

Unraveling the Unemployment Insurance Lifeline: Responding to Insolvency, States Begin Reducing Benefits and Restricting Eligibility in 2011

By Claire McKenna and George Wentworth¹

State lawmakers enacted a range of policies in 2011 to amend their unemployment insurance (UI) programs, most of them motivated by insolvent state trust funds. Most notably, six states passed unprecedented cuts in the duration of benefits, for the first time reducing benefit weeks to less than the decades-long accepted standard of 26 weeks. In addition, states altered benefit formulas to reduce average check amounts and tightened UI eligibility requirements. In a number of states, legislators exploited the need to enact a technical fix to authorize temporary federal extensions, using it as an opportunity to extract permanent state UI program cuts. Much of the legislative debate this year was marked by open attacks on the character of workers who rely on unemployment insurance during this prolonged economic downturn.

This September, 30 states will face their first federal interest payments on historic levels of UI trust fund loans—borrowing that was necessary in order to cover benefit payments during the worst recession the UI program has ever faced. This record borrowing comes on the heels of three decades of declining trust fund solvency, during which time many states adopted “pay as you go” financing or kept UI taxes low despite rising wages—an approach that left them unprepared for even a mild recession, much less a downturn of the magnitude experienced since the end of 2007. In contrast, states that adhered to proven “forward financing” principles maintained solvent trust funds despite record layoffs and declining employment.

The interest payments coming due for states—and the corresponding imperative they create to increase employer assessments—mean that unless there is effective federal intervention, the national solvency crisis will continue to fuel a legislative climate in the states that will erode years of overall positive changes in the UI program.

This report is a summary of state UI legislation for the first six months of 2011. It begins with a discussion of the conditions surrounding the legislative changes this year. Despite record federal borrowing, only two states implemented UI financing reform to strengthen their systems in the future. A handful of states pursued half measures, such as mitigating or cancelling tax increases. More often, states favored damaging cuts to program benefits and eligibility. Our report then describes the 2010 year-end amendment to the federal Extended Benefits law, which provided states with a mechanism to lengthen the period they are eligible for the program. Perversely, states’ take-up of this *temporary* policy change to preserve federally financed extensions (known as

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the three-year “EB look-back”) became a vehicle for legislators under pressure from business groups to enact unfavorable measures that permanently altered their UI programs, much to the detriment of unemployed workers and the programs’ intended stimulative effect. Finally, this report addresses the need for intervention from the Administration and Congress in order to prevent similar cuts in 2012, and to provide states with a framework for achieving long-term solvency.

Few States Consider Financing Reform to Restore Solvency

As of July 27th, 30 states are borrowing \$40.0 billion from the federal government to continue paying UI benefits to workers; this figure is projected to increase to \$65.2 billion in 2013.² While states faced record claim-filing over the past three years, it became clear by mid-2009 that the majority had neglected to put away enough reserves in their trust funds during periods of healthy economic growth to meet the spike in demand for benefits brought on by the Great Recession and slow jobs growth thereafter.

States must pay the interest accrued on loans taken out since January 2011 by September 30th, an amount estimated at \$1.0 billion.³ They cannot use trust fund dollars for these payments, so they will commonly use a surcharge, or an annual fee tacked onto employers’ tax bills. A small group of states without an existing surcharge has enacted one this year. The rest are opting to borrow money from general revenues, or have not yet finalized a plan for the interest payment.⁴ Beginning in 2012, states with a negative balance will also see their federal UI taxes increase, until such time as the debts are repaid.

Two years after the official end of the Great Recession, state economies continue to face serious hurdles, leaving many lawmakers wary of policies that raise revenues by means of higher taxes on employers. These may include increasing the amount of an employee’s wages subject to the UI payroll tax (known as the taxable wage base) and the percentage rate employers pay on this wage base. Instead, a number of states have enacted measures to cut taxes or forestall scheduled tax increases. Indiana, Georgia, Massachusetts, New Jersey, and South Carolina all granted employers hundreds of millions of dollars in tax breaks through a variety of legislative measures, most frequently by intervening to cancel or delay statutory increases that were scheduled to take effect.⁵ In March, Idaho lawmakers approved the bonding of the state’s federal UI debt. This approach—already taken in Texas—essentially replaces federal borrowing costs with (potentially lower) costs of the private bond market, but does not address structural financing issues.⁶

So far in 2011, only Colorado and Rhode Island have enacted legislation that seeks to restore long-term trust fund solvency by addressing underlying program financing. Colorado will raise its taxable wage base by 10 percent in 2012 (\$10,000 to \$11,000). Beginning in the first year after the state’s trust fund becomes solvent, the wage base will be indexed annually to the percentage change in the state’s average wage. Businesses with

² U.S. Department of Labor, UI Outlook, FY 2012 President’s Budget, February 2011.

