

# Worker Rights Perspective on the Future of Unemployment Insurance

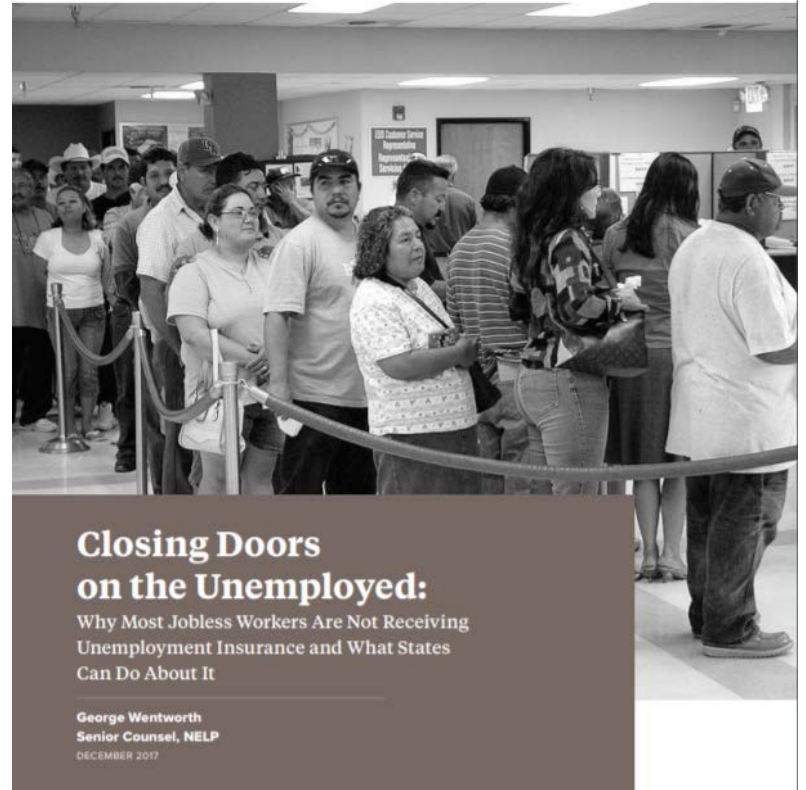
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# Overview

- Proportion of unemployed collecting UI benefits falls to record low rate.
- NELP’s “Closing Doors” report documents four major contributing factors.



# Percent of the Unemployed Collecting UI

**FIGURE 3: Percentage of unemployed workers receiving unemployment insurance, 12-month moving averages, January 1972 to December 2016**



# Four Key Contributing Factors

## #1 Cutting Benefits to Less than 26 Weeks

-Despite high rates of long-term unemployment, nine states have reduced the maximum benefit duration below 26 weeks, which accounts for one-quarter of the national decline in the percent of the unemployed collecting UI.

## #2: Major Increase in Non-Separation Denials

-More UI-eligible workers than ever are being denied benefits because of stricter enforcement of a variety of “continuing eligibility” requirements, especially work search (rate increased by 57% from 2007-2011 to 2012-2016).

# Four Key Contributing Factors (cont.)

## #3 Major Decrease in the UI “Take Up” Rate

-The percentage of unemployed workers applying for unemployment insurance has dropped substantially in the past five years (i.e., by 57% from 2007-2011 to 2012-2016).

-52% did not apply due to belief that they would not qualify, and many (including temp workers, lower education, non-English speakers) ill-informed about the UI eligibility rules.

## #4 New IT Systems Coincide w/ High Reporting Disqualifications

-Replacement of legacy UI benefits systems w/ modernization of on-line filing and reporting compounds the “digital divide” impacting older, immigrant and lower educated workers.

-Disqualifications for procedural reasons (i.e., “reporting requirements, failing to comply with filing instructions) have doubled from 2007-2012 to 2012-2016.