



Trump Parental Leave Proposal Fails Working Families *Plan Would Further Damage an Already Weakened Unemployment Insurance Program*

1. The Trump parental leave plan will put severe stress on an already weakened unemployment insurance (UI) safety net program, which will seriously undermine access to benefits when the next recession hits.

- Because the state UI funds were significantly ill-prepared to cope with a serious economic downturn, two-thirds of the states borrowed over \$160 billion from the federal government to pay benefits during the last recession. In order to pay back those loans, states have slashed UI benefits and eligibility in recent years. As a result, a record low one in four jobless workers collects UI benefits.
- Currently, less than half of the states (20) have enough reserves in their state UI trust funds to pay benefits for even one year at recession levels.
- While the Trump budget proposes new funding sources, including a mandate to increase employer taxes in those states with low UI reserves, the reserves that should be spent to shore up the UI programs will instead be spent on a wholly-inadequate paid parental leave program, further weakening UI and likely leading to further cuts to UI benefits in response to employer lobbying to prevent higher UI taxes.
 - Trump's proposal to fund the parental leave program by reducing fraud in the UI system is misplaced. Fraud accounts for only a small percentage of all UI "overpayments" (most are the result of innocent worker and state agency errors). If all fraud overpayments were recovered, they would account for only 5 percent of the projected costs of the parental leave program.

2. The benefits provided by the UI program vary dramatically across the states, and they are often inaccessible to women and insufficient to support a new family.

- While the proportion of unemployed workers collecting UI benefits has fallen to record low levels, the situation is especially severe in a dozen states where less than 20 percent of unemployed workers collect UI (in Florida, only 9 percent receive UI).
- Due to eligibility restrictions that penalize women and part-time workers, women are 10 percent less likely than men to collect UI.
- Moreover, on average, UI benefits replace only one-third of the average earnings in a state (the average weekly benefit is \$333 per week). In six states (Alabama, Arizona, Florida, Louisiana, Mississippi, and Tennessee), the maximum weekly UI benefit is less than \$275. This is a poor substitute for the kind of wage replacement that working families need under a real paid leave program.

State Unemployment Insurance Benefit Adequacy Measures

State	Percent of Jobless Workers Collecting UI (2016)	Maximum Weekly UI Benefit (2017)	Ave. Weekly UI Benefit (2016)	Ave. Weekly Benefit as a Percent of State's Average Weekly Wage (2016)
Alaska	48%	\$370	\$279	27%
Alabama	16%	\$265	\$221	26%
Arkansas	30%	\$451	\$270	34%
Arizona	16%	\$240	\$224	25%
California	36%	\$450	\$315	27%
Colorado	31%	\$516	\$413	40%
Connecticut	42%	\$616	\$375	30%
Dist. of Columbia	34%	\$425	\$312	20%
Delaware	31%	\$330	\$257	25%
Florida	9%	\$275	\$239	27%
Georgia	12%	\$330	\$283	30%
Hawaii	36%	\$592	\$457	52%
Iowa	38%	\$447	\$383	45%
Idaho	25%	\$410	\$312	42%
Illinois	31%	\$449	\$362	34%
Indiana	19%	\$390	\$274	33%
Kansas	23%	\$474	\$371	44%
Kentucky	23%	\$415	\$321	39%
Louisiana	12%	\$247	\$219	25%
Massachusetts	54%	\$742	\$488	38%
Maryland	26%	\$430	\$334	32%
Maine	28%	\$410	\$313	39%
Michigan	27%	\$362	\$307	32%
Minnesota	41%	\$440	\$434	42%
Missouri	20%	\$320	\$253	29%
Mississippi	15%	\$235	\$206	29%
Montana	37%	\$510	\$333	44%
North Carolina	11%	\$350	\$247	28%
North Dakota	63%	\$630	\$515	55%
Nebraska	18%	\$392	\$317	39%
New Hampshire	20%	\$427	\$312	31%
New Jersey	47%	\$677	\$425	36%
New Mexico	20%	\$425	\$338	43%
Nevada	27%	\$426	\$329	37%
New York	35%	\$425	\$327	25%
Ohio	23%	\$435	\$354	39%
Oklahoma	26%	\$510	\$378	45%
Oregon	30%	\$590	\$367	39%
Pennsylvania	40%	\$561	\$392	39%
Rhode Island	33%	\$566	\$343	36%
South Carolina	14%	\$326	\$252	31%
South Dakota	16%	\$380	\$317	41%
Tennessee	13%	\$275	\$234	26%
Texas	29%	\$493	\$403	39%
Utah	21%	\$524	\$385	46%
Virginia	18%	\$378	\$307	30%
Vermont	44%	\$458	\$341	40%
Washington	26%	\$681	\$442	40%
Wisconsin	32%	\$370	\$312	36%
West Virginia	37%	\$424	\$310	40%
Wyoming	39%	\$489	\$412	48%
U.S. Average	27%	\$438	\$333	34%