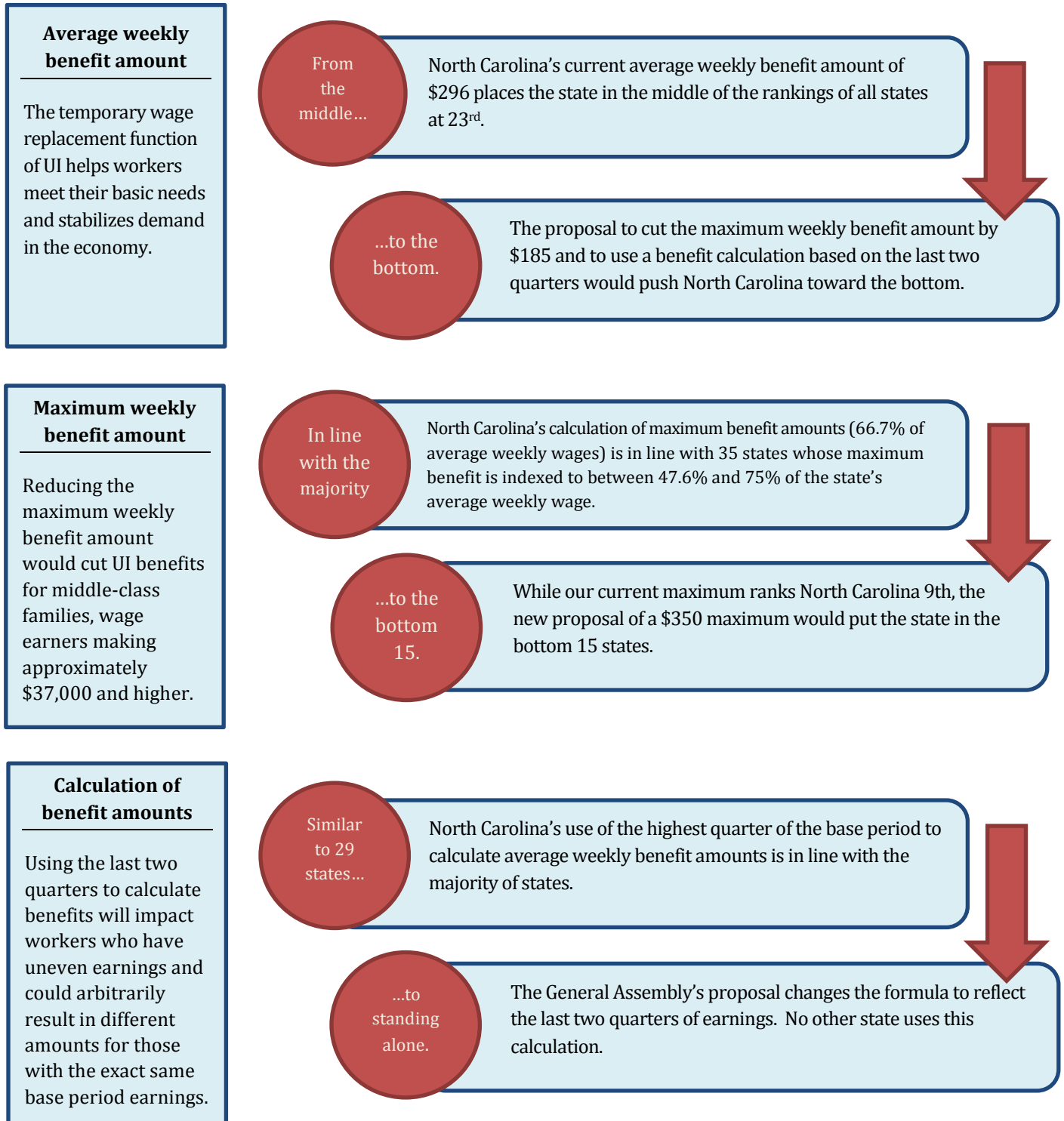


Overhauling the State's Unemployment Insurance System:  
**New Proposal Takes NC from the Middle of the Pack all the Way to the Back**

Fundamental to the argument for a radical overhaul of North Carolina's unemployment insurance system is that our program is out of line with the systems in other states. In fact, a comparative review of benefit features of state unemployment insurance (UI) systems across the country demonstrates that, nationally, North Carolina's UI program is currently in the middle of the pack on a range of program measures. The North Carolina General Assembly's proposal to reform the state's UI program would move North Carolina to the back of the pack on many measures and on others, completely off the charts.



## Duration

North Carolina's current exhaustion rate is high at 54.7%, or 6<sup>th</sup> in the nation. This means that more than half of those receiving UI benefits ended up exhausting all the benefits to which they were entitled without finding a job.

Together  
with 43  
states...

North Carolina's current maximum duration for receiving unemployment insurance is 26 weeks, the same as 43 other states.

...to  
being 1  
of 2.

The General Assembly proposes a sliding scale of maximum weeks from 12 to 20 weeks. Only 7 states have maximum weeks below 26 and only one state (Florida) has a sliding scale maximum starting with 12 weeks.

## Waiting week

Even a single waiting week presents a hardship for workers who have lost their jobs through no fault of their own. It means a week without sufficient income to pay existing bills.

Among  
41  
others...

North Carolina currently has one waiting week for benefits. 41 other states also have one waiting week. Nine states have no waiting week.

...to  
flying  
solo.

The General Assembly proposes an additional waiting week. No other state currently has more than one waiting week.



As the effectiveness of wage replacement is reduced with cuts to benefit amounts, eligibility and duration, so too is the potential of unemployment insurance to stabilize demand in the economy - and in so doing support businesses.

For more information, contact **Bill Rowe** at [bill@ncjustice.org](mailto:bill@ncjustice.org)  
and visit [www.tarheelworkers.org](http://www.tarheelworkers.org)

\* State rankings for the Average Weekly Benefit Amount and Maximum Weekly Benefit Amount as well as the state's exhaustion rate are found in the UI Data Summary, 3rd Quarter of 2012, US DOL; For more information on state comparisons of base periods and duration see NELP, "Protecting our Unemployment Insurance Lifeline," 2012. Reference to the General Assembly's proposal stem from Bill Draft 2013-RBx-2 [v.9]: "UI Fund Solvency and Program Changes," General Assembly of North Carolina, Session 2013, 12/5/2012.