



## Fact Sheet on Unemployment Compensation and Extended Benefits in Wisconsin

July 7, 2011 (updated August 2, 2011)

### Unemployment Compensation Basics

- Wisconsin provides **26 weeks of state funded unemployment benefits**. If a recipient exhausts those benefits, an additional **47 weeks of federally funded benefits** are available under current law.
- **142,631** individuals received unemployment benefits in Wisconsin, either state or federally funded, from June 26 to July 2, 2011. Nearly 12,000 of those were new claims. **181,795** received benefits over the same weekly period one year ago, a 22% decrease in claimants from 2010 to 2011.<sup>i</sup>
- Individuals on state unemployment receive benefits for an average of **17.3 weeks**.<sup>ii</sup>
- Every **\$1 of unemployment benefits** spent **generates \$1.61 in economic activity**.<sup>iii</sup>
- Wisconsinites on unemployment must **apply for two jobs every week** to receive benefits.<sup>iv</sup>
- Nationally, there are more than **4 unemployed workers for every job opening**.<sup>v</sup>

### Wisconsin Finally Accepts Federal Assistance for Out-of-Work Job Seekers

- Until the Legislature finished action on [SB 147](#) on August 1, 2011, Wisconsin was **one of just nine states** that was eligible for but had **refused extended benefits** from the federal government.<sup>vi</sup>
- Once the Governor signs SB 147, extended benefits will provide the unemployed in Wisconsin with **up to 13 additional weeks of benefits**, after they have exhausted the 73 weeks of benefits that is currently provided.
- Up to **40,000 individuals** would be eligible for extended benefits in Wisconsin.<sup>vii</sup>
- Extended benefits are **paid completely by the federal government** (except in the case of public employees). Wisconsin won't have to pay back any of the \$88 million the state expects to receive from the federal government for extended benefits.<sup>vii</sup>

### What's Next for UI in Wisconsin?

The state has a deficit of about \$1.3 billion in the unemployment compensation fund, and employers begin this month to pay a special assessment to cover the interest payments to the federal government on a loan that is keeping the fund solvent. The state's Unemployment Insurance Advisory Council, which is comprised of an equal number of labor and management representatives, will attempt to develop legislation to close that deficit.

In the past, the Legislature has almost always deferred to the Advisory Council on any proposals affecting UI benefits or financing. However, during the state budget process, the Legislature implemented a one-week waiting period for eligibility for state jobless benefits, bypassing the Advisory Council. The Governor signed that change into law – notwithstanding a unanimous recommendation by the Council to veto the measure. In the months ahead we will see whether the Council can develop a politically acceptable bill to close the deficit, or whether the Legislature will intervene again and bypass the consensus process.

<sup>i</sup> Includes individuals receiving both state funded UI and federally funded EUC; [Wisconsin Department of Workforce Development UI Statistics](#)

<sup>ii</sup> [U.S. Department of Labor Unemployment Insurance Data Summary](#)

<sup>iii</sup> [Mark Zandi Testimony Before Senate Finance Committee, 4/14/10](#)

<sup>iv</sup> [Wisconsin Department of Workforce Development Handbook for UI Claimants](#)

---

<sup>v</sup> [New York Times Economix Blog, 5/11/11](#)

<sup>vi</sup> As of June 26, 2011; [U.S. Department of Labor Trigger Notice, 6/26/11](#)

<sup>vii</sup> [8/1/11 DWD Press Release](#)