



Extending Unemployment Insurance Benefits in Recessions

Lessons from the Great Recession

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The economic consequences of the COVID-19 public health crisis have been swift and severe for American workers, with the unemployment rate rising to 14.7 percent in April 2020.¹ Among the principal policy instruments supporting workers through this crisis is the federal-state Unemployment Insurance (UI) system, which provides cash benefits to those who lose their jobs or, in some cases, lose work hours. As in past recessions, policymakers have responded to deteriorating economic conditions by expanding UI in different ways, such as covering new workers, increasing the amount that benefits pay, and extending the length of time that workers can claim benefits.

The experience and performance of UI in past recessions with similar responses hold potential lessons for the UI system in responding to both the current context and future recessions. In this brief, we identify key themes from the literature on UI's performance in the Great Recession that offer *lessons for extending benefits*.² We draw on findings related to the performance of both the standing Extended Benefits (EB) and temporary Emergency Unemployment Compensation (EUC) programs in the Great Recession. These themes hold potentially useful lessons as extensions such as the current Pandemic Emergency Unemployment Compensation (PEUC) program are implemented, as EB is triggered "on" in many states, and as policymakers consider potential future extensions both to PEUC and other emergency measures, as well as extensions or changes to the Federal Pandemic Unemployment Compensation (FPUC) benefit.

We begin with a brief review of the unemployment context in the Great Recession and then review research and evidence related to benefit extensions. From our review of that research, we generally conclude that **UI benefit extensions were central to the UI program's effectiveness in meeting the**

needs of both workers and the economy, but also posed program administration challenges. In addition, we identify the following themes:

- Benefit extensions played an important role in supporting workers and households in the Great Recession.
- UI benefit extensions played an important role in the overall macroeconomic stabilization effects of UI spending in the Great Recession.
- Research finds that benefit extensions in the Great Recession encouraged workers to remain in the labor force and had only small effects on overall unemployment.
- The Extended Benefits (EB) program, which automatically extends benefits in recessions, required a set of ad hoc adjustments to perform effectively in the Great Recession.
- Emergency Unemployment Compensation (EUC), enacted in the Great Recession, created challenges because of the program's complexity and because it was not automatic.

In addition, we briefly discuss two features of the broader labor market and policy landscape that have been noted in the literature and which relate to UI benefit extensions:

- Average unemployment durations not only rose starkly in the Great Recession itself, but also have exhibited a secular rise over many years both before and since Great Recession.
- Since the Great Recession, a number of states have reduced of the maximum number of weeks for regular UI benefits.

Unemployment in the Great Recession

The Great Recession, beginning in December 2007 and continuing through June 2009, was the most serious economic downturn the US economy experienced to that point in more than three decades.³ At the depth of this recession, annual unemployment more than doubled from its prerecession level, from 7 million in 2007 to 14.8 million in 2010.⁴ This recession's effects on labor markets also persisted well into the official recovery; the unemployment rate peaked at 10.0 percent in October of 2009, remained above 8 percent through 2012, and did not fully return to its prerecession level until 2016.⁵ Notably, the Great Recession's employment effects were not only deep but also prolonged, leading to unusually long unemployment spells. At its peak in April 2010, nearly half of all unemployed workers—45.5 percent—were long-term unemployed, that is, unemployed for 27 weeks or longer.⁶

Benefit Extensions in the Great Recession

The UI system responded by providing benefit extensions and implementing newly enacted emergency benefits. This allowed workers to claim UI benefits for extended periods of time (longer than the then-typical 26-week maximum duration of benefits). The extensions were provided under two separate programs: Extended Benefits (EB) and Emergency Unemployment Compensation (EUC).

Extended Benefits

All states have federal-state EB programs, which provide additional weeks of UI benefits for workers when the rate of unemployment in their state reaches or crosses a specified threshold. The EB program traditionally has had a shared financial responsibility, half financed by the federal government and half by the states. By default, EB is triggered “on” when the insured unemployment rate (IUR), an unemployment measure based on UI claims data, in a state is at or above 5 percent and also at or above 120 percent of the average IUR in the same 13-week period in either of the prior two years, although states may adopt alternative triggers.⁷ The maximum duration of EB depends on the maximum duration of regular UI benefits in the state and the trigger used by the state. In the Great Recession, the maximum potential EB duration was 13 weeks in states using an IUR trigger and 20 weeks in states with the optional TUR trigger (described below). Whittaker and Isaacs (2016) provide a recent review of EB program details.

