

# ***Boosting Economic Resilience: Seven Ways States Can Support More Workers with Unemployment Insurance***

by Amy M. Traub

## **Summary**

After job loss, all workers should be able to sustain themselves while they seek new work. Unemployment insurance (UI) is the principal program designed to support jobless workers in the United States, and it not only assists workers and their families but also stabilizes the overall economy and promotes resilience and recovery during economic downturns. In a time of economic uncertainty, maintaining a strong UI system should be priority for policymakers.

But in 2024, only 27 percent of unemployed workers nationwide received UI benefits,<sup>1</sup> leaving more than 73 percent of jobless workers without support and undermining the UI system's ability to mitigate an economic crisis. This brief looks at how states and the federal government can increase the proportion of unemployed workers who receive UI benefits, highlighting seven proven policies that help jobless workers apply for and receive the benefits they have earned.

## **The Share of Unemployed Workers that Receive Benefits Varies by State**

Unemployment insurance is a joint-state and federal program: States have broad latitude to administer the program, determine benefit levels, set maximum duration, decide which workers are eligible, and finance benefits. As a result, state UI programs

## **Key Points**

- Unemployment insurance (UI) supports jobless workers and their families and stabilizes the economy during downturns.
- In 2024, just 27 percent of unemployed workers received UI benefits, undermining the UI system's ability to mitigate an economic crisis.

## **Key Solutions**

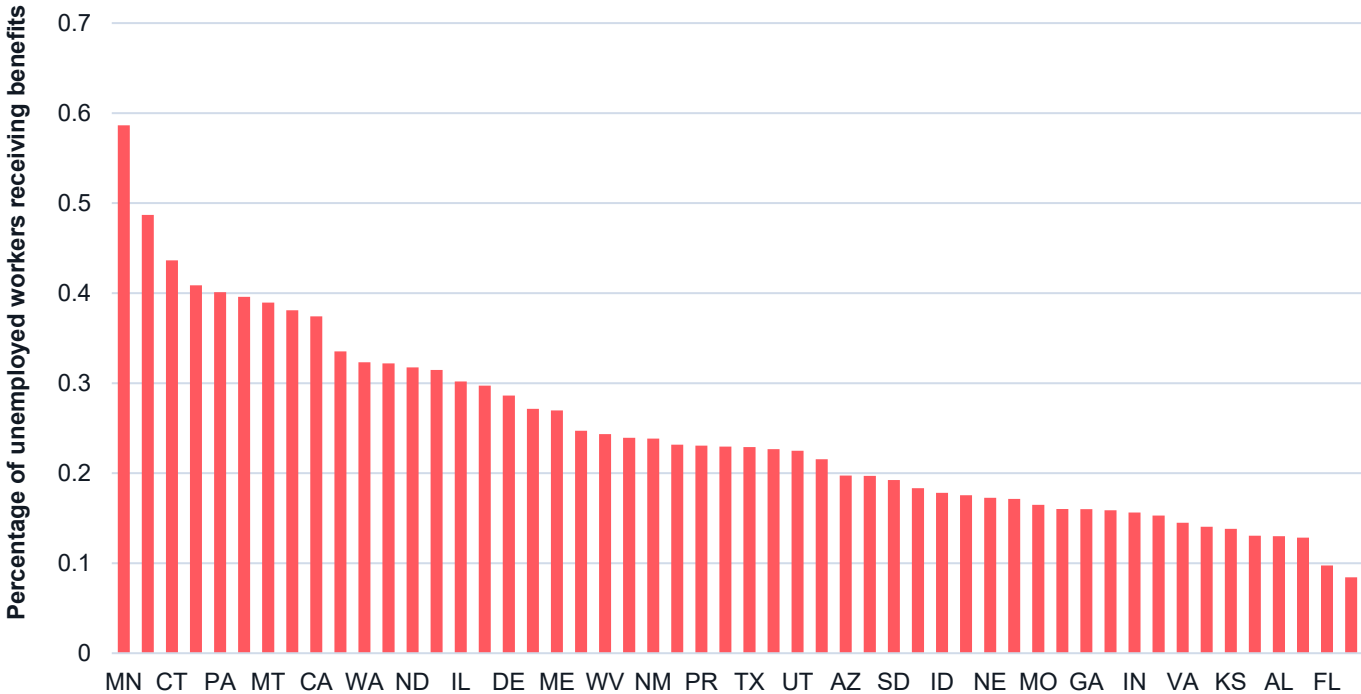
To increase the share of unemployed workers who receive UI benefits, states should:

