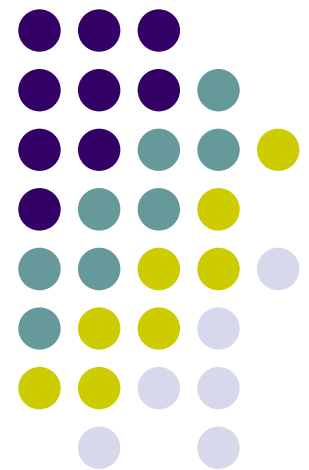


Down But Not Out

Reviving the Promise of Unemployment
Insurance in New York State
Buffalo Central Labor Council
February 12, 2008

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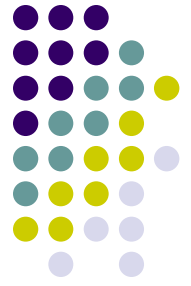


Who We Are



- National Employment Law Project (NELP) is a 40 year old organization that works to improve working conditions across America.
- Working closely with the State AFL CIO's UI Task Force as part of a coalition effort called Organizing for Unemployment Reform in New York State (OUR NY)

Unemployment Insurance is Vital to the Economy



- A layoff is one of the greatest threats to working families, and lay offs are far too frequent occurrence in today's economy.
- Unemployment insurance is the state's first responder to paycheck distress responsible for
 - Preventing poverty and homelessness
 - Stabilizing local economies suffering from weak job markets.
 - Support individuals in the transition to new jobs



Unemployment Is A Growing Concern



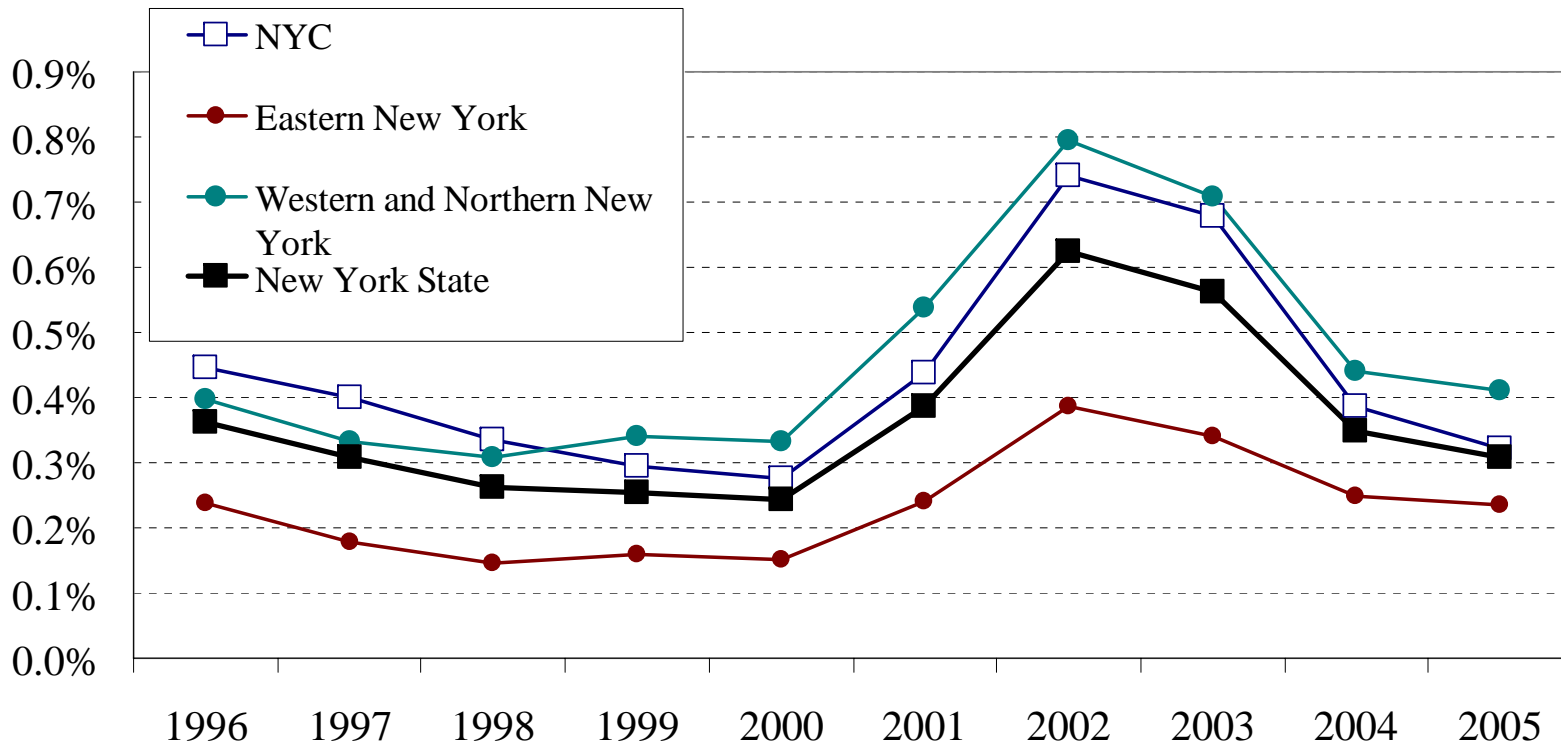
- 450,000 New Yorkers Collected \$2.2 Billion in Unemployment Benefits in 2007
- Unemployment was up by 15% in Buffalo in December 2007 compared to December 2006 (24% statewide) and now....
- **"Job cuts signal possible recession," Buffalo News, 2/2/08**