In the Great Recession, many states paid EB at some point—42 of the 53 UI programs triggered EB on between 2008 and 2012 (Nicholson, Needels, and Hock 2014). Between 2008 and 2013, the EB program provided \$29.5 billion in benefit payments (Hock et al. 2016). The EB program operated somewhat differently than usual in this period, however, principally because of two provisions in the American Recovery and Reinvestment Act of 2009 (ARRA) (Whittaker and Isaacs 2016).⁸ First, under ARRA the federal government assumed full financial responsibility for EB in most instances (through 2013). Second, this funding encouraged states to temporarily adopt an optional total unemployment rate (TUR) trigger to activate the EB program. The TUR is a survey measure of state unemployment based on the monthly labor force survey conducted by the Bureau of Labor Statistics. The TUR trigger is activated when a state’s TUR is at or above 6.5 percent and also at or above 110 percent of its level in the same three-month period in either of the prior two years. The TUR threshold is generally easier to meet than the IUR trigger (Mastri et al. 2016). In addition to the 12 states that had a TUR trigger before the ARRA, 26 states and the District of Columbia adopted a TUR trigger in response to the ARRA (Mastri et al. 2016).

An additional difference for EB during the Great Recession was that the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 allowed states to look back three years, rather than two, in determining whether to trigger EB on (Whittaker and Isaacs 2016).⁹ This change was in recognition of the fact that, during the Great Recession with unemployment high for a sustained period of time but no longer rising, the lookback element of the IUR and TUR triggers might trigger states off of EB, even with quite elevated levels of unemployment (Chocolaad, Vroman, and Hobbie 2013). This change expired in 2013.

Emergency Unemployment Compensation

In part because of some difficulties associated with the EB program, in times of recession the federal government often provides a separate, temporary extension of unemployment benefits. In the Great Recession, this took the form of the EUC program (Nicholson and Needels 2011). Initially established with the Emergency Unemployment Compensation Act of 2008 (extended by subsequent legislation),

the EUC was fully federally financed. It usually paid benefits directly after people had fully exhausted their eligibility for regular UI benefits.¹⁰

Over the course of the Great Recession, the EUC program was extended for a temporary period in 11 separate pieces of federal legislation.¹¹ The extensions were prompted by persistently high unemployment, which declined slowly from 2010 to 2013, while the EUC program was active. The EUC maximum potential benefit duration was tied to state TURs, with higher TURs authorizing longer durations. The EUC maximum was 53 weeks for much of 2010, 2011, and 2012.¹² Overall, the EUC program provided large amounts of cash benefits to the unemployed. In 2010 and 2011, EUC payments exceeded regular UI payments (Wandner and Eberts 2014).¹³ Cumulative benefits through 2013, when the program ended, totaled \$230 billion (Hock et al. 2016).

Lessons from the Great Recession

Research finds that **UI benefit extensions were central to the program’s effectiveness in meeting the needs of both workers and the economy but also posed program administration challenges.** The empirical literature examining benefit extensions’ effects in the Great Recession generally finds they had modest effects on work search behavior and suggests they may have moderated the rate of labor force exit among the long-term unemployed. Research on the administration of these extensions notes challenges they posed to state UI programs and to serving the overall UI system’s objectives.

Importance of Extensions for Households

Benefit extensions in the Great Recession were substantial in magnitude and duration. Combined, EB and EUC paid more than \$250 billion while active, providing major support for unemployed workers during the Great Recession (Hock et al. 2016). In 2010 and 2011, benefits under these programs accounted for the majority of unemployment benefits going to workers (Wandner and Eberts 2014). As a result, these benefit extensions in the Great Recession provided a substantial component of the general liquidity and consumption smoothing benefits that UI provides for workers and households (Gruber 1997; Lee, Needels, and Nicholson 2017).

