

THE
HAMILTON
PROJECT

**EXPANDING EMPLOYMENT
OPPORTUNITIES**

BROOKINGS

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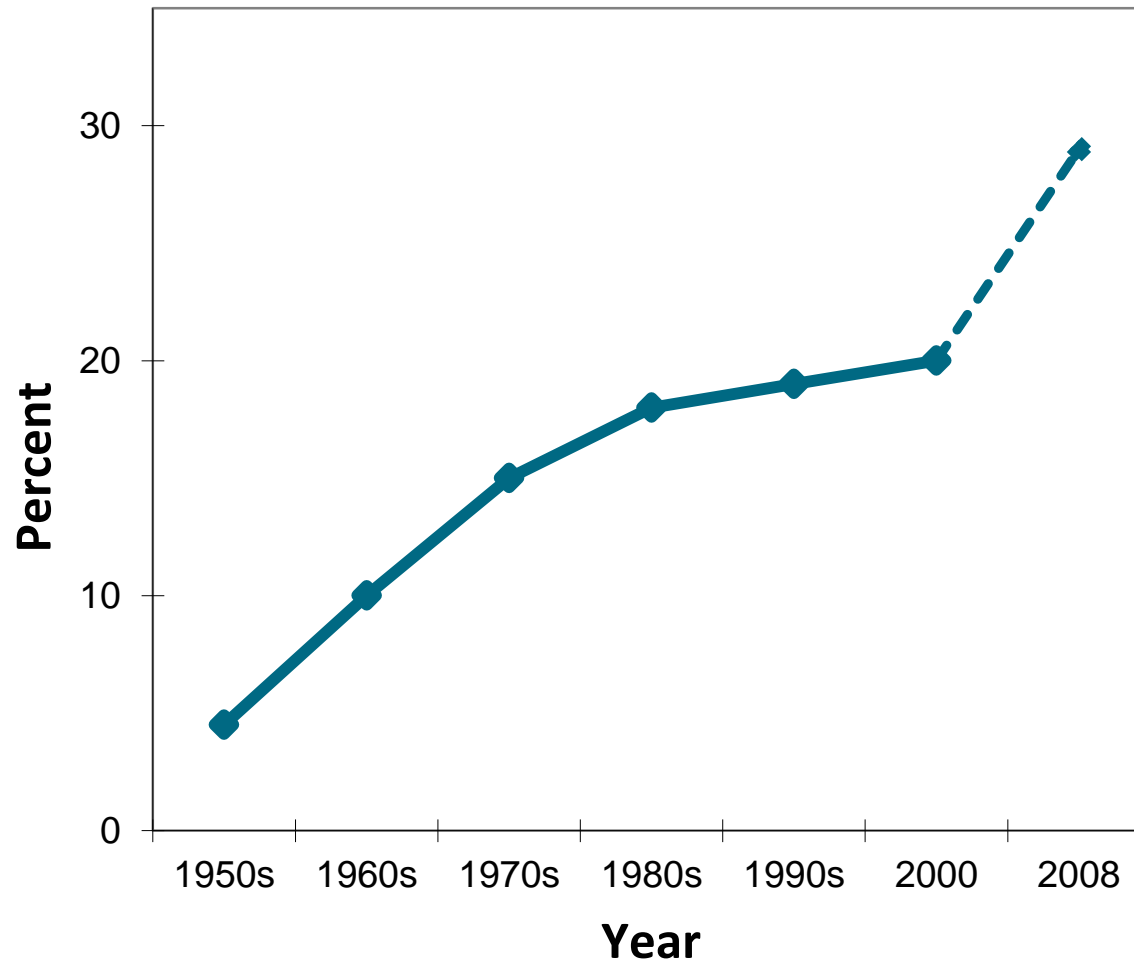
THE
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**PROMOTING SMARTER
OCCUPATIONAL LICENSING**