- Guarantee enough weeks of UI benefits
- Ensure benefits replace an adequate share of workers' prior wages
- Expand UI eligibility
- Provide community support and outreach
- Reduce administrative burdens
- Require employers to provide better information about applying for UI benefits
- Change employer incentives

The federal government can and should support states in pursuing these solutions.

vary widely. There are especially large differences between states in terms of the proportion of unemployed workers who receive UI benefits (known as the reciprocity rate). As figure 1 shows, fewer than 9 percent of unemployed workers in Kentucky (the state with the lowest reciprocity rate) received UI benefits in 2024, compared to nearly 59 percent of unemployed workers in Minnesota (the highest reciprocity state).

## 2024 State Unemployment Insurance Reciprocity Rates



Source: US Department of Labor Employment and Training Administration Unemployment Insurance Chartbook

Our analysis finds that if every state in the U.S. had the same reciprocity rate as Minnesota in 2024, an additional 2.4 million jobless workers would have received support from UI benefits that year.<sup>2</sup>

This brief builds on [NELP’s previous research](#) examining the factors that determine UI reciprocity rates, the significant barriers to access, and why eligible workers often don’t apply for UI benefits. We proposed a [set of federal performance standards](#), including a target rate of 50 percent of unemployed workers receiving UI benefits. Now we ask how states can achieve this goal, and how the federal government can best support them.

# Seven Ways States Can Support More Workers with Unemployment Insurance

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Studying national trends and analyzing the policies of higher reciprocity states, like Minnesota, New Jersey, and Pennsylvania, reveals promising practices that states can implement to increase UI reciprocity to better support workers and the economy during a period of economic uncertainty.

## 1) Guarantee Enough Weeks of UI Benefits

Finding a new job can take a long time, particularly for workers who face hiring discrimination and other barriers to employment, including Black workers, workers with disabilities, older workers, and workers with arrest or incarceration records. But UI benefits are not guaranteed to last through a worker's entire job search: If workers continue to be unemployed beyond the maximum duration of benefits offered by their state, they are not eligible for additional support from the UI system and are said to have "exhausted" their benefits. When more workers exhaust benefits, the reciprocity rate declines because a higher proportion of unemployed workers are not eligible to receive UI benefits.

For decades, state UI programs provided a maximum potential duration of 26 weeks or more of benefits to qualified unemployed workers. But starting in 2011, several states cut their maximum duration in an effort to reduce UI costs. Currently 13 states provide fewer than 26 weeks of potential benefits, including as little as 12 weeks maximum benefits in Kentucky, Florida, and North Carolina.<sup>3</sup> Unsurprisingly, states that reduced UI duration generally have lower reciprocity rates than states that still provide 26 weeks of benefits to workers who qualify for them.<sup>4</sup>

Researchers find that state reductions in maximum potential benefit duration have been a major factor in declining UI reciprocity since 2011.<sup>5</sup> In addition, since the states that cut UI duration were disproportionately southeastern states with large Black populations, studies suggest that this duration cut is particularly associated with declining UI reciprocity among Black workers.<sup>6</sup> The non-partisan Government Accountability Office concluded that, because of the negative impact on UI reciprocity, "relevant research suggests that reductions in benefit duration may reduce the positive effects of UI on the economy."<sup>7</sup>

Together, these findings about the impact of duration cuts suggest that ensuring workers have adequate weeks of UI benefits to sustain their job search is an important way to support reciprocity. States that reduced the maximum number of weeks should return to the 26 weeks standard, as Michigan did in 2024.<sup>8</sup> States might consider a maximum duration of 30 weeks, which aligns with international norms.<sup>9</sup> In addition, states should adopt a uniform maximum duration of benefits, so every worker qualifies for the same number of weeks of UI support.<sup>10</sup> For more detailed state policy recommendations on ensuring enough weeks of UI benefits, see NELP's [policy brief on benefit duration](#).

