

# **FACT SHEET**

## **House Republican Unemployment Insurance Proposal**

### **SLASHING UNEMPLOYMENT BENEFITS**

The legislation proposed by House Republicans would continue only a portion of the current Federal unemployment insurance (UI) programs. The legislation would cut more than half of the total number weeks of benefits now provided by the Federal UI programs, reducing the maximum number of federally-funded weeks from 73 to 33 in high unemployment States.

The reductions would cut off benefits to more than 1 million Americans next year.

### **TARGETING HIGH UNEMPLOYMENT STATES FOR BIGGEST CUTS**

By eliminating benefits under both tiers 2 and 4 of the Emergency Unemployment Compensation (EUC) program, while also allowing the Extended Benefits (EB) program to expire in States with prolonged high unemployment, the legislation would hit States with higher levels of unemployment the hardest.

The following States with elevated unemployment rates would likely lose 40 weeks of unemployment benefits next year under the bill: Alabama, California, Connecticut, DC, Florida, Georgia, Illinois, Idaho, Indiana, Kentucky, Michigan, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, Tennessee, Texas, and Washington. All other States would lose between 14 and 34 weeks of Federal benefits.

### **ERODING THE UNEMPLOYMENT SAFETY NET IN THE FUTURE**

The bill would allow up to 10 States a year to seek waivers from basic Federal requirements for administering regular unemployment benefits, including the requirement that all unemployment funds be used solely to provide unemployment benefits and that all eligibility standards for UI be based solely on the claimant's unemployment. This could allow States to require UI recipients to engage in workfare activities or permit States to replace weekly unemployment benefits with some other form of benefit. The legislation also would allow States to divert up to 20 percent of EUC recipients into other activities that might replace their Federal unemployment benefits.

### **BLAMING THE UNEMPLOYED FOR UNEMPLOYMENT**

The bill includes a number of new requirements for UI recipients, including allowing States to institute drug testing and requiring recipients without a high school degree to be enrolled in classes in order to be eligible for unemployment benefits. The bill goes so far as to allow States to deduct money from an unemployed worker's weekly UI check to pay for their required re-employment assessments.