

# Model State Legislation: Good Cause Quits

This model state legislation is part of the Unemployment Insurance Policy Hub created by the National Employment Law Project as a reference guide for state advocates to support efforts that will strengthen the economic security of workers and their families. For other Policy Hub resources, see <a href="https://www.uipolicyhub.org">www.uipolicyhub.org</a>.

# Introduction

Below is model state legislation that you can use to implement the policy recommendations from our good cause quits policy advocacy brief. Generally, workers are not eligible for unemployment insurance (UI) if they quit their job. However, each state recognizes what are known as "good cause quits" that allow workers who quit their job for certain specified reasons to still qualify for UI.

This model can be used to expand what is considered a "good cause quit" in your state. Specifically, the model provides language to implement several compelling personal reasons and expand employer-related reasons that force a worker to quit their job. For states that restrict good cause quits to those related to employment, it offers an example of how to remove that restriction. The model legislation also includes provisions that would simplify the process to make it easier for a worker to prove they quit with good cause and ensure having to quit, for any cause, does not severely undercut their right to UI benefits in the future.

There are a few provisions where options are offered; you should incorporate the option that works best within your current political context and state law. Please see the <u>good cause quit policy advocacy brief</u> for information and context regarding the various provisions, as well as additional resources to support this model.

Please note that the process of drafting legislation can vary depending on state-specific legal and policy issues. Although no state contains all the provisions covered by this model legislation, it may include several, so you would need to adapt this model to complement current law, or to match your state's existing UI law terms and definitions. You also do not have to use all the provisions provided. Rather, you may choose to focus on implementing just one or two of the good cause quits identified in this model. Please contact uihelp@nelp.org for more information on how to adapt or customize the model. A downloadable text version of this model state legislation is available here.

# **Model State Legislation**

You can use the downloadable Word version to customize the model state legislation to fit the needs of your state. The red text is meant to help you customize the model and should be removed before submitting to any state legislature.

# **Section 1. Finding and Declarations**

The Legislature finds and declares that:

- (a) Ensuring equitable access to unemployment insurance (UI) for all jobless workers is a matter of statewide concern. Current law excludes far too many workers who need to voluntarily leave their job for compelling personal reasons, and this disproportionately impacts women, particularly women of color who are more likely to be caregivers and need to leave their job due to caregiving responsibilities. [insert any state specific stats].
- (b) Expanding good cause quits increases the percentage of unemployed workers who can access UI. Prior to the pandemic, the percentage of unemployed workers receiving UI benefits was declining, with the national average at about 22%. [insert state specific stats]. Expanding good cause quits improves UI recipiency, potentially covering 3% more workers nationwide, with women comprising 77% and underpaid workers comprising 47% of that expansion.
- (c) Expanding access to UI helps workers, employers, and the state economy. Without access to UI, workers are more likely to miss rent payments, lose their healthcare, and cannot afford groceries. Employers lose trained and long-term employees who are forced to leave their communities in search of jobs elsewhere. The economy suffers as unemployment compensation's ability to act as an economic stabilizer is severely undercut, as there is less money for workers to spend in their local economies during economic downturns.
- (d) Having well-articulated reasons for when a worker who is forced to quit their job qualifies for UI improves efficiency and predictability for workers and the state. When the law is unpredictable and unclear, workers suffer from needless delays in benefits and there are significant costs to the state in the administrative burden of having to process needless appeals.

**Section 2. Definitions** [Note: State law may already define these terms. If so, reference the applicable state law definitions.]

"Agency" means [Enter the name of the state agency that administers unemployment insurance].

"Child" means a biological, adopted, foster, stepchild, or legal ward of the individual or any other person to whom the individual stands in loco parentis.

"Dependent" means any of the following persons who receive at least half of their financial support from the individual claiming benefits:

(1) A child under the age of 18.

- (2) A child between 18 and 26 years old who is a full-time student as defined by their educational institution, at a secondary school, vocational school, community or junior college, college, or university.
- (3) A person 18 years of age or over who is incapable of self-care because of a mental or physical disability as set forth in the Family and Medical Leave Act of 1993 (P.L. 103-3).
- (4) A spouse or domestic partner of the individual.
- (5) A person who is 60 years of age or older.

"Disability" has the same meaning as set forth in [insert applicable state law, or if you do not have a state-specific disability law, use "the Americans With Disabilities Act, 42 U.S.C. § 12101 et seq. (1990)"].

"Family member" means a child, parent, grandparent, grandchild, sibling, spouse, domestic partner, or any other individual related by blood, marriage, or whose close association with the employee is the equivalent of a family relationship.

"Meaningful public transportation" means a transportation option that would be no more prohibitive in time or cost to the individual than their previous mode of transportation.

**"Serious Health Condition"** has the same meaning as set forth in the Family and Medical Leave Act of 1993 (P.L. 103-3).

### Section 3. Separation From Employment

Option 1: [use this language to establish a broad definition of allowable good cause quits]

(a) An individual shall not be disqualified for benefits if they had good cause to voluntarily leave their most recent work. In addition to the circumstances described below, an individual shall be deemed to have left their most recent work with good cause in any circumstance where the individual's obligation is of a real, substantial, and compelling nature such as would cause a reasonable person genuinely desirous of retaining employment to take similar action.