## 2) Ensure UI Benefits Replace an Adequate Share of Workers' Prior Wages

States set the formulas that determine UI benefit levels, replacing a variable share of workers' previous pay. For example, in the first quarter of 2024, workers in Alabama received an average benefit of \$252 per week, replacing just 29 percent of their prior paychecks on average, compared to workers in Washington state, who received an average benefit of \$721 a week, replacing 49 percent of their prior paychecks on average.<sup>11</sup>

Researchers find that raising UI benefit levels significantly increases reciprocity among eligible workers.<sup>12</sup> The stress and difficulty of applying for UI and maintaining eligibility may simply seem more worthwhile when benefit levels are higher. Indeed, Virginia's Joint Legislative Audit and Review Commission concluded in 2021 that "low UI benefits can depress reciprocity when the value of benefits is not enough to justify the time or administrative burden of completing the claims process."<sup>13</sup>

As one would predict, UI reciprocity declined when UI benefits first became subject to federal taxation in the 1980s, as the value of the benefits for workers fell.<sup>14</sup> Researchers concluded that taxing UI benefits significantly reduced eligible workers' take-up of benefits.<sup>15</sup> Today, reciprocity rates are consistently higher in states that replace a higher share of wages or provide higher maximum benefits.<sup>16</sup> An analysis by the Federal Reserve Bank of Minneapolis found that 2023, a 1 percentage point increase in the replacement rate (the proportion of a workers' prior pay replaced by UI benefits) was associated with a roughly 0.6 percentage point increase in the reciprocity rate.<sup>17</sup>

To increase their reciprocity rates, low benefit states should reform UI benefit formulas to replace a higher proportion of wages, while indexing minimum and maximum benefit amounts to the state's average wage so that benefits grow in line with a state's wage growth and better keep pace with increases in the cost of living. For more detailed state policy recommendations on ensuring adequate UI benefits, see NELP's [policy brief on benefit amounts](#).

### **3) Expand UI Eligibility**

Changing state laws to make more unemployed workers eligible for UI benefits increases reciprocity because some portion of the newly eligible workers go on to claim UI benefits and receive the critical support they provide. Studies of past expansions of UI eligibility are an indicator of how effective these policies can be. For example, the 2009 American Recovery and Reinvestment Act gave states financial incentives to adopt various provisions expanding UI eligibility, including using an alternative base period to determine workers' monetary eligibility (this is a reform that allows workers with variable work hours to qualify for benefits—for further information see our [policy brief](#)); permitting workers who leave a job for compelling family reasons to claim benefits (for more information on this reform, see our [policy brief](#)); and allowing workers seeking part-time work to claim benefits.<sup>18</sup> Ultimately, 39 states accepted the federal incentives to expand UI eligibility by adopting one or more of these policies.

Each of these reforms increased UI reciprocity for groups of workers: Studies generally find that adopting the alternative base period had the greatest impact in improving UI reciprocity, with one study finding that this reform was associated with 16.5 percent increase in UI reciprocity.<sup>19</sup> Provisions allowing workers to quit work for compelling family reasons and still qualify for UI benefits resulted in more caregivers to receiving benefits,<sup>20</sup> while more part-time workers received benefits when states expanded eligibility for these workers, although studies did not find a statistically significant impact for these provisions.<sup>21</sup>

During the COVID-19 pandemic, the CARES Act temporarily expanded UI eligibility even more broadly. The federally funded Pandemic Unemployment Assistance (PUA) program included self-employed workers, caregivers, workers misclassified as independent contractors, part-time workers, and underpaid workers. In addition, job search requirements, which workers must meet to remain eligible for UI benefits, were largely waived. At its peak in August 2020, PUA effectively doubled the reach of UI, supporting 14.6 million workers—half of all UI recipients. At the same time, researchers found that groups that have historically been underserved by the UI system, including workers of color, workers with less formal education, and younger workers, remained less likely to receive UI benefits during the pandemic expansion,<sup>22</sup> suggesting that expanded eligibility should be accompanied by community support and outreach policies (see below) to be maximally effective.