Several recent studies have suggested the importance of extended UI benefits for workers in the Great Recession more directly by looking at outcomes for workers who exhausted even extended benefits. Rothstein and Valletta (2017), for example, using data from Survey of Income and Program Participation, find that the eventual exhaustion of benefits substantially reduced household income, and these effects were more pronounced for low-income and single-parent households. They also find that while households were more likely to participate in safety net programs, such as the Supplemental Nutrition Assistance Program (SNAP), after benefit exhaustion, these programs replaced only a fraction of the income provided by UI benefits. As a result of the net decline in income, the poverty rate for these families rose by 13 percentage points upon exhaustion of UI benefits.

Needels et al. (2016) examined the experiences of workers who exhausted their unemployment benefits under the extended benefit programs, using combined survey and administrative data. They find that employment and labor force participation for workers who exhausted benefits were lower four to six years later compared with workers who did not exhaust their benefits. They also find those who exhausted benefits experienced larger income losses, were more likely to live in poverty and more likely to receive benefits from safety net programs such as SNAP than those who did not exhaust benefits.

Other recent research has illuminated how UI, by insuring individuals against precipitous declines in income, forestalls other negative economic outcomes for households and families. Hsu, Matsa, and Melzer (2018), for example, estimate that by supporting the income of unemployed homeowners, and helping them to stay current on their mortgage payments, the UI extensions in the Great Recession prevented roughly 1.3 million foreclosures between 2008 and 2013.

Macroeconomic Stabilization from Extensions

As the benefit extensions were a significant component of overall UI spending in the Great Recession, they played an important role in macroeconomic stabilization effects of UI spending. Vroman (2010) estimates that, inclusive of extended UI benefits, UI overall closed about two-fifths of the real GDP shortfall caused by the recession. Of that total, he estimates the extended benefit programs represented just under half of the overall stimulative effect of UI.

The relative importance of the extensions in the Great Recession was likely because of not only their magnitude and duration, but also several details of their implementation. First, the EUC program was implemented earlier in the recession than temporary extensions in previous recessions (Nicholson and Needels 2011). Second, the federal funding of EB, along with adjustments to the EB triggers, led the EB program to play a stronger role in the Great Recession than it had in the past several recessions (Chocolaad, Vroman, and Hobbie 2013).

In addition to helping stabilize the overall macroeconomy, the extensions may have helped promote the relative efficiency of the overall labor market. As Rothstein (2011) and Farber, Rothstein, and Valletta (2015) show, extended UI benefits in the Great Recession may have helped promote labor force attachment among recipients. The theoretical literature also acknowledges that benefit extensions might lead to improved matches and wages, although the empirical literature on this point remains relatively limited, with ambiguous findings and little direct evidence from the context of either the Great Recession or prior recessions (Nekoei and Weber 2015).

Response of Workers to Extensions

One concern raised by UI benefit extensions is the possibility that extending benefits may cause claimants to remain out of work for longer than they otherwise would. The framework economists use to understand and evaluate these effects is one in which the benefits of UI are weighed against the “moral hazard” it might generate—that is, the disincentive to take a job that benefits may create (Baily 1978; Chetty 2008). In general, although an older economics literature tended to find more substantial

evidence of moral hazard from UI (e.g., Meyer 1990), more recent research tends to find these effects are rather modest (e.g., Card, Chetty, and Weber 2007). Moreover, this framework recognizes these effects could vary over the business cycle; that moral hazard may be less of an issue in recessions—when jobs are comparatively scarce and needs are comparatively large (Schmieder, von Wachter, and Bender 2012; Kroft and Notowidigdo 2011; Landais, Michailat, and Saez 2018).

Several recent academic studies have investigated the UI extensions' effects on employment in the Great Recession. Rothstein (2011) uses a set of identification strategies, including exploiting variation in the EUC and EB programs, and data from the Current Population Survey (CPS), to estimate the effects of UI benefit extensions during the Great Recession on employment outcomes. He finds that the availability of extended benefits had a positive but small effect on the likelihood of eligible workers remaining unemployed. He estimates that EUC and EB raised the unemployment rate in January 2011 by 0.1 to 0.5 percentage points (at a time when the observed unemployment rate was 9 percent). Notably, he estimates that most of this effect is because of a reduction in the rate at which the unemployed left the labor force rather than a reduction in the rate at which the unemployed become employed.