Option 2 [Use this option if your state law already contains a strong general statement on good cause quits but restricts the good cause quits to employer-related conduct. Just removing the employer-related restriction could vastly expand UI eligibility]:

(a) Eliminate provisions that premise eligibility on good cause attributable to the employer, for example: "Disqualification from benefits if an individual left work voluntarily without good cause attributable to the employer or employing unit."

### Section 4. Good Cause Quits Related to Compelling Personal Reasons

(a) Leaving a job to protect themselves or their family members from domestic violence, sexual assault, or stalking: An individual shall be deemed to have left their most recent work with good cause if they left employment to protect themselves or a family member from domestic violence, sexual assault, or stalking.

An individual shall be found to have left their most recent employment to protect themselves or a family member from domestic violence, sexual assault, or stalking if they provide reasonable and confidential documentation demonstrating that the

individual reasonably believed that their continued employment would jeopardize their or their family members' safety. This can include a written statement from the individual attesting to this fact.

- (b) Leaving a job to care for oneself or a family member with a serious health condition: An individual shall be deemed to have left their most recent work with good cause if they left to care for their own or a family member's serious health condition or disability, including any pregnancy-related condition. This includes individuals who leave their job after an approved leave due to ongoing need to care for their own or a family member's serious health condition or disability and the employer will not grant them additional leave.
- (c) *Leaving a job to care for a child or dependent:* An individual shall be deemed to have left their most recent work with good cause if they left to take care of a child or other dependent when no reasonable alternative care is available.
- (d) Leaving a job to relocate with a spouse, partner, or co-parent who relocates for their job: An individual shall be deemed to have left their most recent work with good cause if they left their job to relocate with a spouse, partner, or co-parent who relocates for their job, and it therefore becomes impractical for the individual to commute to their place of employment.
- (e) Leaving a job because of an offer of employment at another job: An individual shall be deemed to have left their most recent work with good cause if the individual terminates employment in good faith to accept better employment which is to begin within a reasonable period.
- (f) Leaving a job because of a loss of transportation which prevents the worker from getting to this job and meaningful public transportation is not available: An individual shall be deemed to have left their most recent work with good cause if they lose their means of transportation to commute to work and meaningful public transportation is unavailable.

### Section 5. Good Cause Quits Related to the Employer

- (a) Leaving a job because of a significant deterioration in job quality: An individual shall be deemed to have left their most recent work with good cause if they experienced a significant deterioration in job quality.
  - Deterioration of job quality includes but is not limited to volatile and insufficient work hours; erratic scheduling practices; a change in schedule; a change in work location that results in a significant change in commute time; a reduction in pay; dangerous, unsafe, or unhealthy work conditions, including those related to climate-driven disasters; an employer's violation of a working agreement; or a deprivation of equal employment opportunities based on bona fide occupational qualifications.
- (b) *Leaving a job where legal rights were violated:* An individual shall be deemed to have left their most recent work with good cause if their legal rights were violated.
- (c) *Leaving a job to escape sexual or other harassment at work:* An individual shall be deemed to have left their most recent work with good cause if they left because of sexual harassment or other harassment at work when any of the following occur:

- (1) Submission to the conduct is made either explicitly or implicitly a term or condition of an individual's employment.
- (2) Submission to or rejection of the conduct by an individual is used as the basis for employment decisions affecting the individual.
- (3) The conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Findings of fact and law by the Agency shall not collaterally estop adjudication of the issue of sexual harassment in another forum.

- (d) Leaving after a trial work period: An individual shall be deemed to have left their most recent work with good cause if the individual, not under a disqualification, accepts employment which would not have been deemed suitable work and terminates such employment within a period of not more than six months of employment with or without good cause.
- (e) *Compulsory retirement:* An individual shall be deemed to have left their most recent work with good cause if they left due to compulsory retirement.
- (f) Accepting a voluntary lay-off when an employer announces a planned lay-off: An individual shall be deemed to have left their most recent work with good cause if unemployment is due to accepting a voluntary lay-off pursuant to an established employer plan, program or policy, or collective bargaining agreement, or when the employer announced a planned lay-off.

**Section 6. Additional provisions** [the following provisions help streamline the process for determining whether a worker left for good cause and removes an employer's incentive to contest the claim.]

- (a) Non-charge the separating employer when good cause quit is related to compelling personal reasons: An employer's experience rating account shall not be charged or, for certain employees, the state shall not seek payment in lieu of contributions if it is determined that the employee voluntarily left with good cause related to a compelling personal reason.
- (b) Eliminate requirements that workers explore alternatives to quitting when it would be unreasonable or futile: The burden of proof is on the employer to provide evidence that a worker was offered a reasonable alternative to quitting. The worker will not be disqualified for benefits if they fail to explore alternatives to quitting when seeking such alternatives is unreasonable or futile.
- (c) Consider only the most recent separation when evaluating whether workers qualify for UI: Only the individual's most recent separation will be considered when evaluating whether the individual qualifies for benefits.
- (d) *Create a rebuttable presumption that the worker had good cause to quit*: An individual is presumed to have been discharged for reasons other than misconduct in connection with their work and not to have voluntarily left without good cause unless their employer has given written notice to the contrary to the agency, setting

forth facts sufficient to overcome the presumption. The presumption provided by this section is rebuttable.

(e) Limit period of disqualification for workers quitting without good cause. The disqualification for voluntarily quitting without good cause shall begin the day following the separation and shall continue until after the individual has become reemployed and has had earnings from insured work of at least three times the individual's weekly benefit amount.