.
- As it has done in response to prior disasters, DOL should extend the 30-day deadline required to apply for DUA benefits and the 21-day deadline required to produce wage and work history information. ***Update: On Sept. 20th, the Texas Workforce Commission [announced](#) that the 30-day deadline for DUA applications has been extended to Oct. 31st for all 39 Harvey-affected counties where DUA benefits are available.***

Key State UI Reforms

The states and U.S. territories impacted are in position to take several immediate steps to shore-up their UI programs to be more responsive in the face of major disasters like Hurricanes Harvey and Irma:

- **Suspend the “Waiting Week”:** All the states and territories impacted by Hurricanes Harvey and Irma have in place a “waiting week” requirement that prevents qualified workers from receiving their weekly benefits during their first week of unemployment. They should suspend the “waiting week” requirement to support workers who find themselves unemployed as a result of the hurricane and other natural disasters and unanticipated job-loss events (8 states do not have waiting week requirements, and as many as six states lift the requirement in the event of a disaster). **Update: On Sept. 13th, Texas Governor Greg Abbott issued an executive order suspending the waiting week on unemployment benefits for workers whose unemployment is a direct result of Hurricane Harvey.**
- **Relax the “Work Search” Requirement:** For workers to collect regular state UI benefits, Florida, Texas, and Louisiana impose strict mandates requiring workers to actively seek new work. Given the difficult realities and limitations facing those seeking work in a disaster area, the impacted states and territories should significantly relax or suspend their work-search mandates. **Update: Through its online claims filing system, Florida DEO has begun to inform claimants that it has suspended the work search reporting and online job search registration requirements for the month of September, 2017.**
- **Increase UI Benefit Levels:** Workers and families suffering from unemployment resulting from Hurricanes Harvey and Irma face living expenses that will often far exceed the amount they are eligible to collect in UI. Thus, the states should take steps to boost their UI benefits for people collecting benefits as a result of the hurricane, especially in Florida and Louisiana (where the average weekly UI benefit rank among the very lowest in the nation).
- **“Non-Charge” UI Benefits:** Because workers who are unemployed due to a disaster are required to file for any state UI benefits for which they may be eligible, employers impacted by disasters usually bear the increased costs associated with the resulting spike in benefits. States have the authority to “non-charge” benefits paid as a result of a disaster, which means that the benefit charges are pooled by all employers contributing to the unemployment trust fund.

Related publications

Fact Sheet: [Disaster Unemployment Assistance: How Workers Can Access the Program After Hurricane Harvey](#)

Fact Sheet: [Disaster Unemployment Assistance: How Workers Can Access the Program After Hurricane Irma](#)