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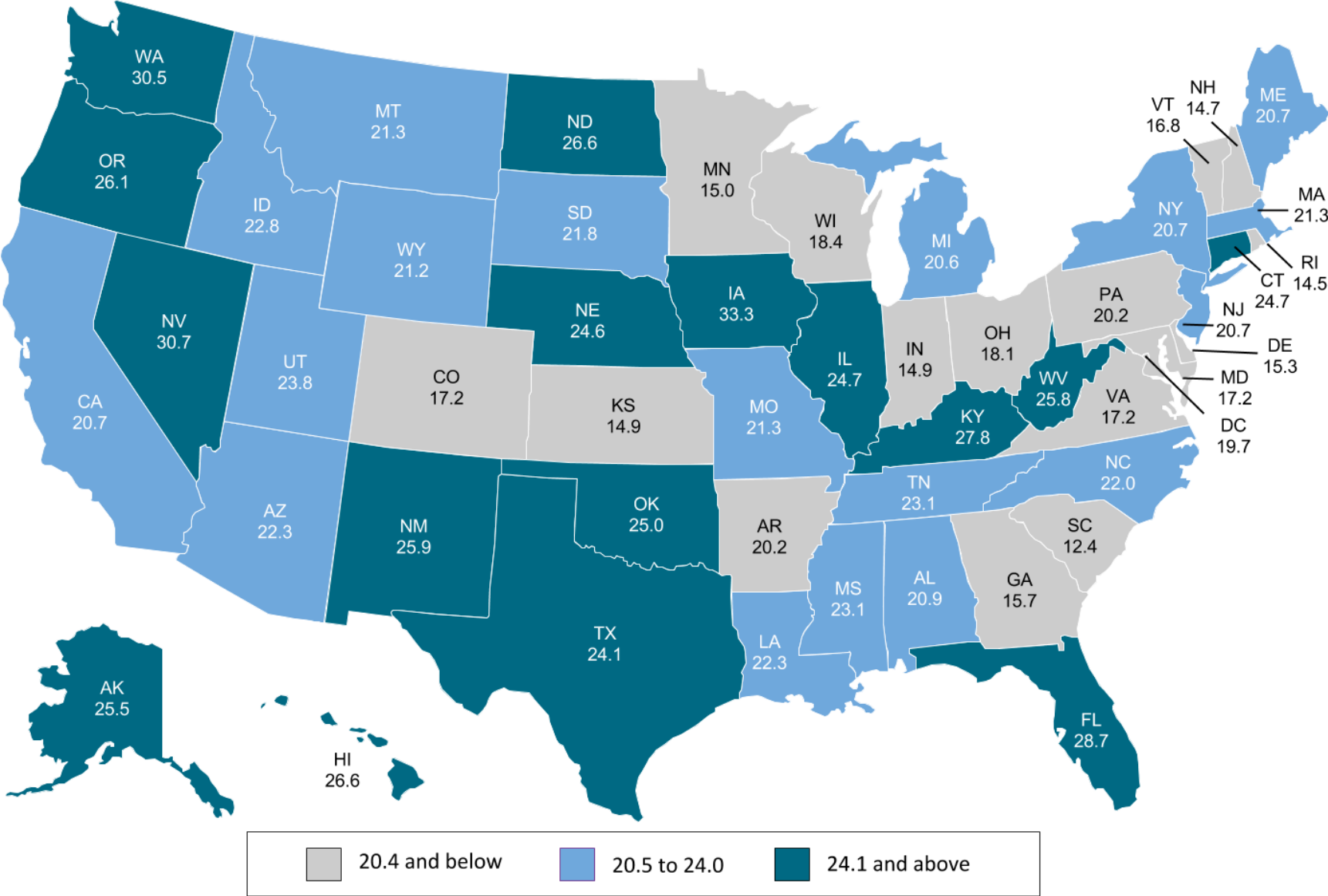
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Share of U.S. Workforce that is Licensed



*Dashed line shows the value from state estimates of licensing to the Gallup Survey and Westat Survey results (state estimates only are 23 percent in 2008).

Share of Workforce Licensed, by State



Source: Kleiner and Vorotnikov (2015) based on an analysis of data from a Harris poll of 9,850 individuals conducted in the first half of 2013.
 Note: The three categories were constructed to contain roughly the same number of states.

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**IMPROVING OUTCOMES
FOR THE UNEMPLOYED
AND
INCREASING WOMEN AND MINORITY
ENTREPRENEURSHIP**