³ Center on Budget and Policy Priorities/NELP UI solvency model. For more information, see NELP’s fact sheet, [Understanding Payment of Interest on Federal Loans to State Unemployment Trust Funds](#), February 2011.

⁴ U.S. Department of Labor, Comparison of State Unemployment Insurance Laws, 2010, and additional research on state agency and legislative websites.

⁵ Indiana: [House Enrolled Act No. 1450, 117th General Assembly](#); Georgia: [Act 95, 2011-2012 Regular Session](#); Massachusetts: [Chapter 2 of the Acts of 2011](#); New Jersey: [Public Law 2011, Chapter 81](#); and South Carolina: [Act No. 63, 119th Session](#).

⁶ This legislation is [House Bill 108, 61st Legislature](#). Texas issued a bond in three parts at the end of 2010. Lawmakers in a small number of other states, such as Arkansas and Michigan, have discussed bonding with varying levels of commitment.

heavy layoff activity will be subject to a higher maximum tax rate; at the same time, Colorado will reward a premium credit to employers who have contributed more into the trust fund than was drawn in benefits.⁷

Impact of Regular State UI Program Reductions on Federal Extensions:

The duration of federal extensions is calculated using a formula based on the maximum number of regular state benefit weeks available. Only workers who claim their first week of regular benefits on or after the effective date of a duration cut will receive fewer weeks of federal extensions. For example, the federal reductions that result from a six-week cut in regular benefits from 26 to 20, such as the one currently in effect in high-unemployment states, Missouri and South Carolina, is shown below:

Regular State Benefits: 20 weeks
(down from 26)

Emergency Unemployment Compensation:

Tier 1: 80 percent of 20 weeks = 16 weeks (down from 20)

Tier 2: 54 percent of 20 weeks = 10 weeks (down from 14)

Tier 3: 50 percent of 20 weeks = 10 weeks (down from 13)

Tier 4: 24 percent of 20 weeks = 4 weeks (down from 6)

Extended Benefits: 80 percent of 20 weeks = 16 weeks (down from 20)

Total: 76 weeks (down from 99)

Effective in 2012, Rhode Island will index its taxable wage base to 46.5 percent of the state's annual average wage, which will increase the wage base from \$19,000 to \$19,600. In addition, in a provision similar to Colorado's, employers at the highest tax rate will pay taxes on a wage base that is \$1,500 higher than all other Rhode Island employers.⁸ Rhode Island also enacted a series of measures to reduce benefits described later in this report.

With Unemployment Still High, Most State UI Legislative Activity Takes Aim at Unemployed Workers

Most states that addressed solvency concerns this year favored policies that limit the amount of benefits flowing out of their trust funds by cutting them absolutely or by reducing the number of workers they may reach. Instead of crafting solutions that address the converging problems of chronically high unemployment and rising employer UI costs, most states opted to balance trust fund finances on the backs of unemployed workers largely by reducing benefits and restricting eligibility.

UI payments are a powerful source of stimulus to local economies—families spend their benefit checks quickly and directly on basic needs, saving and creating jobs.⁹ By fostering weak UI programs during a fragile recovery, state legislators are harming unemployed families. Equally important, they are depriving states' economies of strong consumer spending. This weakens states' long-term fiscal health and increases the chances that they will be unprepared for the next recession.

Benefit Reductions

For the first time in over 50 years, six states will offer fully qualified unemployed workers a maximum benefit duration of less than 26 weeks. Consequently, these workers will also have access to fewer weeks of federal extended benefits, which are based on the maximum number of regular program weeks available (see sidebar). The following is a description of approved reductions in benefits to date¹⁰:

- **Arkansas:** A measure approved in late March cuts the number of weeks new claimants can receive benefits to 25, effective March

⁷ Colorado: [House Bill 11-1288, 68th General Assembly](#).

