

# Fund State Benefit Extensions for Workers in Training



## What is it?

About half a dozen states extend UI benefits to jobless workers in approved training, with specific requirements differing from state to state. State UI extensions provide these workers with income support beyond the normal duration of state UI benefits. Since these extensions are paid under state laws, states have considerable leeway in targeting specific sectors or occupations for this type of subsidized retraining.

State extensions for retraining – known as “additional benefits” – serve important needs in states that use them. Generally, states require that jobless workers have lost work in a declining industry or occupation in order to qualify. States furnish extensions where retraining is necessary for the claimant to find a full-time job in another sector, one in which there are labor shortages or growing numbers of jobs. Workers who are approved for training are permitted to attend the training rather than searching for new work.



## Key arguments in favor

**Income support from benefit extensions is vital for workers needing substantial retraining.** Most jobless workers cannot attend training full time without some form of income support. Benefit extensions make it possible for jobless individuals to complete training that lasts longer than the normal duration of state UI benefits (typically no more than 26 weeks). Additional benefits give working families essential help in completing meaningful retraining and avoiding future layoffs from declining industries.



## Key arguments against and responses to them

**Opponents say:** State benefit extensions deplete trust funds and raise costs.

**Response:** There is no question that paying benefit extensions to jobless workers in retraining programs results in higher costs to state UI programs. These costs are offset in part by reductions in future layoffs (and reductions in UI claims) that result from shifting jobless workers into fields with lower unemployment. In addition, effective training raises wages and boosts a state’s economy, and this lowers UI costs.



## Which states do it?

The California Training Benefit provides up to 52 added weeks of UI benefits for jobless individuals in approved training. Individuals must be retrained in a “demand occupation” and must apply no later than the sixteenth week of their UI claim. In Maine, the Dislocated Worker Benefit gives up to 26 additional weeks of UI benefits to jobless individuals requiring retraining. Massachusetts provides up to 18

additional weeks of UI benefits for those in approved training that apply for the extension no later than their fifteenth week of jobless benefits. New Jersey, New York, and Washington also have state extensions for workers in retraining.



## Model legislation

### Washington

(1) Subject to availability of funds, training benefits are available for an individual who is eligible for or has exhausted entitlement to unemployment compensation benefits and who:

- (a) Is a dislocated worker as defined in RCW 50.04.075;
- (b) Except as provided under subsection (2) of this section, has demonstrated, through a work history, sufficient tenure in an occupation or in work with a particular skill set. This screening will take place during the assessment process;
- (c) Is, after assessment of demand for the individual's occupation or skills in the individual's labor market, determined to need job-related training to find suitable employment in his or her labor market. Beginning July 1, 2001, the assessment of demand for the individual's occupation or skill sets must be substantially based on declining occupation or skill sets identified in local labor market areas by the local work force development councils, in cooperation with the employment security department and its labor market information division, under subsection (9) of this section;
- (d) Develops an individual training program that is submitted to the commissioner for approval within sixty days after the individual is notified by the employment security department of the requirements of this section;
- (e) Enters the approved training program by ninety days after the date of the notification, unless the employment security department determines that the training is not available during the ninety-day period, in which case the individual enters training as soon as it is available; and
- (f) Is enrolled in training approved under this section on a full-time basis as determined by the educational institution, and is making satisfactory progress in the training as certified by the educational institution.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise . . .

(d) "Training program" means:

(i) An education program determined to be necessary as a prerequisite to vocational training after counseling at the educational institution in which the individual enrolls under his or her approved training program; or

(ii) A vocational training program at an educational institution:

(A) That is targeted to training for a high demand occupation. Beginning July 1, 2001, the assessment of high demand occupations authorized for training under this section must be substantially based on labor market and employment information developed by local work force development councils, in cooperation with the employment security department and its labor market information division, under subsection (9) of this section;

(B) That is likely to enhance the individual's marketable skills and earning power; and

(C) That meets the criteria for performance developed by the work force training and education coordinating board for the purpose of determining those training programs eligible for funding under Title I of P.L. 105-220 [Workforce Investment Act].

"Training program" does not include any course of education primarily intended to meet the requirements of a baccalaureate or higher degree, unless the training meets specific requirements for certification, licensing, or for specific skills necessary for the occupation.

(5) Benefits shall be paid as follows:

(a)(i) For exhaustees who are eligible under subsection (1) of this section, the total training benefit amount shall be fifty-two times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year . . .

(b) The weekly benefit amount shall be the same as the regular weekly amount payable during the applicable benefit year and shall be paid under the same terms and conditions as regular benefits. The training benefits shall be paid before any extended benefits but not before any similar federally funded program.

(c) Training benefits are not payable for weeks more than two years beyond the end of the benefit year of the regular claim.

WASH. REV. CODE § 50.22.150