Farber and Valletta (2015), also using CPS data, exploit variation in the EUC and EB extensions across states to estimate the extensions' effects in the Great Recession and compare their results with a similar exercise examining the effects of the 2001 recession. The authors find the extensions led to a small increase in unemployment durations, largely because of a reduction in individuals leaving the labor force. They find this effect was stronger in the Great Recession than in the earlier recession. Farber, Rothstein, and Valletta (2015) find qualitatively similar results examining the effects of the extensions' expiration that took place in 2012 and 2013.

Hock et al. (2016) use combined survey and administrative data from 12 states to describe the claimants of extended benefits (EUC or EB) in 2008 and 2009 and their experiences during and following their claims. The primary focus of the analysis was unemployment duration, reemployment, and the linkage between benefit duration and reemployment. Although their research design does not establish a causal relationship, their analysis finds that workers who were eligible for potentially longer benefit durations had longer unemployment durations and fewer weeks of employment in the three years following their initial claim. These associations may be a result of potential weeks of benefits being greater in states that faced worse economic conditions.

Other approaches that examine UI's effect on overall unemployment levels also find modest results. Chodorow-Reich, Coglianesi, and Karabarbounis (2019) examine state-level labor market responses to UI extensions, identifying their estimates from differences between the real-time unemployment rates that determined the duration of EUC benefits in the Great Recession and the revised estimates in later data. They estimate that the effects of UI benefits extension from 26 to 99 weeks in the Great Recession increased the unemployment rate by 0.3 percentage points or less.¹⁴ Marinescu (2017) uses data from a large online job board to show that although benefit extensions are associated with fewer job applications, they do not reduce the number of vacancies, mitigating the extensions' effects on unemployment.

State Experiences Administering Extensions

EXTENDED BENEFITS

Administering the EB program in the Great Recession required state UI programs to make a number of adjustments. Mastri et al. (2016) report the results of a 2012–13 survey of 51 UI programs (50 states plus DC) that focused on adjustments made by state UI programs related to the ARRA's UI provisions, including state decisions to adopt the TUR. They find that most states adopting the TUR trigger (21 of 25) reported that federal funding of benefits was a primary reason for adopting. Conversely, many states that did not adopt the TUR trigger (5 of 10) did not believe they would have triggered EB on using the new trigger in the relevant time frame. Mastri et al. (2016) also report the results of an analysis estimating that more than two-thirds of all EB first payments made between 2008 and 2012 resulted from states adopting the TUR trigger following the ARRA.

This research indicates these temporary and ad hoc adjustments to EB—additional federal funding of benefits, incentives to adopt the alternative trigger, and allowance for a longer lookback period—made the program more difficult to implement. Many states (Mastri et al. 2016) reported that adopting the TUR trigger posed implementation challenges. Almost all responding states reported that reprogramming their data systems to handle the TUR posed challenges and also reported challenges handling the increased number of claims. Chocolaad, Vroman, and Hobbie (2013) also found in their study that states reported challenges in communicating with claimants about these benefits.

Finally, in addition to issues that arose related to EB triggers, there are standing administrative challenges associated with administering EB because of the imperfect alignment of eligibility standards and work search requirements between EB claims and standard unemployment claims (Whittaker and Isaacs 2016). Mastri et al. (2016), for example, report that about half of responding states noted the challenges associated with documenting work search for EB payments.

EMERGENCY UNEMPLOYMENT COMPENSATION

Administering EUC posed several administrative challenges for state UI programs, in part because of the program's complexity and changes made over the course of the program (Chocolaad, Vroman, and Hobbie 2013). One aspect of the complexity arose from the fact that maximum potential duration of benefits was linked to state TURs, leading to frequent changes in the maximum number of weeks. States also identified challenges posed by the introduction of optional weekly benefit amount calculations in mid-2010, which protected claimants from large declines in weekly benefits but required states to make additional adjustments.¹⁵ Chocolaad, Vroman, and Hobbie (2013) found several states also reported challenges associated with interactions between the EUC and EB programs.