⁸ Rhode Island: [Article 4](#).

⁹ Heidi Shierholz and Larry Mishel, Economic Policy Institute, *A Good Deal for All. Further extending unemployment insurance benefits will generate over 700,000 full-time-equivalent jobs while saving millions from poverty.* [Issue Brief #288](#), November 4, 2010.

¹⁰ A table at the back of this report provides the corresponding public act numbers for each state.

30, 2011. It also cuts the minimum and maximum weekly benefit amounts to \$81 and \$451, respectively, effective July 1, 2012, while eliminating indexing of the maximum weekly benefit amount to wage growth.

- **Florida:** Legislators here proposed among the deepest and most sweeping cuts to the UI program. Legislation signed in late June implemented the three-year EB look-back fix together with benefit cuts and eligibility restrictions. Effective January 2012, the number of benefit weeks will be based on a sliding scale. Florida's unemployed workers may receive up to 23 weeks if the state's unemployment rate is at least 10.5 percent (the current rate is 10.6 percent). As unemployment falls, so too will the number of weeks of benefits (i.e., when the rate is 5.0 percent or less, the maximum weeks of benefits will bottom out at 12 weeks; each 0.5 percentage point increase in the rate will tack on another week, up to 23).
- **Illinois:** As in Arkansas, workers here will be entitled to 25 weeks of UI benefits, beginning January 2012.
- **Indiana:** In February, Indiana adopted a more restrictive formula for calculating weekly benefits. Effective with new claims on or after July 1, 2012, weekly amounts will be based on all four quarters in the worker's base period rather than on his or her highest quarter of earnings. Average weekly benefits are projected to drop from \$283 to an estimated \$220. The maximum benefit is still capped at \$390.
- **Michigan:** Michigan was the first state to approve a reduction in the duration of benefits from 26 to 20 weeks, effective with new claims filed on or after January 15, 2012.
- **Missouri:** Missouri was the first state to propose a six-week reduction in the duration of benefits to 20 weeks, but the second (behind Michigan) to approve such a measure. The changes affect new claimants, as of April 13th, the date the Governor signed the legislation.
- **Rhode Island:** Legislation signed in late June freezes the maximum weekly rate and decreases the percentage used in calculating each year from 67 percent to 57.5 percent. Second, it adjusts the weekly benefit calculation over three years to replace 50 percent of lost wages instead of the current 60 percent. Third, it changes from one to the average of *two* high quarters in computing the weekly benefit amount. Collectively, these changes are projected to decrease the average weekly benefit amount from approximately \$390 to \$298. In addition, the cap on maximum benefits will be reduced from 36 percent to 33 percent of base period wages. All changes are effective July 1, 2012.
- **South Carolina:** As of June 14, 2011, new claimants are eligible for 20 weeks of benefits, down from 26. These cuts are part of a broader measure that limits benefits for employees in seasonal occupations and reduces UI taxes on employers.
- **Wisconsin:** This state's governor approved a budget in late June implementing a waiting week, effective January 1, 2012. This means workers will have to wait one full week before receiving their first benefit check, despite meeting all of the eligibility requirements in this period, resulting in a loss of one week's benefits for many claimants.

Eligibility Restrictions

Unemployed workers who receive benefits must meet several monetary and non-monetary eligibility criteria related to their histories of employment and earnings, the circumstances of their separation from work, their ability to and availability for work, and their efforts to find new, suitable work. States enacted a range of measures this session that tighten these criteria, oftentimes in conjunction with cuts to the duration or amount of benefits, in efforts to reduce the number of workers who receive benefits and trim the costs of the program.

The changes enacted in the states include increases in qualifying wages, additional reasons for disqualification, and stricter suitable work provisions. Other measures restrict benefits for workers in seasonal occupations. States also ramped up efforts to manage claimants' behavior, including increasing work search requirements and requiring drug testing. The following describes these measures in more detail, in order by state.

