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Working Families Cannot Meet Basic Needs Under Existing Unemployment Insurance Benefits

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This explainer incorporates data analysis and other key information provided by the Economic Policy Institute, Center for American Progress, the Center for Popular Democracy, and the National Employment Law Project.

The Pandemic Unemployment Compensation (PUC) program, which provided a \$600 per week boost to state UI benefits for people who lost their jobs during the COVID-19 pandemic, expired on July 31st — leaving working families with only meager state unemployment insurance benefits to live on. The average state UI benefits [were just \\$320 per week nationwide](#) in May, and some states' benefit levels are much lower. Now, millions of unemployed workers are facing financial disaster.

A new analysis from the Center for American Progress, Economic Policy Institute Policy Center, and the Progressive Caucus Action Fund shows that **existing state unemployment insurance leaves working families thousands of dollars in the red each month — providing workers too little to meet basic expenses like housing payments, medicine, food, and utilities.** This analysis compares the average unemployment insurance benefits paid to workers in more than 50 select states, counties, congressional districts across the country with the typical monthly expenses of a single parent with one child. For example, under state UI benefits:

- The typical single parent in **Nassau County, Florida**, is receiving just \$934 per month: **falling \$3,936 short** of what they need to pay for basic monthly expenses.
- The typical single parent in **York County, Maine**, is receiving just \$1,215 per month: **falling \$3,914 short** of what they need to pay for basic monthly expenses.
- The typical single parent in **Boone County, Kentucky**, is receiving just \$1,185 per month: **falling \$3,548 short** of what they need to pay for basic monthly expenses.

The Trump Administration's False Promise of Relief

On August 8th, President Trump announced a new memorandum to provide an additional unemployment benefits to unemployed workers, without Congressional approval, paid out of FEMA's Disaster Relief Fund. Initially, the Trump Administration suggested its memo would provide benefits at the reduced level of \$400 a week, but several days later, the Administration announced that the supposed benefit [would be reduced to just \\$300](#) a week.

This proposal is unworkable, possibly illegal, excludes many families, and will not reach workers without lengthy delays, if at all. President's Trump memo would be:

- **Impossible for States to Administer:** State unemployment insurance agencies are being crushed by COVID-related UI claims. Workers already face long delays in receiving checks. In March, [more than 85% of people who filed for unemployment didn't receive payments until at least the next month](#). Because these funds were not authorized by Congress, states may be legally [required to create new systems](#) to disperse these funds—a slow process that will further delay benefits. Further, under the White House's proposal, states would only receive \$300 in a federal weekly benefit.
- **Leaving the Most Vulnerable Families Behind:** The memorandum [excludes workers who receive less](#) than \$100 a week in state UI benefits. This includes at [least 6 percent of those who have lost jobs during the pandemic](#), and potential many more who have multiple jobs or on partial furloughs. Like existing UI programs, this benefit also excludes undocumented immigrants.
- **Quickly Exhausted:** Even if the benefit ever makes it to struggling workers, the memorandum caps additional unemployment aid at just \$44 billion from FEMA funds — which would [only last a little over a month](#).

Methods

Following waves of mass layoffs and months of the Trump Administration's failure to contain the COVID-19 pandemic, [30 million Americans](#) — about one in five American workers — are currently on unemployment insurance (UI). This analysis compares benefits under:

- [House Democrats' HEROES Act](#): In May, House Democrats passed the Heroes Act, which extended the FPUC, the [\\$600 per week supplement](#) to unemployment insurance, until Jan. 31, 2021.
- [Senate GOP's HEALS Act](#): After allowing the \$600 boost to UI to expire, Senate Republicans released [the HEALS Act](#), a proposal to slash the federal UI supplement to [\\$200 per week until October](#).
- [Trump Administration Proposals](#): During Congressional negotiations, the Trump Administration floated cutting the federal supplement to UI benefits to just \$400 per week. The Trump Administration later issued a

presidential memorandum that purports to [provide \\$300 per week in benefits](#), but this memo is unworkable for states, potentially illegal, and benefits will not reach workers for weeks or months, if at all.

The below tables compare typical expenses for a single parent (with one child) in key states, counties, and congressional districts across the nation with a worker's average benefits in those jurisdictions. These tables reflect typical expenses in select, representative counties, states, and congressional districts. Typical expenses reflect the Economic Policy Institute's [estimate of a modest family budget](#), which measures the income a family needs to attain a modest but adequate standard of living. "All Other" expenses include necessary basic expenses like food, car or public transportation payments, phone bills, taxes, and diapers.

[The complete data is available here.](#)

This data shows that, unless Congress reauthorizes the \$600 unemployment benefit, workers will be forced to choose between making rent and mortgage payments or paying for a car they need to get to their next job interview, choosing between paying for food and keeping the lights on, between buying diapers and soap and paying a phone bill. For example, under state UI benefits:

- The typical single parent in **Boone County, Kentucky, is receiving just \$1,185 per month:** falling \$3,184 short of what they need to pay for basic monthly expenses.
- The typical single parent in **Nassau County, Florida, is receiving just \$934 per month:** falling \$3,562 short of what they need to pay for basic monthly expenses.
- The typical single parent in **York County, Maine, is receiving just \$1,215 per month:** falling \$3,519 short of what they need to pay for basic monthly expenses.
- The typical single parent in Pinal **Pinal County, Arizona, is receiving just \$1,121 per month:** falling \$3,619 short of what they need to pay for basic monthly expenses.
- The typical single parent in **Clinton County, Missouri, is receiving just \$967 per month:** falling \$4,396 short of what they need to pay for basic monthly expenses.
- The typical single parent in **Rockwall County, Texas, is receiving just \$1,413 per month:** falling \$3,639 short of what they need to pay for basic monthly expenses.

This financial disaster would fall hardest on [workers of color](#) — especially Black women, who [receive lower benefits](#) on average than White workers, and who are [disproportionately likely to live in](#) a state with low benefits. Unemployed workers need Congress to reauthorize the \$600 boost to Pandemic Unemployment Compensation, and not a penny less. Congress must do its job, pass the Heroes Act, and extend the \$600 PUC program immediately.