A particular challenge EUC posed to states related to how the program was extended over time (Chocolaad, Vroman, and Hobbie 2013). At certain points, the program ended before Congress enacted the next extension. For example, there were three breaks in EUC coverage during 2010, with the longest being seven weeks in duration. After reaching enrollment and eligibility deadlines in EUC, claimants typically stopped filing for benefits, meaning they had to initiate new applications for benefits when EUC was subsequently extended. When EUC was extended, states were authorized to make

retroactive payments for the interim weeks. The states learned to advise EUC claimants to remain in active claims status even though the program had terminated, although states indicated challenges in communicating this to claimants.

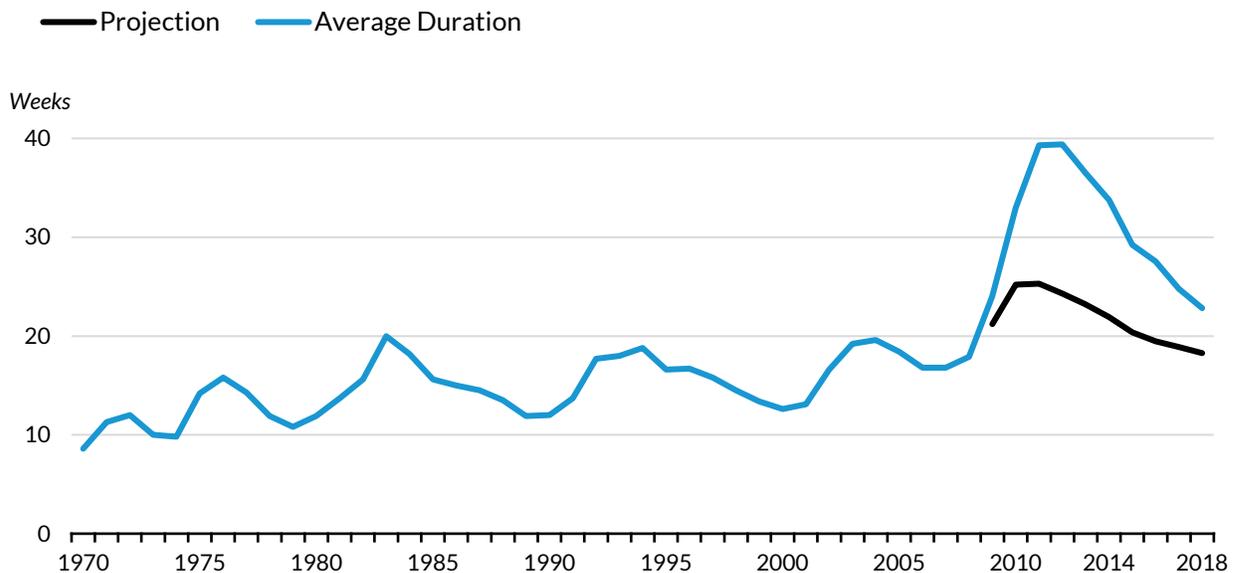
Labor Market and Policy Context for Extensions

In addition to the body of literature on the effects of and experiences with the UI benefit extensions in the Great Recession, research identifies two features of the broader labor market and policy landscape that have continued to evolve since the Great Recession and relate to UI benefit extensions: changes in the average duration of unemployment spells as well as the reduction in the maximum number of weeks of UI benefits by a number of states.

Rising Unemployment Durations

An important feature of the labor market during and after the Great Recession with some relevance for benefit extensions is the rise in average unemployment duration. Figure 1 displays the average duration from the CPS for 1970 to 2018. Between 1970 and 2008, the mean ranged from a low of 8.6 weeks in 1970 to a high of 20.0 in 1983. During recovery from the Great Recession, however, mean duration was much higher, even exceeding 39.0 weeks in 2011 and 2012.