- **Arkansas:** Legislation approved in late March increases the amount of wages a worker must have earned to qualify for UI benefits from 27 to 35 times the weekly benefit amount. For a worker to re-qualify in a subsequent benefit year, he or she must also have earned 8 times the weekly benefit amount (up from 3 times) since the beginning of the previous benefit year. The approved measure also expands sections of existing law covering disqualifications due to discharge from work for absenteeism, misconduct, and failure to accept suitable work. For example, workers discharged for absenteeism are automatically disqualified if the discharge complies with a written attendance policy, regardless of whether or not the policy is fault or no-fault; this effectively expands the disqualification provisions to reach workers whose absences may be the result of bona fide illness or other circumstances beyond their control. In addition, under the new legislation, a record of negligence coupled with progressive discipline is sufficient proof of intentional poor work performance and disqualification.
- **Florida:** Legislation signed in June imposes a range of new eligibility restrictions, including the following major provisions. First, the requirement that misconduct be "willful and wanton" in order to disqualify has been amended to merely require that it constitute a "conscious" disregard of the employer's interests. The definition of misconduct has been broadened to include specific workplace rule violations. Most alarmingly, that definition now includes misconduct that occurs outside of the workplace and regular working hours.

Second, the measure imposes strict new work-search documentation requirements. Effective August 1, 2011, a claimant must each week provide the state agency with detailed information regarding contact with at least five prospective employers *or* the date on which he or she accessed services at a one-stop career center. Claimants are also required to complete a state agency-approved online skills assessment as a condition of continuing benefit eligibility. Third, the legislation provides that workers who receive severance pay or who are incarcerated may no longer receive benefits beginning August 1, 2011. Fourth, the legislation allows for expanded use of hearsay in appeals hearings, and allows for it to be used to support a finding of fact by an Appeals Referee in certain circumstances. Finally, the legislation eliminates a long-standing principle of statutory construction (found in most state UI laws) to resolve doubtful cases in favor of claimants.

- **Indiana:** Effective July 1st of this year, a worker is assumed to have refused suitable work if the offer of work is withdrawn by a prospective employer after he or she tests positive for drugs, or refuses to take a drug test.

- **Missouri:** A claimant will not be eligible for a waiting-week credit or benefits in any week in which he or she has an outstanding penalty due to an overpayment of benefits.
- **Pennsylvania:** Legislation enacted in June provides for permanent cuts to eligibility that fall disproportionately on the state's low-wage workforce. First, the legislation increases the amount of weekly qualifying wages from \$50 to \$100, beginning in 2013, and to 16 times the minimum wage beginning in 2015. Second, workers with fewer than 18 weeks of qualifying wages (referred to as "credit weeks") will be disqualified, beginning in 2015; currently, workers with 16 or 17 credit weeks are allowed limited benefits. Further, the number of weeks in which workers collect benefits may not exceed the number of credit weeks; currently, workers with at least 18 credit weeks may receive up to 26 weeks of benefits. Lastly, the minimum weekly benefit will increase from \$35 to \$70, beginning in 2013. This means that workers whose earnings entitle them to less than \$70 will no longer receive benefits.
- **Rhode Island:** Effective July 2012, there will be a stricter disqualification period for a worker who voluntarily quits without good cause, is discharged for misconduct, or refuses suitable work, requiring the claimant to work at least eight weeks, and in each week earn at least his or her weekly benefit rate. Second, workers who receive severance pay may not receive UI benefits, for up to 26 weeks.
- **South Carolina:** Legislation signed on June 14th makes it easier for employers, and their employees, to be classified as seasonal. In general, seasonal workers do not receive benefits during the off-season if there is a reasonable assurance of work at the beginning of the next season. Beginning on January 1, 2012, employers here who operate during a regularly recurring period (or periods) of 36 consecutive weeks may be designated as seasonal. This is the longest period among states with such restrictions, along with neighbor North Carolina.
- **Wisconsin:** Legislation signed in late June, and effective January 2012, specifies that a worker is considered to have refused suitable work if the offer of work is withdrawn by a prospective employer following a positive result on a drug test, or if he or she refuses to take a drug test, as in Indiana. An employer must report a positive result or refusal to the state agency, which will keep this information on record.