Together, these findings suggest that expanding eligibility is a powerful tool for increasing UI reciprocity. States that have not adopted an alternative base period for determining eligibility should do so, and states should consider adopting an extended base period to cover workers whose work experience may be a few months further in the past. In addition, states should reduce the earnings requirements for workers to become monetarily eligible for UI benefits – researchers find that this would not only include more workers but would particularly increase Black workers' UI reciprocity and reduce racial disparities.<sup>23</sup> Expanding “good cause quits” ensures workers who compelled to quit their job are eligible for UI benefits. For more detailed state policy recommendations on expanding eligibility, see NELP’s [policy brief on monetary eligibility requirements](#) and our [policy brief on good cause quits](#).

### **Reasonable Work Search Requirements Enable Workers to Remain Eligible**

In addition to proving initial eligibility for UI benefits, workers must file a claim to continue receiving benefits each week, certifying that they have been actively seeking work. In the years of prolonged high unemployment during and after the Great Recession, policymakers in several states sought to bolster their UI trust funds by reducing UI reciprocity. In addition to cutting benefit duration (see above), some states dramatically increased requirements for how workers had to conduct and document their weekly work search activities in order to remain eligible for benefits.

The increased emphasis on work search reduced overall UI reciprocity. From 2007 to 2011, approximately 4 out of every 100 weekly claims filed nationally resulted in workers being disqualified for UI benefits because the state agency determined they did not to meet the requirements of being able to work, being available for work, or actively searching for work. Between 2012 and 2016, the national rate jumped to 7 in every 100 of workers being disqualified. In the 10 states with the most stringent work search requirements, more than 15 of every 100 UI claims were denied because workers could not meet new documentation requirements that demanded they repeatedly prove they were able, available, and actively seeking work.

To improve UI reciprocity, states should ensure that work search requirements are reasonable and not designed to push workers off UI before they can find employment. For more detailed state policy recommendations, see our [policy brief on work search requirements](#).

#### 4) Provide Community Support and Outreach

Applying for UI benefits can be a complex and discouraging process. When the Unemployment Law Project interviewed 100 workers about their experiences filing for UI benefits in Washington State, one of the clearest findings was the need for human guidance: “There was a strong feeling among a majority of claimants that to navigate the unemployment system, being able to talk to a human is essential—not only because automated choices on phone systems can be tedious and not relevant to the claimant’s inquiry, but because the instructions for applying for benefits can be so confusing. Asked what they would do first to improve [the state UI agency’s] performance, a majority said they would assure that human assistance was easily accessible by all claimants.”<sup>24</sup>

Several states have adopted innovative strategies to address this need, expanding customer assistance to connect with and help unemployed workers, particularly those from traditionally underserved and hard-to-reach communities, including workers of color, workers with less formal education, lower-paid workers, younger workers, and workers with disabilities, who are less likely to apply for and receive UI benefits, even when they are eligible.<sup>25</sup>

In Pennsylvania, a state where UI reciprocity rates have been steadily rising since the end of the pandemic, funding from the American Rescue Plan Act helped to relaunch in-person UI services at 50 career centers around the state where workers can receive face-to-face help applying for benefits.<sup>26</sup> At about the same time, the state modernized its unemployment system and worker advocates in Pennsylvania launched [uchelp.org](https://www.uchelp.org), a website serving as a clear and comprehensive resource for workers navigating unemployment benefits in the state. Advocates also conducted outreach to promote the site and raise awareness about UI. Together, these resources make it easier for workers apply for UI benefits, contributing to the state’s increased reciprocity.

An innovative program in Maine – the Peer Workforce Navigator program – took a different approach, enlisting unions and community organizations as trusted intermediaries to support workers in completing UI applications, claiming benefits, and connecting with job training opportunities and other public benefits and services. This program builds on the insight that when union members become unemployed, they are far more likely than their non-union counterparts to apply for and receive UI benefits.<sup>27</sup> What if a broader array of workers had access to this union advantage?