FIGURE 1
Average Unemployment Duration, 1970–2018



Sources: Mean annual unemployment duration from the Current Population Survey (CPS). Projected durations from estimation in Vroman (2018).

Two features of unemployment duration over this period, both illustrated in figure 1, are notable. First, while unemployment duration is known to increase during recessions, the increase in the Great Recession was greater than in previous recessions. Analysis by Vroman (2018) estimates a model of unemployment using three explanatory variables: the current year’s unemployment rate, the unemployment rate lagged one year, and a linear trend from 1970. Although the regression provides a good explanation of average unemployment duration between 1970 and 2008, it substantially underestimates average duration for all 10 years between 2009 and 2018. Projected estimates from this regression for these post-recession years are shown in figure 1. Second, there has also been a strong upward trend in duration over the entire period shown here. The linear trend from the same model indicates average duration has been increasing by 2.3 weeks a decade since 1970.

The longer unemployment duration of recent years, illustrated in figure 1, has implications for both regular UI programs and extended benefit programs. It has led, for example, the exhaustion rate for regular UI benefits to remain high even during the years of economic recovery predating the current COVID-19 emergency. In 2017, for example, the exhaustion rate in the regular UI program was 36.4 percent—higher than in the years immediately before the Great Recession.¹⁶

Understanding both the causes and consequences of longer unemployment durations is a topic of active research (Valletta 2011; Valletta and Kuang 2012). One important question receiving some recent attention in the literature and interest among policymakers, for example, is whether workers suffering longer unemployment spells have a harder time finding work as a result (Shimer 2008). Kroft, Lange, and Notowidigdo (2013) conducted an audit study, sending out fictitious résumés that were otherwise identical but differed in the length of time they showed the applicant being out of work. They found that callbacks declined with the length of time out of work, although this effect was weaker in weaker labor markets. In a series of papers employing similar methodology, Farber and coauthors (Farber, Silverman, and von Wachter 2016; Farber, Silverman, and von Wachter 2017; Farber, Herbst, Silverman, and von Wachter 2019) find less conclusive evidence of such an effect.

State Reductions in Maximum Number of Weeks

An important feature of the policy landscape in the years following the Great Recession with some relevance for benefit extensions has been the reduction in the maximum number of weeks of regular UI benefits by some states. From the late 1970s through 2010, all state UI programs provided at least 26 weeks as the maximum potential duration in the regular program. Starting with Missouri and Arkansas in 2011, however, some states began to lower their maximum potential durations below this level.¹⁷ In 2019, for example, maximum potential durations were as low as 12 to 14 weeks in Alabama, Florida, Georgia, and North Carolina. At the beginning of 2020—at the onset of the COVID-19 emergency—nine states had a maximum potential duration of fewer than 26 weeks (three of which, in response to COVID, returned to offering 26 weeks).¹⁸

Reductions in maximum benefit durations affect the benefits UI provides, contributing to reductions in recipiency rates and claims durations for unemployed workers, with direct implications for both the need and mechanisms for implementing benefit extensions. In addition, the potential

consequences of these reductions for the countercyclical performance of UI is an important question. As noted above, three states reversed their reduced maximums in the early stages of the COVID-19 emergency. In a few of the states with maximum durations below 26 weeks, such as Florida and North Carolina, the maximum potential duration can rise with economic conditions, although in some cases the triggers may be relatively insensitive to economic conditions or operate with a long lag.

Finally, reductions in state maximum durations have implications for how extended benefit programs work (Isaacs 2018). The EB program, in particular, provides extended benefits with a maximum duration that are a function of the state's maximum duration of regular benefits. As a result, states with a regular maximum duration of 26 weeks that have triggered on to EB can provide a maximum of 13 or 20 weeks of EB payments (depending on their trigger, as described above), while states with a maximum duration of less than 26 weeks of regular benefits can provide fewer weeks of EB payments. For example, in August 2020, while Illinois had 20 weeks of EB (in addition to 26 weeks of regular benefits), Florida had only 6 weeks of EB (in addition to 12 weeks of regular benefits).¹⁹

