

**SUPPORT SENATE BILL 09-247**  
**Senator Tochtrop & Representative Pace**  
**Concerning the Expansion of Benefits for Unemployed Workers**

**Colorado Must Adopt an Alternative Base Period and Other Reforms Now to  
Draw Down \$127.5 million in Federal Aid to Unemployed Workers**

The American Recovery and Reinvestment Act included a total of \$7 billion in financial incentives to states to close major gaps in the unemployment insurance system. There are a limited number of improvements that are needed to Colorado's unemployment insurance system in order to collect more than **\$127.5 million** in these incentives. SB 09-247 makes these changes.

**Alternative Base Period = \$42.5 million to Colorado**

In order to qualify for one-third of its unemployment modernization funding and be eligible to receive any incentive funds, Colorado must adopt an "alternative base period" which counts a worker's recent earnings when needed in order to qualify that worker for unemployment insurance (UI) benefits.

When a worker loses a job through no fault of their own and files an unemployment claim, all states use a base period, or "look-back" period, to determine eligibility and benefits. The ABP provides an option for some unemployed Coloradans, mostly low-wage workers and recent entrants to the workforce, to shift the look back period to include more of their recent earnings when determining UI eligibility.

Over 40% of workers who fail to qualify for benefits because of insufficient earnings (whose earnings average just \$9.00/hour) end up collecting benefits with the help of the alternative base period. In Colorado, the number of workers that did not meet the monetary eligibility requirement of \$2,500 was estimated in 2008 to be 1,500 of our state's most vulnerable wage-earners. The ABP is used only if the worker does not earn the \$2,500 in the regular base period.

**Other improvements = \$84.9 million to Colorado**

Colorado currently allows worker to separate from a job for compelling family reasons and remain eligible for unemployment insurance. However, with small changes to these provisions Colorado will receive \$84.9 million in additional funds to help our economy and struggling, unemployed workers. Specifically, SB 09-247:

- **Modifies eligibility for unemployment benefits when a worker separates from a job due to domestic violence.**

Under current Colorado law, workers who are forced to leave a job due to domestic violence are eligible to receive unemployment benefits. SB 09-247 adds language that allows workers to be eligible if they believe that continued employment would jeopardize their own safety or the safety of their children or other immediate family members.

- **Expands compelling family reason to include a worker who quits a job to follow a spouse whose employment location has changed.**

Under current law, Colorado workers who quit a job to follow a spouse in the military who is relocated are eligible for unemployment benefits. SB 09-247 expands this provision to include any worker whose spouse is transferred or finds employment in a location where commuting is unreasonable.

- **Restructures Colorado's good cause exemption for workers who are separated from a job to care for an ill or disabled immediate family member.**

Colorado law already allows workers who quit or are separated from a job due to illness or disability of themselves or a family member to receive unemployment benefits. SB 09-247 clarifies eligibility requirements and modifies this provision to comply with federal guidelines.

### **Temporary Enhanced Unemployment Benefits for Workers Involved in Re-training for Green Jobs, High Demand Occupations or More Stable Employment**

SB 09-247 temporarily allows unemployed workers who are involved in approved training programs to receive an additional 50% of their regular weekly benefit amount for a period of up to 20 weeks. Approved training programs are those that are targeted to locally determined high-demand occupations, stable employment or employment in the renewable energy sector AND that are likely to enhance the worker's marketable skills and earning power.

### **Implements a Temporary Trigger to Allow Extended Benefits for Colorado Workers Struggling to Find Work**

SB 09-247 adopts a temporary economic trigger that will allow workers who are exhausting their emergency unemployment to claim up to an additional 20 weeks of benefit, paid solely by the federal government. Colorado must act now to take advantage of these dollars.

### **SB 09-247 Good for Colorado's Economy, Good for Colorado's Workers, Good for Colorado's Future**

SB 09-247 makes modest improvements that will help Colorado draw down more than \$127 million in federal incentive payments. According to Mark Zandi, Chief Economist of Moody's Economy.com, every \$1 of unemployment insurance, generates \$1.64 in local economic benefit. \$127 million will go a long way toward jumpstarting rural and urban economies across the state and moving Colorado out of the recession faster.

Most importantly, SB09-247 will help struggling workers today and put them on a better path to compete tomorrow.

**Please support SB 09-247.**

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