

S3192 A4821 **UNEMPLOYMENT BRIDGE PROGRAM**

Ending Unjust Gaps in Our
Safety Net That Leave
Workers Behind

The fight for the Excluded Workers Fund showed us that our safety net system is filled with gaps that unjustly shut out many of New York's most vulnerable workers, especially Black, brown, and immigrant workers in precarious low-wage industries.

The goal of the Unemployment Bridge Program is to provide unemployment compensation to workers who are excluded from regular unemployment insurance because of their immigration status or because of the kind of work they do.

WHO WILL BE COVERED?

- Anyone who loses their job and can't access unemployment insurance because of their immigration status.
 - Applicants must have earned under the state's median individual earnings (currently \$56,000).
- Certain cash economy workers: Documented or undocumented day laborers, domestic workers employed by private households, and construction and landscaping workers employed by a home improvement contractor, homeowner, or a construction labor provider, who are paid in cash or personal or other non-payroll check, without any tax reporting.
 - Applicants must have net earnings under the state's median (currently \$56,000).
- Truly self-employed workers who have their own trade or business like street vendors and face an adverse event like losing multiple clients or a major personal issue. Applicants must have earned under the state's median (currently \$56,000).
 - Special consideration is given to including particular industries, such as street vendors, professional service workers like writers and photographers, and also to making sure not to cover people who should get unemployment insurance, such as gig economy workers and misclassified workers.
- People in re-entry: Although many people work while incarcerated or in immigration detention, this labor is not recognized as employment and cannot be used to establish the necessary earnings history required for traditional unemployment insurance. This program will provide benefits to some New Yorkers after release from incarceration or immigration detention while they seek employment.

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HOW WILL IT WORK?

- Eligibility requirements take the best practices of regular unemployment and the best lessons of implementing the Excluded Worker Fund. Individuals will apply in the month following their unemployment. They can reapply each month, and can qualify for up to six months per year.
- In order to qualify, a worker must be unemployed through no fault of their own (i.e. lay off, lack of work) and be available for work. Workers who were fired for misconduct or voluntarily quit their jobs are disqualified.
- Workers must have worked at least 3 calendar months in the 12 months directly before the month of their unemployment. At minimum, they must have earned \$4,050 in earnings during those months (similar to UI). Because people in re-entry do not have sufficient earnings due to working for pennies on the dollar, earnings and income requirements are waived for those serving over 1 year.
- Eligible workers would receive \$1,200 per month, on par with the average rate paid to NYS UI recipients, or just below it. For workers losing partial hours, they will receive up to \$800 per month. Benefits would increase each year at a rate equal to the annual percentage change in the state's average weekly wage.
- Documentation requirements would build on the Excluded Workers Fund: including correspondence from employers, direct deposits, and self-attestation, as well as W-2, 1099, or income tax filings. They must provide proof of identity and residency requirements that are similar to the original Excluded Workers Fund points system. All documents establishing NYS residency must be dated no more than 12 months before the date of application.
- Community-based groups and other agencies will direct applicants who could be eligible to the program and help those who qualify through the application process and navigators will steer those eligible to regular unemployment insurance to that program.

HOW MUCH WILL IT COST?

Cost: \$500 million

The funding will be enough to cover a \$1,200 monthly payment for 30,000 people at any given time for six months in a given year. The funding also allocates 15% to administration costs for DOL and a community navigator program. Based on estimates, this will cover up to 750,000 undocumented workers, cash earners, self-employed workers, and recently released individuals set at an unemployment rate of 6 percent and an assumption that 50% of eligible workers, or 30,000 New Yorkers, will collect benefits at any given time.

Source: Immigration Research Initiative (Jan. 2023)

HOW WILL WE AFFORD IT?

To ensure the Unemployment Bridge Program is revenue-neutral, the reintroduced bill adds a digital ad tax that is expected to raise up to \$1 billion for NYS. This tax would collect a small portion of annual revenues of digital advertising services from companies whose gross annual revenues from these services is \$100 million or more (i.e tech giants like Google, Facebook, Amazon, Microsoft, etc. who currently don't pay any digital ad taxes).