In most states that passed UI legislation this year, lawmakers considered—but did not pass—alternative measures implementing even stricter requirements on unemployed workers. Arkansas, Florida, Indiana, Kentucky, North Carolina, South Carolina, and Texas all introduced legislation requiring UI claimants to pass drug tests, or else face varying degrees of disqualification. Two bills in Florida and North Carolina conditioned receiving UI on performance of community service. Finally, a number of states introduced bills that would require claimants to accept low-pay jobs (typically where compensation was equal to or higher than their weekly UI benefits) that were inconsistent with prior training and/or their employment histories. Most of these measures contained provisions that would have been inconsistent with federal UI law (either the Federal Unemployment Tax Act or the Social Security Act). Nonetheless, the preponderance of these types of proposals demonstrates that lawmakers in a number of states are poised to respond to trust fund insolvency—not by updating their financing systems—but by dismantling the fundamental insurance features of the UI program and erecting new barriers to benefits.

Temporary Fix to Extended Benefits “Look-Back”

The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (the Tax Relief Act) extended the Emergency Unemployment Compensation (EUC) program and full federal funding of the Extended Benefits (EB) program to cover calendar year 2011. It also amended the EB program’s Total Unemployment Rate (or “TUR”) trigger, which is one of two *optional* triggers states may adopt, on top of the *permanent* Insured Unemployment Rate (or “IUR”) trigger. The permanent trigger entitles workers to up to 13 weeks of benefits if the insured unemployment rate for the previous 13 weeks is at least 5.0 percent *and* is at least 20.0 percent higher than this rate for the same 13-week period in *each* of the last two years (this is referred to as a “look-back”).

Currently, 38 states have adopted the optional TUR trigger, either permanently (12 states) or conditioned upon full federal funding (26 states). Prior to the Tax Relief Act, workers in these states were entitled to at least 13 weeks of EB, provided the average state unemployment rate for the most recent three months was at least 6.5 percent *and* at least 10.0 percent higher than this rate covering the same period in at least one of the last two years. Because of sustained high unemployment, the Tax Relief Act gave states the option to account for unemployment over the last *three* years (hence “three-year look-back”), but only if they implement this change in their state law. This provision expires at the end of this calendar year. Despite its salutary intentions, the look-back amendment prompted demands from many state lawmakers for permanent program cuts in return (see bolded states below).

As of July, 32 states and the District of Columbia have enacted the temporary look-back. They are:

- Alabama, California, Colorado, Connecticut, Delaware, District of Columbia, **Florida**, Georgia, Idaho, **Illinois**, **Indiana**, Kansas, Kentucky, Maine, Maryland¹¹, Massachusetts, **Michigan**, Minnesota, **Missouri**, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, **Pennsylvania**, Rhode Island, **South Carolina**, Tennessee, Texas, Washington and West Virginia.

The following states have active EB programs but have not passed three-year look back legislation:

- Alaska, Arizona and Wisconsin.¹²

Need for Federal Intervention

Currently, three federal proposals outline different means of stabilizing states’ UI programs (see table below). However, only S. 386, proposed by Senator Durbin, adopts a combination of short- and long-term solutions that balance the needs of employers, workers, and states.¹³ Unless there is effective federal intervention in the national UI solvency crisis soon, the next round of state legislative sessions will inflict further, lasting damage on the UI program.

¹¹ Maryland enacted the TUR trigger and three-year look-back simultaneously with one piece of legislation.

¹² The Wisconsin legislature was actively considering look-back legislation at the time of publication.

¹³ For a comprehensive discussion of the national UI trust fund crisis, please see this report from NELP and the Center on Budget and Policy Priorities: [Rebuilding the Unemployment Insurance System: A Deficit-Neutral Plan that Limits Tax Increases and Maintains Benefits](#), February 2011.