An evaluation of the Peer Workforce Navigator program found that workers assisted by the program were much more likely to report applying for and receiving UI benefits, having an easy UI application experience, receiving benefits on time, experiencing less stress in the application process, and ultimately finding a new job.<sup>28</sup> The evaluators concluded that factors in the program’s success include the navigators’ deep connection to workers from the same communities, work in close collaboration with government employees, and the ability to connect unemployed workers with job training resources in addition to UI benefits.<sup>29</sup> When Abbott Laboratories conducted a mass layoff in Maine in 2023, the peer workforce navigators worked with the state UI agency to set up rapid response sessions with affected workers including translation and UI informational materials in ten languages to reach the facility’s multilingual workforce.<sup>30</sup>

Seven states received federal grants through the American Rescue Plan Act to launch or sustain navigator programs similar to the effort in Maine, and several others received grants to support in-person UI



assistance services.<sup>31</sup> Yet in 2025, the Trump administration terminated hundreds of millions in grant funding that had been allocated to states, placing these efforts in jeopardy.<sup>32</sup> To raise reciprocity UI rates, states should pursue programs to provide in-person assistance and outreach to workers, including through community-based navigators, but as of now states cannot count on federal funding to support these efforts. For additional details on Maine's peer workforce navigator program, see [this report](#) from the Center for America Progress.

## **5) Reduce Administrative Burdens**

In states across the country, workers applying for UI benefits too often face confusing websites, incomprehensible forms, online portals that won't display properly on a mobile phone, long wait times to access help via phone, and a lack of translation and interpretation in the languages workers speak. These and other barriers to UI access impose administrative burdens, defined as "the frictions that people face in their encounters with public services, leading to meaningful costs that include learning, compliance, and psychological costs."<sup>33</sup> If administrative burdens are severe, they may cause workers to make mistakes in applying for UI benefits that render them ineligible or may dissuade them from applying altogether, reducing the share of unemployed workers that receive benefits. A study by the Federal Reserve Bank of Minneapolis analyzed national survey data on why unemployed workers didn't apply for UI benefits, finding that if all the workers who cited administrative-burden-related reasons for not applying did file for benefits, UI applications would increase by 13 percent.<sup>34</sup>

New Jersey, which boasts the nation's second highest UI reciprocity rate, has been a leader in tackling the administrative burdens workers face in accessing UI benefits. The state embraced a human-centered design approach to overhauling its UI systems and processes. New Jersey's Department of Labor and Workforce Development partnered with state and federal agencies and non-profit organizations to make incremental improvements in technology while modernizing call centers, redesigning the UI application form, making plain language updates to other forms and notifications, streamlining identity verification, and revamping the process for workers to recertify for benefits each week.<sup>35</sup> At each step, the state deployed user experience testing to refine language and processes. The state also created an online tool enabling UI applicants to check the status of their claims without having to speak to a call center agent.<sup>36</sup> In addition, New Jersey worked with the non-profit U.S. Digital Response to craft a Spanish version of the UI application as well as a Spanish glossary of common UI terms.<sup>37</sup>

As described by New Jersey's Department of Labor, the state's redesigned UI application includes the ability to save and pause the application to finish later, maximized accessibility for assistive devices and mobile phones, revised questions written in plain language that make it easier for claimants to understand and answer accurately, removal of 19 percent of questions to make finishing in one sitting more likely, and a new landing page relevant to a claimant's current situation and next steps.<sup>38</sup>

According to U.S. Digital Response, New Jersey's overall efforts to improve the administration of UI and reduce administrative burdens on workers applying for benefits have yielded the following results:<sup>39</sup>

- Average application time reduced from over 3 hours to 28 minutes for all users
- Call center wait times cut from 40 minutes to 2 minutes
- A 14 percent reduction in claims requiring manual review by UI agency staff
- Parity achieved in completion time between English and Spanish speakers

- A 20 percent increase in follow-through to the next step after submitting the initial application for people who filled out the form in Spanish.

New Jersey's UI overhaul efforts were supported by American Rescue Plan Act funding, including an information technology modernization grant and a special Claimant Experience Pilot grant that included working with the U.S. Department of Labor to develop new computer code for the UI application and making this code open source and available to all states.<sup>40</sup> As noted above, grant funding for these ongoing efforts was terminated in 2025.

For additional details on using plain language to improve UI access, see NELP's [plain language brief](#). For an in-depth look at New Jersey's efforts to improve UI administration, see this [report from the Heldrich Center for Workforce Development](#). For additional resources on improving the customer experience in UI applications, see the U.S. Department of Labor Office of UI Modernization [customer experience resource page](#).

