

Why is Expanding Unemployment Insurance Eligibility a Racial, Gender, and Disability Justice Imperative?

When workers lose a job, **unemployment insurance (UI)** provides crucial economic security. However, the overwhelming majority of jobless workers do not get benefits. Many are discouraged from even applying. Others are shut out because the federal government allows states to impose stringent eligibility requirements that disproportionately exclude workers of color, women workers, older workers, and workers with disabilities.



- More than 70% of unemployed workers did NOT receive UI benefits in March 2022¹ and this rate² is typical of the last 30 years.
- Unemployed Black workers are 24% less likely to receive unemployment benefits than unemployed white workers.³

These essential benefits should be available to any worker who is out of a job and looking for work, especially those workers who face systemic barriers to good-paying, full-time jobs due to structural racism and sexism.

Unemployment insurance does not meet the needs of the majority of the workforce. The eligibility requirements for unemployment insurance must be expanded so more workers—especially women and Black, Latinx, Indigenous, and Asian American/Pacific Islander workers and workers with disabilities—can be covered by these crucial benefits.

Who's left out in the rain without federal standards on UI eligibility?

Securing UI for workers who leave a job for a good reason, such as caring for a family member who is ill or disabled or due to domestic or sexual violence will provide benefits to more women who are disproportionately impacted by violence and are most likely to be caregivers:



- Currently, if workers are forced to quit their jobs due to **domestic or sexual violence**, they don't qualify for UI in 11 states.⁴
- If a worker leaves a job to **care for a family member who is ill or disabled**, and then returns to the job search when they are again available for work, they are excluded from UI in several states.⁵

Securing UI for workers regardless of their previous earnings or hours worked will provide benefits to more women and people with disabilities (who are more likely to work part-time), and workers of color (who are more likely to be employed part-time despite wanting full-time hours).

- Currently, each state requires workers to meet its own **criteria for minimum pay or hours worked** (or both) in a given time period to qualify for UI. This disproportionately affects workers impacted by occupational segregation: half of working women of color are paid less than \$15 per hour.⁶ Black and Latinx workers are more likely to be employed part-time despite wanting full-time hours.⁷



Strengthening state laws to prevent employers from misclassifying employees—including gig workers and workers in industries as diverse as janitorial services, trucking and transportation, retail, hospitality, home care, and construction—as independent contractors, will secure UI and many other workplace protections.

- Employees who are **wrongfully labeled as independent contractors** may have their UI claims rejected. This form of payroll fraud is most prevalent in industries where women and Black, Latinx, and Asian American/Pacific Islander workers are overrepresented.⁸



Securing UI for people seeking part-time work will provide benefits to more women, older workers, and workers with disabilities.

- 14 states require people to be **available for full-time work to qualify** for unemployment benefits.⁹ Other states insist that only people with a prior history of part-time employment can seek part-time work—ignoring the reasons, such as new caregiving responsibilities, that previously full-time workers might restrict their job search to part-time positions.



Changing stringent work search reporting requirements will secure UI for workers who lack reliable internet access or have limited English proficiency.

- Even when workers initially qualify for UI, states cut off benefits if workers cannot comply with **mandatory online reporting, skills tests, and other procedural barriers**. These reporting requirements can shut out people who are in rural areas, do not own computers, and speak languages other than English.



What does a just unemployment system look like?



01

Congress sets minimum eligibility criteria that ensures state UI systems don't unjustly exclude Black workers and other workers of color, women workers, older workers, or workers with disabilities.

02

Congress sets standards that states must meet for UI benefit adequacy, duration, and accessibility.

03

Unemployment insurance shields MORE working families from passing storms like recessions, pandemics, and layoffs that lead to job losses by reducing gender and racial inequities in the labor market, not exacerbating them. Unemployment insurance sustains workers and their families as well as the larger economy, supporting consumer spending during economic downturns and enabling workers to find good, new jobs that match their skills.

For more on why reforming UI is a racial justice imperative, and the policies needed, see: bit.ly/UIisRJ

1 https://www.bls.gov/news.release/archives/empst_04012022.htm; <https://oui.doleta.gov/press/2022/040722.pdf>

2 Between 1989 and 2019, the average UI reciprocity rate was 33.6%. Looking just at 2011 to 2019, the average drops to 27% as many states further reduced UI access in recent years. <https://oui.doleta.gov/unemploy/Chartbook/a12.asp#3> https://bryan-stuart.com/files/KukaStuart_14Jan2022.pdf

4 Even in the states that do allow benefits for people needing to leave a job due to violence, the definitions can be overly restrictive and may not recognize the various ways violence happens as well as other related compelling reasons to leave a job such as sexual harassment.

<https://oui.doleta.gov/unemploy/pdf/uilawcompar/2021/complete.pdf>

5 <https://oui.doleta.gov/unemploy/pdf/uilawcompar/2021/complete.pdf>

6 <https://www.oxfamamerica.org/explore/research-publications/the-crisis-of-low-wages-in-the-us/>

7 <https://www.bls.gov/web/empst/cpseea18.htm>

8 <https://www.epi.org/publication/misclassification-the-abc-test-and-employee-status-the-california-experience-and-its-relevance-to-current-policy-debates/>

9 <https://oui.doleta.gov/unemploy/pdf/uilawcompar/2021/complete.pdf>