

Extending Unemployment Benefits:

Stimulus Legislation Includes McDermott/Rangel Bill

Legislation: As proposed by HR 6867, the economic stimulus legislation would amend the current Emergency Unemployment Compensation (EUC) program to provide another 7 weeks of extended unemployment benefits in every State (bringing the total amount of potential extended benefits to 20 weeks).

The legislation also would provide an additional 13 weeks in high unemployment States defined as having a seasonally-adjusted, three-month average total unemployment rate of 6 percent (providing a total of up to 33 weeks of extended benefits).

The current phase-out of the EUC program (which prevents new enrollees after March 31, 2009) would remain in place, allowing the next Congress to determine the ultimate duration of the program.

The Congressional Budget Office estimates the bill would provide nearly \$6 billion in extended unemployment benefits.

Why It Is Needed:

The U.S. economy has lost jobs in every single month of 2008. In total, the economy has shed over 600,000 jobs.

Over the last 12 months, the number of unemployed Americans has increased by 2.2 million, with nearly 900,000 joining the ranks of the unemployed since Congress enacted the EUC program in June.

In August, there were a total of 9.4 million unemployed workers, bringing the unemployment rate to a five-year high of 6.1 percent.

New claims for unemployment benefits just hit a 7-year high.

Nearly 800,000 workers are projected to exhaust their current extended benefits in October unless Congress acts (see reverse side for State-by-State projections).

There are currently 19 States with unemployment rates averaging 6 percent or higher over the last 3 months (inc. D.C. and P.R.) – double the number compared to when Congress passed the EUC program in June.

Estimated Number of Workers Exhausting the 13-Week Emergency Unemployment Compensation (EUC) Program

	November-December		Total 2008
	October 2008	2008	
Alabama	8,142	2,978	11,120
Alaska	4,015	1,737	5,752
Arizona	10,646	4,977	15,623
Arkansas	8,246	2,646	10,892
California	130,709	70,221	200,929
Colorado	8,045	4,159	12,204
Connecticut	11,091	4,725	15,816
DC	2,630	1,039	3,669
Delaware	2,259	990	3,249
Florida	45,883	20,829	66,712
Georgia	23,067	9,273	32,340
Hawaii	1,638	767	2,405
Idaho	3,878	2,010	5,888
Illinois	35,988	16,968	52,955
Indiana	21,262	11,146	32,408
Iowa	6,123	2,636	8,759
Kansas	5,029	2,699	7,728
Kentucky	7,050	2,697	9,748
Louisiana	5,936	2,809	8,745
Maine	2,834	1,477	4,311
Maryland	9,917	4,485	14,401
Massachusetts	21,432	11,041	32,474
Michigan	42,628	15,366	57,994
Minnesota	13,759	6,002	19,761
Mississippi	4,926	1,925	6,851
Missouri	12,105	6,203	18,309
Montana	1,986	959	2,944
Nebraska	3,652	1,845	5,497
Nevada	9,356	4,597	13,954
New Hampshire	1,350	669	2,019
New Jersey	39,263	16,834	56,097
New Mexico	3,648	1,621	5,269
New York	45,908	24,517	70,426
North Carolina	29,841	12,931	42,772
North Dakota	1,110	464	1,574
Ohio	22,478	11,911	34,389
Oklahoma	4,211	1,900	6,111
Oregon	12,191	6,017	18,208
Pennsylvania	38,986	17,478	56,465
Rhode Island	4,749	2,432	7,181
South Carolina	12,814	5,334	18,147
South Dakota	224	107	331
Tennessee	14,897	5,731	20,628
Texas	31,411	12,887	44,298
Utah	2,616	1,055	3,672
Vermont	1,213	542	1,756
Virginia	10,905	5,018	15,923
Washington	9,970	5,015	14,985
West Virginia	2,718	1,359	4,077
Wisconsin	19,171	9,229	28,400
Wyoming	813	395	1,208
US Total	774,721	362,652	1,137,373

Source: Estimates prepared by the National Employment Law Project based on U.S. Department of Labor data. The state estimates account for the number of workers receiving EUC based on the average take-up rate for the federal extension that was in place during the last recession (i.e., 35 percent for those were unemployed over the prior year and exhausted their regular state benefits). This state number was then multiplied by the average rate that workers exhausted the last federal extension of unemployment benefits (i.e., 70 percent) to arrive at the estimated number exhausting the current EUC program.