## **6) Require Employers to Provide Better Information about Applying for UI Benefits**

One of the most consistent findings in analyses of UI reciprocity is that workers frequently do not apply for UI because they do not believe they meet eligibility criteria.<sup>41</sup> Yet research also suggests that a substantial number of these workers misunderstand eligibility rules and would likely receive UI benefits if they did apply.<sup>42</sup> As the researchers Eliza Forsythe and Hesong Yang succinctly explain: "Misinformation about eligibility is a fundamental barrier to access." One straightforward way to minimize workers' misperceptions about eligibility is to encourage all unemployed workers to apply for UI benefits whether they believe they are eligible or not.

Most states require employers to provide some type of notice about unemployment benefits to workers when they are terminated or to post information about UI for all employees.<sup>43</sup> These notices typically include information on how to begin filing a UI claim, such as the web address for the state's online UI claims portal and a phone number for the state agency. Notices may also provide information that workers will need to apply for benefits, such as their earnings, start and end dates of employment, the employer's address and state identification number, and the reason that employment ended (such as a quit, layoff, or discharge for cause). However, laws requiring notification are not always consistently enforced, and the notifications that are provided vary widely, with many states using bureaucratic language that may be difficult to understand or failing to translate notices into the languages workers speak.

Minnesota, the state with the highest UI reciprocity rate in the U.S., offers an example of a plain and straightforward UI notice in the form of a poster employers must display in a location visible to all employees. The poster uses a large and eye-catching font, includes straightforward language, and states clearly that employees have a right to apply for unemployment insurance benefits.



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States should consider requiring posters or notices like Minnesota's to inform workers about unemployment insurance and encourage them to apply.

## 7) Change Employer Incentives

NELP's Unemployed Worker Study, a survey of more than 1,300 workers who had recently experienced unemployment, found that nearly 1 in 5 workers reported that an employer acted to deter them from applying for UI benefits.<sup>44</sup> These actions included telling workers they were not eligible for benefits, discouraging them from applying, or even threatening to retaliate against them if they submitted an application for UI benefits. Employers can also appeal workers' claims for benefits after they apply, preventing their former workers from receiving benefits if they successfully contest the claim.

Employers have a financial incentive to prevent their former workers from receiving UI benefits because benefits are financed through a payroll tax that is "experience rated." Experience rating is a system of taxing employers at different rates based on their "experience" with unemployment. In most states, experience is measured by the share of former workers who receive UI benefits over a given period. Since the tax rate on any given employer increases when more of their former employees claim UI benefits, employers have an incentive to block their former workers from claiming benefits, which pulls down UI reciprocity.<sup>45</sup> For example, after Washington State adopted experience rating in the 1980s, benefit denials increased by as much as 66 percent.<sup>46</sup>

Today, an entire industry has sprung up to help employers keep their UI taxes low by contesting workers' UI claims.<sup>47</sup> Researchers find that decreasing the pressures of current experience rating incentives would result in more eligible workers to applying for UI benefits, increasing the reciprocity rate.<sup>48</sup>

Under federal law, states must use some form of "experience rating" to set UI tax rates on employers, but states have considerable flexibility in selecting specific experience rating methods. States should consider

shifting to an experience rating system based on quarterly changes in the hours employees work for a given employer, regardless of whether these workers claim UI benefits.<sup>49</sup> This would remove the incentive for employers to discourage or dispute UI claims while still providing an incentive not to lay off workers or cut their hours. For more detailed policy recommendations on changing employer incentives, see this [report on UI reform](#) from NELP and partner organizations.

## How the Federal Government Can Support States in Increasing UI Reciprocity

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While states determine many aspects of UI policy, the federal government can play an important role in setting expectations, providing guidance, and offering capacity-building resources to assist states in the transition to higher UI reciprocity rates. NELP has called on the U.S. Department of Labor to enact [performance standards for UI access](#) that would boost share of unemployed workers are covered by UI by removing barriers to access. If enacted, these standards would also make a 50 percent UI reciprocity rate an explicit performance measure by which the Department of Labor evaluates states.