Benefit Extensions in the COVID-19 Emergency

As noted above, some extensions to UI benefits have been implemented or triggered in the context of the COVID-19 emergency, and further extensions are currently being considered. Some of the lessons from the experience of the UI system with benefit extensions in the Great Recession might inform some elements of benefit extensions in the current context:

- The Pandemic Emergency Unemployment Compensation (PEUC) program, created under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, provides workers with additional weeks (originally 13 weeks, later extended to 24 weeks) of federally funded benefits.²⁰ At the time of writing, claims are eligible for payment under PEUC through March 14, 2021. Structurally, this program resembles the EUC program from the Great Recession, and some lessons learned from EUC may be relevant. In particular, as policymakers consider whether circumstances may warrant further benefit extensions under this program, building in triggers that automatically extend the program based on economic conditions could avoid some of the challenges and uncertainty created by the ad hoc extensions and resulting interruptions experienced under the EUC program in the Great Recession, better serving state UI agencies, workers, and the economy.
- The EB program triggered on for nearly all states in the early stages of the COVID-19 emergency (in August 2020, for example, every state but South Dakota was triggered on).²¹ The experience of the EB program in the Great Recession potentially holds direct lessons for ensuring the responsiveness of the program now. Taken together, the ad hoc adjustments to the EB program in the Great Recession—additional federal funding of benefits, incentives to adopt the alternative trigger, and allowance for a longer lookback period—reflect and identify limitations of the EB program as it is currently structured. Evidence suggests that without these temporary adjustments, EB would have been less responsive and less effective in the Great

Recession. Absent reforms to EB mirroring the adjustments made in the Great Recession, it may either fail to perform as effectively or again require temporary patches. These limitations are potentially magnified in states that have reduced their maximum duration of regular benefits, which also reduces the duration of their EB programs.

- Finally, policymakers are also currently considering the issue of extensions to the duration of other elements of the UI system in the context of the COVID-19 emergency. For example, the Federal Pandemic Unemployment Compensation (FPUC) benefit, also originated under the CARES Act, provided federally funded additions of \$600 to weekly benefit amounts that expired on July 31, 2020; the program was revived at the end of 2020, at the lower amount of \$300, and set to expire March 14, 2021.²² Further extensions or modifications of this program remain a subject of some policy debate as of the time of writing. Lessons from the Great Recession on the both the substantial role that extended benefits played for households and the broader economy, along with the evidence of their positive effects on labor force attachment and small effects on unemployment, can inform those considerations.

Notes

- ¹ Unemployment rate from Bureau of Labor Statistics (BLS) reported tabulations: “Labor Force Statistics from the Current Population Survey,” BLS, February 19, 2021, <https://data.bls.gov/timeseries/LNS14000000>.
- ² In a companion brief, we identify key themes from the literature on UI’s performance in the Great Recession that offer lessons for covering more workers.
- ³ Recession dates from National Bureau of Economic Research (NBER): “Business Cycle Dating,” NBER, accessed August 1, 2020, <https://www.nber.org/cycles.html>.
- ⁴ Average annual unemployment levels from Bureau of Labor Statistics (BLS) reported tabulations: “Labor Force Statistics from the Current Population Survey,” BLS, February 19, 2021, <https://data.bls.gov/timeseries/LNU03000000>.
- ⁵ Unemployment rate from Bureau of Labor Statistics (BLS) reported tabulations: “Labor Force Statistics from the Current Population Survey,” BLS, February 19, 2021, <https://data.bls.gov/timeseries/LNS14000000>.
- ⁶ Percent unemployed 27 weeks or longer from Bureau of Labor Statistics (BLS) reported tabulations: “Labor Force Statistics from the Current Population Survey,” BLS, February 19, 2021, <https://data.bls.gov/timeseries/LNS13025703>.
- ⁷ States may also elect an optional IUR trigger of 6 percent (regardless of previous years’ levels) or an optional TUR trigger, described below.
- ⁸ American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, 123 Stat. 115 (February 17, 2009), Division B, Title II, Subtitle A, Section 2003, <https://www.congress.gov/111/plaws/publ5/PLAW-111publ5.pdf>.
- ⁹ Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. 112-96 (February 22, 2012), Title II, <https://www.congress.gov/112/plaws/publ96/PLAW-112publ96.pdf>.
- ¹⁰ Emergency Unemployment Compensation Act of 2008, Pub. L. 110-252, 122 Stat. 2323 (June 30, 2008), Title IV, <https://www.congress.gov/110/plaws/publ252/PLAW-110publ252.pdf>.
- ¹¹ The complicated legislative history of the EUC is illustrated in table 8.8 in Chocolaad, Vroman, and Hobbie (2013).