Three Proposals to Address Trust Fund Solvency Not Created Equally

Comprehensive & Balanced Approach	Short-term Relief & Long-term Solvency	Employer Bailout
<p>Unemployment Insurance Solvency Act of 2011, S. 386</p> <p>Sponsor: Senator Durbin (D-IL)</p> <p>Provides Immediate Help for Employers, Unemployed Workers, and States</p> <ul style="list-style-type: none"> • Waives federal interest payments on trust fund borrowing for two years. • Delays a federal unemployment tax increase for two years. • Forgives up to 60 percent of state loans, in exchange for agreements not to cut regular state programs. <p>Puts States on a Path Toward Long-Term Solvency</p> <ul style="list-style-type: none"> • Increases the federal taxable wage base from \$7,000 to \$15,000 in calendar year 2014 and indexes it to wage growth thereafter. <p>Creates Positive Incentives for States to Remain Solvent</p> <ul style="list-style-type: none"> • Rewards solvent states with increased interest on trust fund reserves and lower federal tax rates. 	<p>Administration Proposal, FY 2012 Budget</p> <p>Provides Immediate Help for Employers and States</p> <ul style="list-style-type: none"> • Waives federal interest payments on trust fund borrowing for two years. • Delays a federal unemployment tax increase for two years. <p>Puts States on a Path Toward Long-Term Solvency</p> <ul style="list-style-type: none"> • Increases the federal taxable wage base from \$7,000 to \$15,000 in calendar year 2014 and indexes it to wage growth thereafter. 	<p>JOBS Act of 2011, H.R. 1745 and S. 904</p> <p>Sponsors: Representative Camp (R-MI) and Senator Hatch (R-UT)</p> <p>Offers Employers and States No-Strings-Attached Bailout</p> <ul style="list-style-type: none"> • Allows states to reallocate \$31 billion of federal unemployment funds to pay down loans and grant employer tax breaks. Doing so would renege on last December's agreement to offer federal extension benefits for the remainder of 2011 in exchange for a two-year extension of expiring tax breaks for wealthy households. <p>Discriminates Against Less-Educated Workers</p> <ul style="list-style-type: none"> • Requires states deny benefits to workers who do not have a high school degree or who are not currently enrolled in a GED program. <p>Fails to Put State Trust Funds on a Path Toward Solvency</p> <ul style="list-style-type: none"> • Allows states to use federal funds diverted from EUC and EB programs to pay down federal loans and interest, but fails to address the long-term issue of chronically underfunded state trust funds.

Conclusion

In this climate of fiscal austerity, and amid mounting federal debt, states are asking workers who have lost their jobs through no fault of their own to bear a greater-than-equal share of the federal debt burden. In the first half of this year, states lawmakers approved or seriously considered a series of damaging measures that reduce the amount of UI benefits workers may receive, restricted the types of workers who may receive them, or both.

Long-term unemployed workers qualify for additional federal benefits while they search for work; however, workers in high-unemployment states like Missouri and South Carolina, which implemented duration cuts that took effect this year, now also face corresponding cuts in the number of weeks of benefits available under the federal EUC and EB programs.

Only Colorado and Rhode Island this year implemented effective financing reform, by raising and indexing their taxable wage bases, and by requiring that contributions into their trust funds be based on the amount businesses draw in benefits. (Rhode Island also enacted harsh changes to its benefit calculation formula that will result in that state's wage replacement rate falling from among the best in the nation to the middle of the pack.) Other states just granted further tax breaks to employers, and in so doing compromised the long-term financial stability of their trust funds.

Next year may prove even more challenging for workers and their allies, as states seek additional cost-cutting measures that threaten their UI programs. With the majority of states projected to be in borrowing status for many years, it becomes more critical every day for Congress and the Administration to craft a federal response to the ongoing UI solvency crisis. Without a clear light at the end of the tunnel, state legislatures are likely to continue efforts to cut benefits and restrict eligibility until state UI programs can no longer fulfill their primary purposes—providing partial wage replacement for involuntarily unemployed workers while they search for work, and stimulating economic growth.

About the National Employment Law Project

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more than 40 years, NELP has sought to ensure that work is an anchor of economic security and a ladder of economic opportunity for working families across America. In partnership with grassroots and national allies, NELP promotes policies to create good jobs, enforce hard-won workplace rights, and help unemployed workers regain their economic footing. For more about NELP, please visit www.nelp.org.

