



Crisis Support for Unemployed Workers

Unemployment and hardship remain high as we work to control the pandemic and get our economy back on track.

- Nearly 18 million workers currently rely on unemployment benefits to make ends meet while they are unable to work because of the pandemic and the economic recession.ⁱ
- Each week the number of new applications for unemployment benefits is still at levels never seen before this pandemic.ⁱⁱ
- Millions of Americans still unable to work drained their savings during the lapse in supplemental unemployment benefits forced by Republicans last summer.
- Once President Biden gets the pandemic under control, it will still take time for businesses to reopen and for the job market to recover. Crisis support will be essential until it does.

American workers are counting on us to prevent a lapse in unemployment benefits.

- Under current law, new applications for Pandemic Unemployment Assistance (PUA), which provides benefits to self-employed and gig workers, and Pandemic Emergency Unemployment Compensation (PEUC), which provides extended benefits, will no longer be accepted after March 14th, and all benefits under those programs will end by April 5th.
 - The Century Foundation estimates that the fast-approaching unemployment benefit cliff will affect over 11 million workers.ⁱⁱⁱ
- All other temporary federal unemployment programs, including the \$300 weekly supplement for 18 million workers, will expire March 14th.
- For many of the workers who rely on them, unemployment benefits mean being able to afford basic necessities like food and shelter as they remain out of work through no fault of their own.

The pandemic has disproportionately harmed women and people of color, and they will be most harmed if federal unemployment benefits end.

- People of color are less likely to be able to telework and more likely to have become unemployed during the pandemic.^{iv}
- In December, women accounted for 100 percent of the job losses in the economy, continuing a trend of much higher job loss among women during the pandemic. Long-term unemployment was also higher among women, and highest of all among Asian American women.^v
- The Congressional Budget Office found that Black workers were disproportionately receiving unemployment benefits when Congressional Republicans forced a cutoff of supplemental unemployment benefits last August and likely to be harmed, and that would likely be the case now, as well.^{vi}
- Many people of color are also likely to have to wait longer to be able to return to work because of their higher risk. Black and Latino Americans are almost three times as likely to die from COVID-19.^{vii}

Providing federal unemployment support protects our economy from worse damage.

- Unemployment benefits have played a critical role in stabilizing the economy by preventing a catastrophic drop in consumer demand for goods and services. In April, just after the \$600/week supplement was implemented, the Brookings Institution estimated that the unemployment benefits offset roughly half of lost wages and salaries.^{viii}
- In June, before Republicans forced the expiration of supplemental benefits, the Congressional Budget Office projected that extending the benefits would lead to higher wages and higher economic output in 2020.^{ix}

The Crisis Support for Unemployed Workers Act delivers what workers, employers, and the economy need.

- The Crisis Support for Unemployed Workers Act would extend federal unemployment support through August 29, 2021, including:
 - Increasing the federal supplement to unemployment benefits to \$400 a week to help workers pay their bills.
 - Providing additional weeks of benefits for workers who need them, to ensure that they do not exhaust benefits before they can safely return to work.
 - Continuing PUA, which covers self-employed workers, gig workers, and workers who had to leave their jobs due to COVID-19 illness in their families or COVID-19 related school, child care, and business closings.

- Continuing full federal support for extended benefits for workers who exhausted state unemployment benefits through PEUC and federally-funded Extended Benefits (EB).
- Continuing the supplemental benefit for mixed-earners that Democrats fought to secure in December.
- Continuing support for non-profits and other “reimbursable employers” that began in the CARES Act and increasing the federal share to 75 percent to help struggling nonprofits avoid catastrophic costs.
- Continuing financing and flexibility that helps states avoid employer tax increases, and use “workshare” programs to keep people on the job whenever it is safe and possible.
- Additional funding to the Department of Labor to address issues with processing backlogs/delays for workers, equitable access to UI benefits, and program integrity.

ⁱ Department of Labor Weekly Claims Data.

ⁱⁱ Bureau of Labor Statistics unemployment statistics.

ⁱⁱⁱ TCF report scheduled to be published Tuesday.

^{iv} <https://www.bls.gov/cps/effects-of-the-coronavirus-covid-19-pandemic.htm>

^v <https://nwlc.org/wp-content/uploads/2021/01/December-Jobs-Day.pdf>

^{vi} <https://www.cbo.gov/publication/56447>

^{vii} <https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html>

^{viii} https://www.hamiltonproject.org/blog/incomes_have_crashed_how_much_has_unemployment_insurance_helped

^{ix} <https://www.cbo.gov/system/files/2020-06/56387-CBO-Grassley-Letter.pdf>