



## UNEMPLOYMENT INSURANCE MODERNIZATION ACT FACT SHEET

Through the American Recovery Reinvestment Act, the Unemployment Modernization Act (UIMA) would provide the following:

- **\$56.1 million in incentive funding and**
- **Coverage for 39,600 workers**
- **At an estimated cost of \$13.9 million annually without raising taxes**

### Key Facts

- **UI Benefits Provide a Boost to the Economy during tough Economic Times**
  - According to the U.S. Department of Labor, every \$1 paid in jobless benefits causes the economy to grow by \$2.15;
  - For Mississippi, \$56.1 million in Stimulus funds for UI benefits could generate over \$120 million in economic activity.
- **Mississippi can Take UI Stimulus Funds without a Commitment to Raise Taxes**
  - According to the National Employment Law Project, the incentive funding will cover expanded benefits for approximately 4 years;
  - When the funds run out, Mississippi can eliminate or scale back the reforms to ensure the system remains solvent without raising taxes on Mississippi’s businesses.
- **Mississippi has Choices to Design a System for Mississippi**
  - Mississippi could choose to change the current standard base period for eligibility to an Alternative Base Period bringing in \$18.7 million in funding;
  - To draw down remaining funds, Mississippi must choose 2 of 4 of the following options:
    - Continuing benefits for unemployed workers retraining for available employment;
    - Paying a dependent allowance to qualified UI beneficiaries;
    - Benefits for part time workers;
    - Accepting compelling family reasons for leaving unemployment.

American Recovery Reinvestment Act UIMA Provisions - Mississippi		
UI Modernization	Benefit	Cost to State
• Alternative Base Period	\$18.7 Million	• \$7.3 million annually
• Part Time Work	\$37.4 Million	• \$3.1 million annually
• Leave (Domestic Violence, illness, Spouse relocation)		• \$3.5 million annually
<b>Totals</b>	<b>\$56.1 Million</b>	<ul style="list-style-type: none"> <li>• <b>\$13.9 annually</b></li> <li>• <b>Estimated number of Mississippians served: 39,600</b></li> <li>• <b>Estimated years of funding: 4</b></li> </ul>
Source: National Employment Law Project, MEPC estimates		