### Enact the Unemployment Insurance Modernization and Recession Readiness Act

Passage of the Unemployment Insurance Modernization and Recession Readiness Act<sup>50</sup> would be another major step toward advancing greater UI reciprocity. This legislation was introduced in the previous congress by Senators Ron Wyden (D-OR) and Michael Bennet (D-CO) and Representative Don Beyer (D-VA). The bill sets nationwide standards for UI, mandating that states offer at least 26 weeks of unemployment benefits, raising benefit amounts to replace a greater share of workers' prior earnings, and increasing coverage for part-time workers, temp workers, and workers whose earnings fluctuate over time. Requiring states to meet standards on duration, adequate benefit levels, and eligibility would address many causes of low reciprocity.

In addition, the bill establishes a new, federally funded Jobseekers Allowance to support jobless workers who would not otherwise be covered by unemployment insurance including self-employed workers, those returning to the workforce after caregiving, extended illness, or incarceration, and new entrants to the labor market such as recent high school or college graduates. The Jobseeker's Allowance would further increase the proportion of unemployed workers who could receive UI benefits, providing additional economic resilience in times of crisis.

### Restore UI Modernization Resources from the American Rescue Plan Act

The American Rescue Plan Act, signed by President Biden in 2021, provided a total of \$2 billion to the U.S. Department of Labor to strengthen the nation's UI system. This amount was reduced to \$1 billion by the Fiscal Responsibility Act 2023.

The U.S. Department of Labor used American Rescue Plan Act resources to establish an Office of UI Modernization which provided strategic oversight, technical assistance, and policy direction for states' UI modernization efforts. For example, the office sent Tiger Teams—groups of multi-disciplinary experts—to 36 state UI agencies to consult on how to modernize their UI systems. The Tiger Teams provided states with tailored recommendations and funding to implement targeted projects. In addition, the Office of UI Modernization provided critical online tools that could help states transition to higher UI reciprocity rates, including:

- [Plain language guidelines for UI applications](#) and a [plain language repository of claimant notices](#) that were collaboratively developed by the U.S. Department of Labor and individual state UI agencies;
- A compilation of [best practices for using customer experience \(CX\) principles to improve online UI applications](#);
- [Technology modernization strategy tips](#);
- Additional resources available through the [UI Modernization website](#).

The bulk of American Rescue Plan Act funds were granted to states to modernize their UI systems with the aims of detecting and preventing fraud, promoting equitable access, and ensuring the timely payment of benefits. Under the rubric of promoting equitable access, this funding supported a number of initiatives with the potential to boost UI reciprocity, including UI technology upgrades, enhancing language access, and reworking forms and instructions in plain language. Several of the specific projects described in greater detail above to improve in-person services, launch UI navigator programs, and support New Jersey's customer experience pilot program were also supported by these grants.

As discussed above, in 2025 the Trump administration clawed back an estimated \$400 million in unspent American Rescue Plan Act funds granted to states for UI modernization projects, potentially derailing multi-year efforts already in progress.<sup>51</sup> Restoring this funding would enable states to complete projects with great promise for improving UI reciprocity.

## Ensure Adequate Ongoing UI Administrative Funding

The American Rescue Plan Act funding provided a much-needed opportunity to address major projects like technology upgrades or overhauling UI procedures, but a one-time infusion of funds was never sufficient to support states' ongoing needs. According to the Government Accountability Office, between 2010 and 2019, annual funding available for state UI administration declined 21 percent, from approximately \$3.2 billion to approximately \$2.5 billion.<sup>52</sup>

The chaos and hardship that unemployed workers faced trying to apply for UI benefits during the COVID-19 pandemic—including crashing websites to apply for UI benefits, jammed phone lines at UI agencies, long lines in person, and sometimes months-long waits to get the benefits they were due—powerfully illustrates the consequences of decades of federal underfunding of UI administration, which left states completely overwhelmed and unable to handle the rapid rise in UI claims. The federal government must provide a reliable, sufficient source of administrative funding to sustain higher UI reciprocity rates.

## Conclusion

Increasing the share of unemployed workers who receive UI benefits supports families and strengthens the nation's ability to recover quickly from economic crises and downturns. We describe seven policies states can implement to increase UI reciprocity: Guaranteeing enough weeks of UI benefits, ensuring benefits replace an adequate share of workers' prior wages, expanding eligibility, requiring employers to provide better information about applying for UI benefits, providing community support and outreach, reducing administrative burdens, and changing the incentives that encourage employer to block or discourage workers from receiving UI benefits. The federal government can and should support these efforts by establishing expectations, offering guidance, and delivering funding, technical support, and other

resources to build state capacity. Strengthening the UI system to ensure that unemployed workers are supported—not shut out—is a critical step toward building a good jobs economy where all workers have dignity, security, and a say in their jobs and their future.

