



FOR IMMEDIATE RELEASE

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**ARIZONA LEADERS CALL FOR LEGISLATURE TO UPDATE
UNEMPLOYMENT INSURANCE LAWS**

*Modernization will bring \$150 million into the empty state unemployment fund
and reduce employer taxes*

(Phoenix, AZ) Eleven statewide Arizona organizations sent a letter today to Governor Brewer, House Speaker Kirk Adams, and Senate President Bob Burns calling for the passage of legislation that would modernize Arizona's unemployment laws and bring \$150 million in federal funds into our state trust fund.

By passing HB 2712, Arizona would receive \$150 million in federal American Reinvestment and Recovery Act (ARRA) dollars. This money would be deposited into Arizona's unemployment trust fund, a fund that has been depleted by the dramatic increase in the number of Arizonans who have lost their jobs. With these additional dollars, ***employers would pay \$21.70 per employee less*** per in the first year in UI taxes than they would without these funds. Arizona has joined is 33 other states in borrowing money from the federal government to pay for unemployment insurance claims.

The bill makes two changes to Arizona's unemployment laws. The first is to extend unemployment benefits to individuals who are in training for high-demand jobs, such as computer specialist. Under Arizona's current law, benefits are allowed for the first 26 weeks. The bill would extend benefits for an additional 26 weeks.

"We know we need a trained workforce for business expansion and vibrancy in Arizona," said Dana Wolfe Naimark, President and CEO of Children's Action Alliance. "HB 2712 supports people who are in training programs to meet the needs of employers."

Arizona unemployment benefits are limited to \$265 per week, which includes a temporary \$25 funded by the federal government. Arizona's average benefit is \$219 per week.

HB 2712 also updates the method to determine eligibility for unemployment benefits. Currently, eligibility is based on work history for the first four of the last five completed quarters – work during the most recent months is excluded. H.B. 2712 allows recent work history to be counted.

“The method Arizona uses right now is a throwback to times before computers when it took weeks to get information from employers,” said Ellen Sue Katz, Director of the William E. Morris Institute for Justice. “With today’s technology, this lag time is no longer required. Allowing the alternative method means a person new to the labor force will not have to wait up to six months before being able to receive unemployment benefits.” Thirty-five other states have already adopted this provision.

HB 2712 is sponsored by Representative Kyrsten Sinema and eleven other representatives. It has not received a hearing. The letter (copy attached) is signed by Children’s Action Alliance, the Arizona Coalition Against Domestic Violence, the Arizona Community Action Association, the Arizona Foundation for Women, the Association of Arizona Food Banks, Arizona Women’s Education and Employment, Desert Southwest Conference of the United Methodist Church, Protecting Arizona’s Family Coalition, Arizona AFL-CIO, Service Employees International Union, and the Morris Institute for Justice.

Children’s Action Alliance is a non-profit, non-partisan organization dedicated to promoting the well-being of all of Arizona’s children and their families through research, policy development, media campaigns and advocacy. For more information, please visit the CAA website at www.azchildren.org.

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