- ¹² Description of the EUC program including maximum weeks by year and claims by state and tier are provided at “Emergency Unemployment Compensation 2008 (EUC08) and Federal-State Extended Benefit (EB) Summary Data for State Programs,” DOL, March 29, 2004, <https://oui.doleta.gov/unemploy/euc.asp>.
- ¹³ Figures from Wander and Eberts (2014), available at “Public Workforce Programs during the Great Recession,” *Monthly Labor Review*, July 2014, <https://www.bls.gov/opub/mlr/2014/article/public-workforce-programs-during-the-great-recession.htm>.
- ¹⁴ A third empirical approach, taken by Hagedorn, Manovskii, and Mitman (2016) identifies the employment effects of UI benefit extensions by comparing outcomes between neighboring counties on either side of state lines (so subject to different potential EUC or EB durations). The authors estimate substantial effects of the extensions on participation and employment decisions using this approach; however, the literature suggests that this finding is not robust. Boone, Dube, Goodman, and Kaplan (2016) show this effect is not robust to alternative specifications and different data and find little evidence of an employment effect using this identification strategy. Dieterle, Bartalotti, and Brummet (2020) also identify sources of bias in this method.
- ¹⁵ Unemployment Compensation Extension Act of 2010, Pub. L. No. 111-205, 124 Stat. 2236 (July 2010).
- ¹⁶ Exhaustion rate from ETA reported summary data: “Monthly Program and Financial Data,” DOL, March 29, 2004, <https://oui.doleta.gov/unemploy/claimssum.asp>.
- ¹⁷ State maximum duration of regular benefits from recent issues of the “Comparison of State Unemployment Insurance Laws”: “State Law Information,” DOL, March 29, 2004, <https://oui.doleta.gov/unemploy/statelaws.asp>.
- ¹⁸ Tabulations of current state durations (and recent changes) are maintained by the Center for Budget and Policy Priorities (CBPP): “Policy Basics: How Many Weeks of Unemployment Compensation Are Available?,” CBPP, updated February 16, 2021, <https://www.cbpp.org/research/economy/policy-basics-how-many-weeks-of-unemployment-compensation-are-available>.
- ¹⁹ As of August 18, 2020.
- ²⁰ Coronavirus Aid, Relief, and Economic Security Act, Pub. L. 116-136, 134 Stat. 281 (March 27, 2020), Title II, Subtitle A, <https://www.congress.gov/116/plaws/publ136/PLAW-116publ136.pdf>. The extension to 24 weeks at the end of 2020, along with other changes under the Continued Assistance for Unemployed Workers Act of 2020 is described in Jim Garner, “New COVID-19 Unemployment Benefits: Answering Common Questions,” January 11, 2021, <https://blog.dol.gov/2021/01/11/unemployment-benefits-answering-common-questions>.
- ²¹ Trigger status for EB is reported here: “Trigger Notice No. 2020-31: State Extended Benefit (EB) Indicators under P.L. 112-240,” August 16, 2020, https://oui.doleta.gov/unemploy/trigger/2020/trig_081620.html.
- ²² For a discussion of some considerations related to extending the FPUC, see, for example, this recent CBO publication: “Economic Effects of Additional Unemployment Benefits of \$600 per Week,” CBO, June 4, 2020, <https://www.cbo.gov/publication/56387>. A description of the reinstated FPUC program under the Continued Assistance for Unemployed Workers Act of 2020 is described in Jim Garner, “New COVID-19 Unemployment Benefits: Answering Common Questions,” January 11, 2021, <https://blog.dol.gov/2021/01/11/unemployment-benefits-answering-common-questions>.

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