## About NELP

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Founded in 1969, the National Employment Law Project (NELP) is a nonprofit advocacy organization dedicated to building a just and inclusive economy where all workers have expansive rights and thrive in good jobs. Together with local, state, and national partners, NELP advances its mission through transformative legal and policy solutions, research, capacity-building, and communications. NELP is the leading national nonprofit working at the federal, state, and local levels to create a good-jobs economy. Learn more at [www.nelp.org](http://www.nelp.org).

## Endnotes

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<sup>1</sup> U.S. Department of Labor Employment and Training Administration, *Unemployment Insurance Chartbook, Reciprocity Rates, by State*, <https://oui.doleta.gov/unemploy/chartbook.asp>.

<sup>2</sup> NELP analysis based on U.S. Department of Labor, *Unemployment Insurance Data*, [https://oui.doleta.gov/unemploy/data\\_summary/DataSum.asp](https://oui.doleta.gov/unemploy/data_summary/DataSum.asp).

<sup>3</sup> *Policy Basics: How Many Weeks of Unemployment Compensation Are Available?* (Center on Budget and Policy Priorities, 2025), <https://www.cbpp.org/research/economy/how-many-weeks-of-unemployment-compensation-are-available>.

<sup>4</sup> Andrew Sherrill et. al., *Unemployment Insurance: States' Reductions in Maximum Benefit Durations Have Implications for Federal Costs* (U.S. Government Accountability Office, April 2015), <https://www.gao.gov/assets/gao-15-281.pdf>; Alex Bell, et. al., *Disparities in Access to Unemployment Insurance During the COVID-19 Pandemic: Lessons from U.S. and California Claims Data* (California Policy Lab, November 2021), <https://www.capolicylab.org/wp-content/uploads/2022/02/Disparities-in-Access-to-UI-Insurance-During-COVID-19-Pandemic.pdf>.

<sup>5</sup> Wayne Vroman, *Unemployment Insurance Benefits: Performance since the Great Recession* (Urban Institute, February 27, 2018), <https://www.urban.org/research/publication/unemployment-insurance-benefits>; Christopher J. O'Leary, et. al., "Why Are Unemployment Insurance Claims So Low?" *Economic Development Quarterly*, Volume 38, Issue 3 (2024) <https://doi.org/10.1177/08912424241256643>.

<sup>6</sup> Christopher J. O'Leary, William E. Spriggs, and Stephen A. Wandner, *Equity in Unemployment Insurance Benefit Access* (W.E. Upjohn Institute, 2021), [https://research.upjohn.org/up\\_policypapers/26/](https://research.upjohn.org/up_policypapers/26/); Alexa Tapia and Nzingha Hooker, *Slashing Unemployment Benefit Weeks on Jobless Rates Hurts Workers of Color*, (National Employment Law Project, 2021), <https://www.nelp.org/insights-research/slashing-unemployment-benefit-weeks-on-jobless-rates-hurts-workers-of-color/>.

<sup>7</sup> Sherrill, et. al. *Unemployment Insurance*.

<sup>8</sup> "Changes to Michigan Unemployment Law Increases Weeks and Benefits," Michigan Department of Labor and Economic Opportunity, May 6, 2025, <https://www.michigan.gov/leo/-/media/Project/Websites/leo/Documents/UIA/Publications/Unemployment-law-changes-FAQ.pdf>.

<sup>9</sup> *Benefit Duration*, (National Employment Law Project, 2023), <https://www.nelp.org/insights-research/benefit-duration/>.

<sup>10</sup> For more on this policy proposal, see *Benefit Duration*.

<sup>11</sup> U.S. Department of Labor Employment and Training Administration, *UI Replacement Rates Report*, [https://oui.doleta.gov/unemploy/repl\\_ratio/repl\\_ratio\\_rpt.asp](https://oui.doleta.gov/unemploy/repl_ratio/repl_ratio_rpt.asp).

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