Table 1. Summary of Benefits Legislation Enacted in 2011

State	Loan Balance (\$ millions) ¹	Benefit Reductions	Increased Eligibility Restrictions	Extended Benefits Legislation ²	Legislation	
					Program Cuts	Extended Benefits
Alabama	\$65.7			3-year look-back		House Bill 473, 2011 Regular Session
Alaska	---			Eligible for EB with 3-year look-back.		
Arizona	\$270.7			Eligible for EB with 3-year look-back.		
Arkansas	\$360.0	<p>Weekly Benefit Amount: Permanently fixes minimum and maximum weekly benefit amounts at \$81 and \$451 (effective July 2012).</p> <p>Benefit Weeks: Reduced to 25 weeks (effective March 30, 2011).</p>	<p>Qualifying Wages: Increases amount of qualifying wages from 27 to 35 times the weekly benefit amount; amount of re-qualifying wages increases from 3 to 8 times the weekly benefit amount since the beginning of previous benefit year.</p> <p>Disqualification for Discharge: Reasons for disqualification due to discharge for absenteeism, misconduct, and failure to accept suitable work expanded. In addition, record of negligence coupled with progressive discipline is proof of intentional poor work performance and disqualification (effective July 2012).</p>		Act 861, 88th General Assembly	
California	\$8,567.6			3-year look-back		Enrolled Senate Bill 80, 2011-2012
Colorado	\$326.0			3-year look-back		Senate Bill 11-010, 68th General Assembly
Connecticut	\$809.9			3-year look-back		Substitute Senate Bill 936, File No. 63
Delaware	\$62.5			3-year look-back		Senate Bill No. 7, 146th General Assembly
District of Columbia	---			3-year look-back		A19-0067, 2011 Council
Florida	\$1,667.2	<p>Benefit Weeks: Reduced to a range that varies between 12 and 23 weeks, depending on the state unemployment rate (effective January 1, 2012).</p>	<p>Misconduct: Broadens definition of misconduct and includes misconduct that occurs outside of the workplace, outside working hours; workers who receive severance pay or who are incarcerated may no longer receive benefits.</p> <p>Work Search: Workers must contact at least 5 prospective employers for each week of unemployment claimed.</p> <p>Skills Assessment: Workers must complete state-approved online skills assessment as condition of continuing eligibility.</p> <p>Appeals: Use of hearsay in appeals hearings expanded; can be used to support a finding of fact by an Appeals Referee in certain circumstances.</p> <p>Statutory Construction: Principle of statutory construction eliminated (effective August 2011).</p>	3-year look-back	Chapter No. 2011-236, Laws of Florida	Chapter No. 2011-236, Laws of Florida
Georgia	\$721.1			3-year look-back		Act 93, 2011-2012 Regular Session
Hawaii	\$15.0					
Idaho	\$202.4			3-year look-back		House Bill No. 109, 61st Legislature

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State	Loan Balance (\$ millions) ¹	Benefit Reductions	Increased Eligibility Restrictions	Extended Benefits Legislation ²	Legislation	
					Program Cuts	Extended Benefits
Illinois	\$2,219.7	Benefit Weeks: Reduced to 25 weeks (effective January 1, 2012).		3-year look-back	Public Act 097-0001, 97th General Assembly	Public Act 097-0001, 97th General Assembly
Indiana	\$1,924.1	Weekly Benefit Amount: Weekly amounts based on worker's annual wage rather than highest quarter of earnings (effective July 2012).	Disqualification for Drug Testing: Worker is considered to have refused suitable work if the offer of work is withdrawn following a positive result on a drug test, or if worker refuses to take a test (effective July 2011).	3-year look-back	Senate Enrolled Act No. 86, 117th General Assembly House Enrolled Act No. 1450, 117th General Assembly	Senate Enrolled Act No. 86, 117th General Assembly
Iowa	---					
Kansas	\$170.8			3-year look-back		Senate Bill No. 77, 2011 Legislature
Kentucky	\$948.7			3-year look-back		
Louisiana	---					
Maine	---			3-year look-back		SP0075/LD224, 125th Maine State Legislature
Maryland	---			TUR trigger and 3-year look-back (effective October 2011).		Chapter Number 170, 2011 Regular Session
Massachusetts	---			3-year look-back		Chapter 6 of the Acts of 2011
Michigan	\$3,260.8	Benefit Weeks: Reduced to 20 weeks (effective January 15, 2012).		3-year look-back	Act No. 14, Public Acts of 2011	Act No. 14, Public Acts of 2011
Minnesota	\$485.8			3-year look-back		Chapter 6, 2011, Regular Session
Mississippi	---					
Missouri	\$725.4	Benefit Weeks: Reduced to 20 weeks (effective April 13, 2011).	Disqualification for Outstanding Penalties: Claimant ineligible for a waiting week credit or benefits if there is an outstanding penalty due to an overpayment of benefits (effective April 2011).	3-year look-back	House Bill No. 163, 96th General Assembly	House Bill No. 163, 96th General Assembly
Montana	---					
Nebraska	---					
Nevada	\$773.2			3-year look-back		Chapter 493, 76th Session
New Hampshire	---					
New Jersey	\$1,626.2			3-year look-back		Public Law 2011, Chapter 51
New Mexico	---			3-year look-back		House Bill 59, 50th Legislature
New York	\$2,992.5			3-year look-back		Chapter 7, 2011-2012 Regular Sessions
North Carolina	\$2,619.6			3-year look-back		HOUSE DRH30230-LR-94, 2011-2012 Biennium
North Dakota	---					
Ohio	\$2,611.4			3-year look-back		HB 58, 129th General Assembly
Oklahoma	---					
Oregon	---			3-year look-back		Senate Bill 637, 76th Oregon Legislative Assembly

