

## Unemployment Insurance Benefits Everyone

Unemployment Insurance (or UI) is a pool of money that every worker and their employer pays into. When someone is out of work due to a layoff or wrongful termination, they can receive UI benefits while they look for another job.

### What UI Means to You and I

Each dollar paid in UI benefits has the economic impact of \$1.70 as it is spent and moves through the state's economy.

The UI trust funds of some states don't have enough money to meet the needs of their unemployed, but New Mexico has the most solvent UI trust fund in the nation – with \$574,000,000 in the third quarter of 2006.

### Getting a Raise

Because the trust fund is so solvent, NM Voices for Children convinced lawmakers in 2003 to increase UI benefits for recipients and decrease UI taxes for employers.

Those changes were set to expire in four years, so during the 2007 session, state officials made the changes permanent. Some of those changes were:

- Raising the UI benefit amount by 5 percent
- Raising a "dependent child allowance" to \$25 per week per child (up to 4 children)
- Extending UI benefits to spouses of active-duty military
- Allowing UI benefits for full-time students and those in job training programs
- Providing UI benefits for people who are forced to leave their job because of domestic violence
- Cutting UI tax rates for employers

While those were great wins for the state's workforce, New Mexico's UI system still has some problems.

Some 75 percent of the state's unemployed do not receive benefits because the eligibility requirements are too restrictive or the system too difficult to access.

And New Mexico still requires a one-week waiting period before you can begin to receive your benefits.

**New Mexico's unemployment insurance system still doesn't quite work –  
and that's a problem when you're out of a job.**