October 6, 2021

The Honorable Charles Schumer United States Senate Washington, D.C. 20510

The Honorable Nancy Pelosi United States House of Representatives Washington, D.C. 20515

Dear Leader Schumer and Speaker Pelosi:

The undersigned organizations write in enthusiastic support of The Unemployment Insurance Improvement Act (UIIA), introduced by Senator Wyden on September 27, 2021, and ask that it be included in the Build Back Better legislation that Congress is currently considering.

The unemployment insurance program has been a lifeline for over <u>53 million workers</u> during the ongoing COVID crisis, but this time of crisis has only spotlighted the longstanding inadequacies of the outdated program.

Because of severe shortcomings in the state programs, Congress had to enact emergency pandemic programs to offset the barriers to eligibility, too-short benefit durations, and inadequate benefit levels that keep millions of workers in good economic times or bad from having the support they need when experiencing job loss. The effects of the unemployment insurance program's shortcomings disproportionally fall on Black, Latinx, and other workers of color as confirmed in a recent <u>GAO report</u>.

When Congress and the Administration let the emergency pandemic programs expire, over <u>9 million</u> workers lost benefits entirely and were left with no support as they continue to try to find work and deal with ongoing health issues and caregiving responsibilities. This is unacceptable.

Congress must take the first steps to permanently reform the UI system so that it functions for all workers in good economic times as well as times of crisis. It is absolutely unacceptable for Congress to pass and the Administration to sign the Build Back Better legislation without including provisions that begin the important task of reforming this essential program which fails to adequately help too many workers when they lose their jobs, especially workers of color.

The Unemployment Insurance Improvement Act provides for well-targeted reforms that address the longstanding inequities in the program that block workers of color, immigrants, and women from being able to access unemployment insurance:

• Mandatory Alternative Base Period (ABP): It will require states to calculate unemployment insurance (UI) eligibility using an Alternative Base Period (ABP), which looks at the last completed quarter of earnings for those not eligible under a standard base period (first four of the last five completed quarters). Underpaid workers (those in the bottom quartile of all earners) make up over 58 percent of all those who need the ABP to qualify for UI. Furthermore, both Black and Latinx workers are more than 1.5 times more likely than white workers to need the ABP for their monetary eligibility for unemployment benefits.

- At Least 26 Weeks of Benefits: It will require that all states have a minimum duration of 26 weeks of regular UI benefits at all times. After the Great Recession, ten states cut their duration of UI benefits below 26 weeks and more are threatening to do so now. Black workers are particularly hurt by shorter durations given their average unemployment duration is 25.9 weeks compared to 19 weeks for white workers.
- **Coverage for Part-Time Workers:** It will require that states provide UI coverage for part-time workers. Part-time workers, who are especially likely to be working women and individuals with disabilities, too often fall through the cracks of UI in most states because of overly restrictive eligibility requirements.

This bill would ensure UI claimants could seek part-time work (rather than only full-time employment) when receiving UI benefits, and it would set a minimum amount of part-time wages to be excluded from UI benefit calculations (one third of an individual's weekly benefit amount) in order to allow workers to accept part-time work without losing their UI benefits entirely.

• Lowering the Earnings Requirement: Finally, the bill will limit the past wages required for UI eligibility. States generally require a certain amount of earned wages in at least two quarters of the workers base period for an individual to be eligible for UI. Higher wage requirements hurt those with underpaid, part-time and intermittent work. The UIIA would require eligibility after \$1500 of wages in the base period (and \$1000 in the high quarter).

These four targeted reforms are an important step in making the program work for all workers and can lay the groundwork for further reform of this vital program.

Anything less than this is a betrayal of the workers who need this program in order to ensure that they have economic security between jobs, and a particular betrayal of workers of color who have more precarious job security than white workers as a result of systemic racism.

