Temporary Extension of Unemployment Benefits in Supplemental Appropriations Package

- Based on legislation reported by the Committee on Ways and Means (HR 5749) and passed by the House on June 12, the proposal would provide <u>up to 13 weeks of extended unemployment benefits in every</u> <u>State</u> to workers exhausting regular unemployment compensation.
- The weekly benefit amount provided by the program would equal the amount received under regular unemployment compensation (the average UI benefit is \$292 a week). The terms and conditions that States impose for regular unemployment compensation also would apply to these extended benefits. In addition, a recipient would be required to have 20-weeks of full-time work or the equivalent in his/her base period.
- An individual's benefit year for regular compensation must have ended on or after May 1, 2007 in order to be eligible for extended benefits
 - If signed into law at the end of June, this provision generally would provide eligibility to jobless workers who exhausted regular UI benefits within the last 20 months.
- The extended benefits program would be in effect through March 2009 (any individual receiving extended benefits before the program terminates would receive his/her entire 13 weeks).
- All benefits and administrative costs would be paid out of the federal unemployment trust funds (which now have over \$39 billion in reserves). The Congressional Budget Office (CBO) estimates the bill would cost \$8.2 billion.
- Projections suggest that between 3.5 and 4 million workers would receive extended UI benefits under the bill.