Unemployment Insurance Plays a Vital Role in Cushioning the Blow



UNEMPLOYMENT BENEFITS AS A PERCENT OF TOTAL INCOME



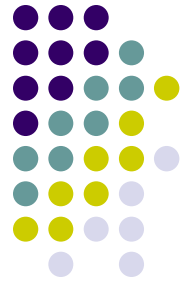
Source: Bureau of Economic Analysis, Local Area Personal Income Series



*But 12 years
of George Pataki
left the state's
unemployment
program unprepared
for the task.*



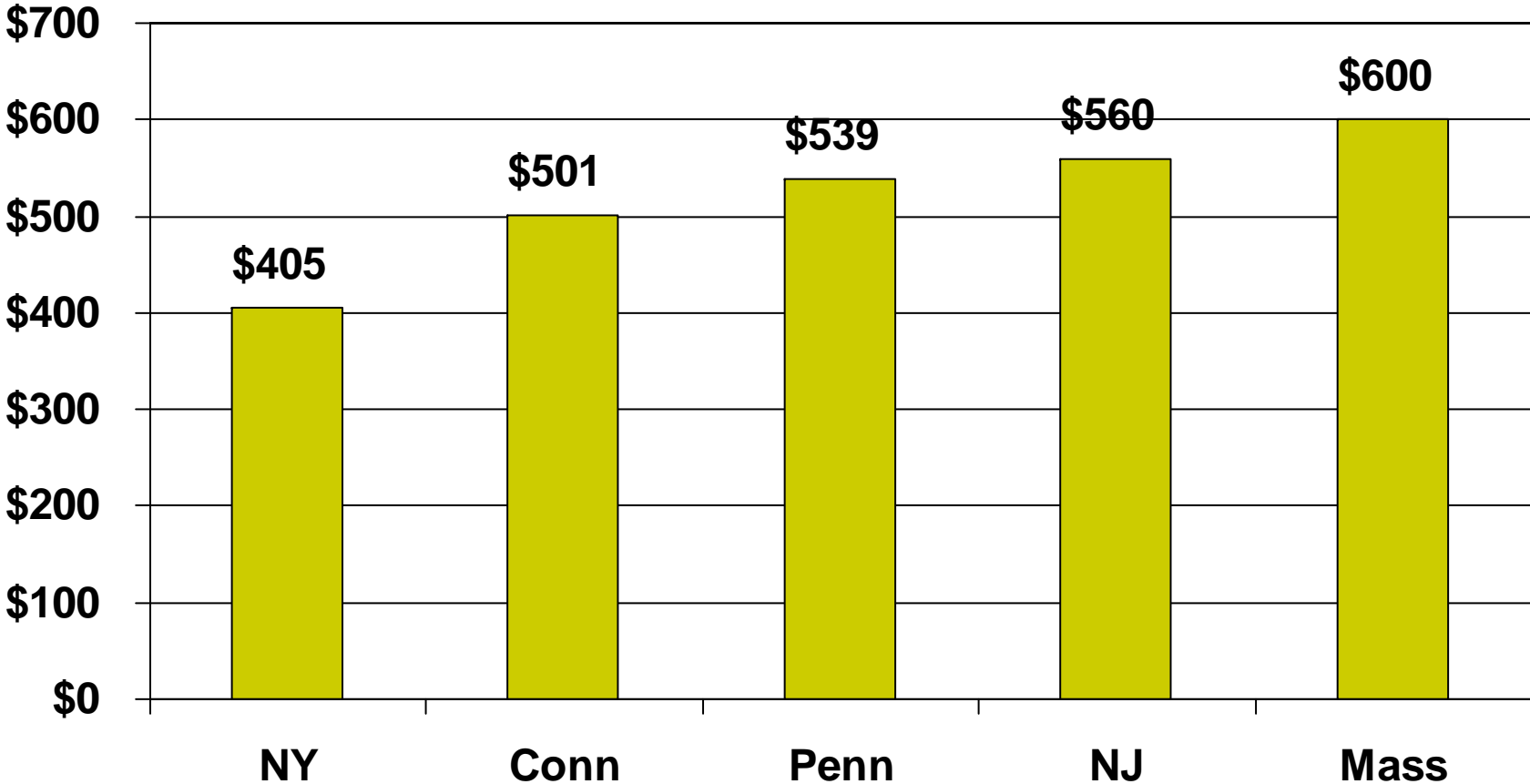
Unemployment Benefits are Inadequate



- The Average Unemployment Benefit of \$282 doesn't pay the basic bills of even a single person in Buffalo, let alone a family.
- Maximum weekly benefit amount has been capped at \$405 per week since 2000.
- UI benefits replace only 27% of the average worker's paycheck – 48th of 50 states.

Unemployment Benefits Provide Inadequate Security to Working New Yorkers

(Maximum Weekly Unemployment Benefit 2008)



ACTION NEEDED: Benefit Changes



- Albany needs to increase the maximum weekly benefit amount.
- Goal: Benefits equals half of the state's average weekly wage \$550 per week, and indexed to inflation.



ACTION NEEDED: Help More Workers Collect Benefits



- **Just 193,000 New Yorkers (41%) of the state's 472,000 unemployed receive jobless pay**
- All of our neighboring states do better. 54% of workers in these states collect UI.
- The system has been ran to make it harder to collect as Unemployment offices and Labor Department staff increasingly denying workers in questionable cases