Sincerely,

AFL-CIO Alianza Nacional de Campesinas American Federation of State, County and Municipal Employees (AFSCME) American Federation of Teachers Arizona Center for Economic Progress Arkansas Advocates for Children and Families Asian Pacific American Labor Alliance, AFL-CIO Autistic Women & Nonbinary Network Bet Tzedek Legal Services

CASH CAMPAIGN OF MARYLAND

Center for Disability Rights

Center for Law and Social Policy (CLASP)

Center for LGBTQ Economic Advancement & Research (CLEAR)

Center for Popular Democracy

Center for Survivor Agency and Justice

Center for Worker Justice of Eastern Iowa

Chicago Jobs Council

Coalition of California Welfare Rights Organizations

Coalition on Human Needs

Colorado Fiscal Institute

DC KinCare Alliance

Department for Professional Employees, AFL-CIO

Domestic Violence Legal Empowerment and Appeals Project

Economic Opportunity Institute

Economic Policy Institute

Economic Progress Institute

**Employ America** 

Equal Rights Advocates

Every Texan

ExtendPUA.org

Faith in Public Life

Family Equality

Fenway Health

Florida Legal Services, Inc.

Florida Policy Institute

FORGE, Inc.

Freedom Network USA

Fund for Community Reparations for Autistic People of Color's Interdependence, Survival, & Empowerment Fund Our Future

Greater Boston Legal Services

Groundwork Action

Hispanic Federation

Independent Workforce Development Consultant

Indiana Institute for Working Families

International Alliance of Theatrical Stage Employees (IATSE)

Iowa Coalition Against Domestic Violence

Jewish Women International

Jobs With Justice

Justice At Work

Kentucky Center for Economic Policy

Kentucky Coalition Against Domestic Violence

Kentucky Equal Justice Center

Keystone Research Center

Lawyers' Committee for Civil Rights Under Law Legal Aid Justice Center Legal Aid of Marin Los Angeles LGBT Center Louisiana Budget Project Lovelace Consulting Services, Inc. Maine AFL-CIO Maine Center for Economic Policy Maine Equal Justice Maine People's Alliance Make the Road Nevada MANA, A National Latina Organization Metro New York Health Care for All Michigan Immigrant Rights Center Michigan League for Public Policy Missouri Jobs with Justice Mon Valley Unemployed Committee Montana Women Vote NAACP Legal Defense and Educational Fund, Inc. (LDF) National Association of Social Workers National Black Justice Coalition National Center for Lesbian Rights National Coalition Against Domestic Violence National Consumers League National Council of Jewish Women National Education Association National Employment Lawyers Association National Employment Law Project National Network to End Domestic Violence National Organization for Women National Partnership for Women & Families National Resource Center on Domestic Violence National Skills Coalition National Urban League National Women's Law Center NETWORK Lobby for Catholic Social Justice North Carolina Justice Center Northwest Workers' Justice Project Ohio Association of Foodbanks Ohio Domestic Violence Network Ohio Organizing Collaborative **Ohio Poverty Law Center One Pennsylvania** Paralyzed Veterans of America Pennsylvania Budget and Policy Center

People's Action People's Parity Project Philadelphia Unemployment Project Philadelphia Drivers Unio **Policy Matters Ohio Policy Matters Ohio** Poligon Education Fund **Public Justice Center** R2H Action [Right to Health] **Restaurant Opportunities Centers United** RESULTS DC/MD Rights & Democracy - NH & VT Safe Harbor Law, LLC Shriver Center on Poverty Law Sojourners Step up Louisiana **Texas AFL-CIO** The 99% Pennsylvania campaign The National Black Worker Center The National Domestic Violence Hotline TIME'S UP Transport Workers Union of America Ujima, Inc.: The National Center on Violence Against Women in the Black Community **Unemployed Workers United** Unemployment Law Project Union for Reform Judaism United Church of Christ Justice and Witness Ministries **Utahns Against Hunger** Victor Forberger, Esq. Voices for Progress William E. Morris Institute for Justice (Arizona) Women Employed Women's Law Project Working Washington Workplace Fairness Workplace Justice Project at Loyola Law Clinic