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					Program Cuts	Extended Benefits
Pennsylvania	\$3,761.8		Qualifying Wages: Weekly qualifying wages increased from \$50 to \$100, beginning in 2013, and to 16 times the minimum wage, beginning in 2015; workers with fewer than 18 weeks of qualifying wages will be disqualified, beginning in 2015. Minimum weekly benefit increases from \$35 to \$70, beginning in 2013, meaning workers whose earnings entitle them to less than \$70 will no longer receive benefits.	3-year look-back	Act No. 6, Session of 2011	Act No. 6, Session of 2011
Rhode Island	\$237.0	Weekly Benefit Amount: Series of amendments made to the calculation of the maximum weekly rate that will result in a drop in the average amount of almost \$100 (effective July 2012).	Duration of Ineligibility: The ineligibility period for a worker who voluntary quits without good cause, is discharged for misconduct, or who refuses suitable work is amended to continue until he or she works at least eight weeks, and earns at least the weekly benefit rate. Second, workers receiving severance may not receive UI, for up to 26 weeks (effective July 2012).	3-year look-back	Article 4	H5759/S0793, January Session, A.D. 2011
South Carolina	\$966.6	Benefit Weeks: Reduced to 20 weeks (effective June 14, 2011).	Seasonal Classification: Makes it easier for employers to be classified as seasonal and to deny workers UI (effective January 2012).	3-year look-back	Act No. 63, 119th General Assembly	Act No. 3, 119th General Assembly
South Dakota	---					
Tennessee	---			3-year look-back		House Bill 2156, 107th General Assembly
Texas	---			3-year look-back		
Utah	---					
Vermont	\$77.7					
Virginia	\$210.3					
Washington	---			3-year look-back		Senate Bill 5135 Public Law, 62nd Legislature
West Virginia	---			3-year look-back		Chapter 176, Acts, 2011
Wisconsin	\$1,343.8	Waiting Week: Waiting week instituted (effective January 2012).	Disqualification for Drug Testing: Worker is considered to have refused suitable work if the offer of work is withdrawn following a positive result on a drug test, or if worker refuses to take a test (effective January 2012).	Eligible for EB with 3-year look-back. The legislature was considering look-back legislation as of this publication.	2011 Assembly Bill 40	2011 Senate Bill 143
Wyoming	---					

¹ Loan balances are as of July 27, 2011. Source: U.S. Department of Labor, Employment and Training Administration.

² Arkansas, Louisiana, Mississippi, Montana, and Utah could still qualify for EB if they enact the TUR trigger and 3-year look-back.

Hawaii, Iowa, Oklahoma, and Wyoming had unemployment rates at certain points over the downturn that would have made them eligible for EB under the TUR trigger.

New Hampshire, Vermont, and Virginia have the TUR trigger in effect, but triggered off of EB before ever needing to pass the amended look-back.

South Dakota, North Dakota, and Nebraska never became eligible for EB after the recession.