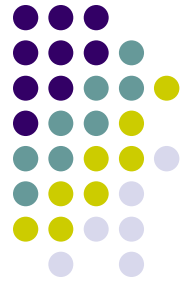
Helping Educational Workers Collect UI



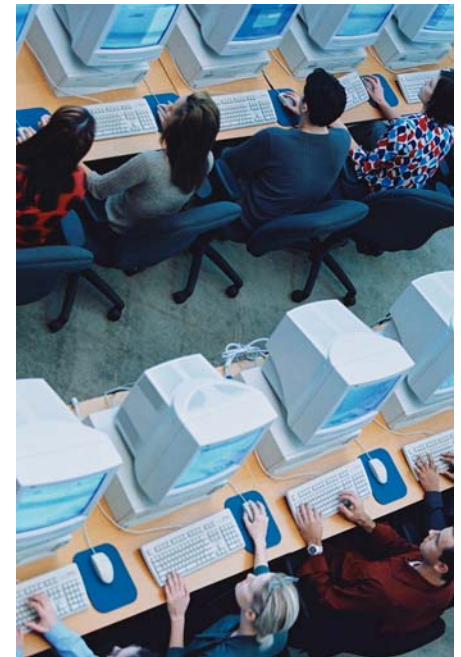
- Normal workers on a temporary layoff can collect unemployment if they have a definite date of recall (auto workers)
- Educational workers are *legally barred from receiving unemployment benefits* during breaks, under an obscure law called reasonable assurance.
- **As many as 70,000 hourly school and college employees (custodians, bus drivers, food service workers) must live without a paycheck or a UI check each year.** Part-time adjunct professors are also unfairly denied.

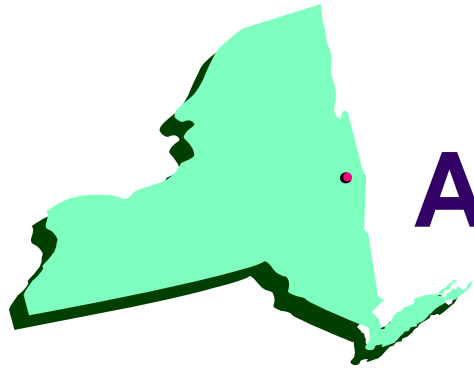


Section 599—The Pearl of the UI Law

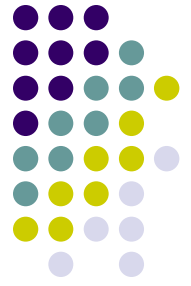


- Workers “approved” for training can get a six month extension of their unemployment benefits. (Section 599 of the Labor Law)
- Retraining is crucial but very few get this benefit (less than 5,000 per year)
- Solutions:
 - Increasing funding for these extra benefits from \$20 million to \$50 million
 - Streamline approval of training and help workers train for better jobs.



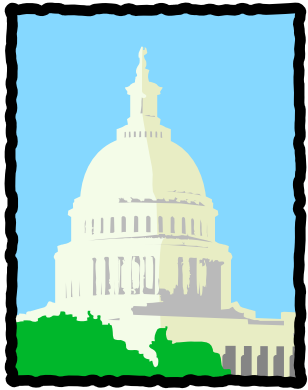


Albany Action Needed

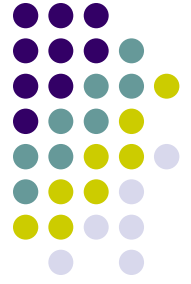


- With workers compensation reform completed, unemployment insurance is now a key priority of the State AFL-CIO, and its U.I. Task Force.
- Need Governor Spitzer to make UI reform a priority and bring along business.
- Beat the Trust Fund blues.
- Raise the profile in the press, elections and with your elected officials.

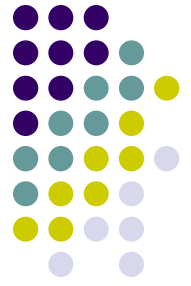




ACTION NEEDED: Washington, DC



- 192,000 New Yorkers will run out of their 26 weeks of state unemployment benefits in 2008 without finding work.
- Federal extension of benefits is badly needed but was cut out of stimulus deal in Congress.
- Separate bill – UI Modernization Act – would give New York \$400 million in federal funds to improve state benefits.



A first step....

- Improving the Trade Act and other retraining programs.
- Protecting manufacturing jobs (New York has lost 32% of manufacturing jobs in the last decade compared to 21% nationwide)
- Creating better job quality standards
- NELP works on all of these things and looks forward to working with you.