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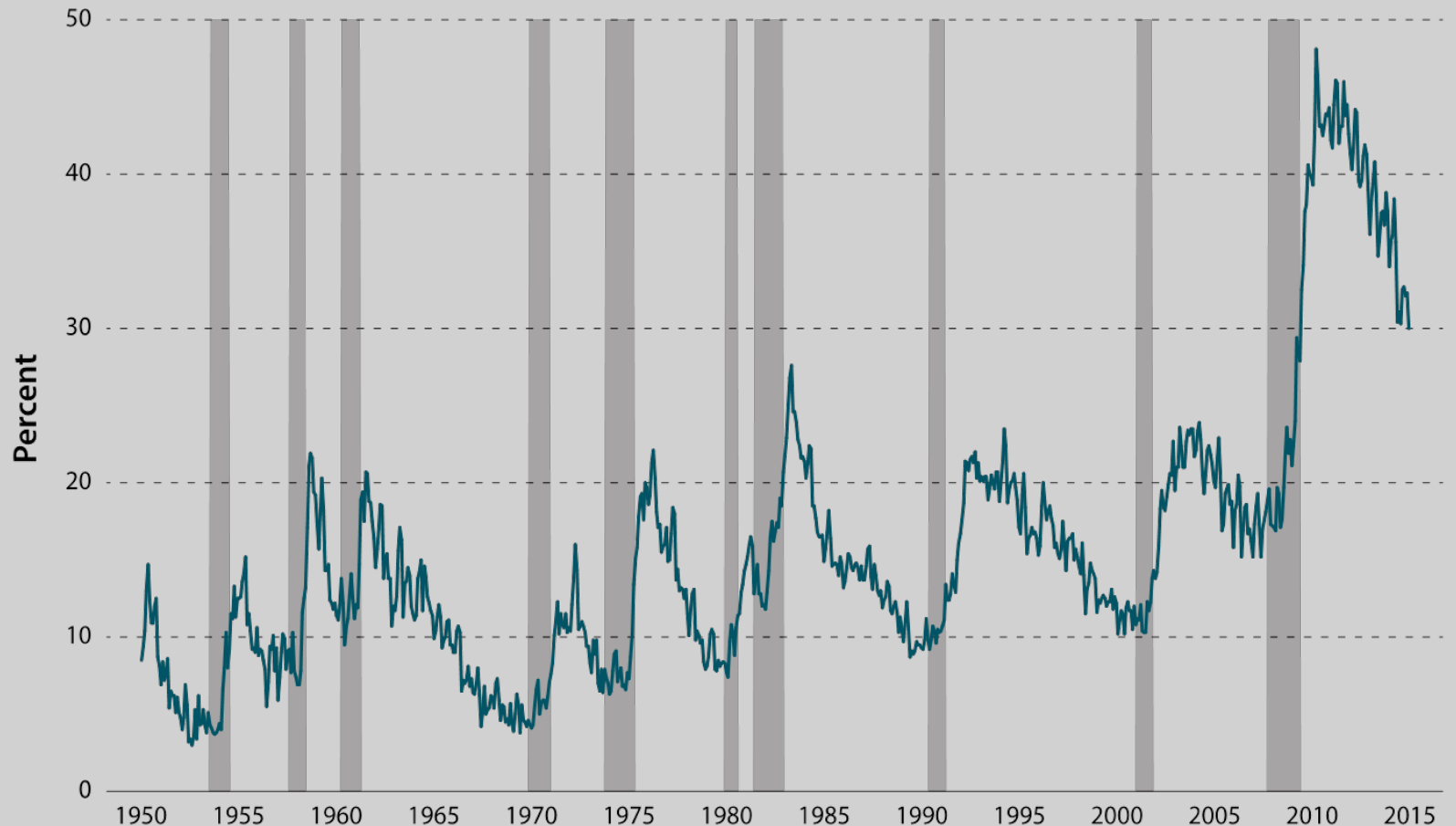
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Strengthening Reemployment in the Unemployment Insurance System

**Adriana Kugler, Vice Provost & Professor of Public
Policy, McCourt School, Georgetown University**

- Helping workers return to work has long been a policy challenge, but has become even more crucial after the Great Recession.
- Given longer durations of unemployment and duration dependence, all the more important to help individuals return to work sooner rather than later.

Long-Term Unemployed as a Share of Total Unemployed, 1950–2015



- Unemployment Insurance system (UI) provides financial support to many, but its restrictive requirements impose hurdles to: (i) qualify for UI and (ii) take actions to find employment.
- Four qualification requirements in state UI systems:
 1. **Monetary Requirement**: worked in 2 of last 4 or 5 quarters and earned minimum amount (e.g., 1.5 of highest quarter).
 2. **Job Separation Requirement**: lost job through no fault of their own (some exceptions for quits after ARRA UI Modernization).
 3. **Work Search Requirement**: register in state job center. Min. number of contacts per week (2-5) for full-time work.
 4. **Ability and Availability Requirement**: physically and mentally ready to accept full-time work and childcare and transportation ready. Must accept prevailing wage or pay cut after certain number of weeks (75% after 8 weeks in TX).

- Given diversity among unemployed, multipronged approach with alternative paths to find employment: Self-employment Assistance (SEA), Bridge-to-Work (BTW), and Under-Employment Assistance (UEA).
- **Self-Employment Assistance (5 randomized pilots):**
 - i. High prob. of exhaustion (>0.25) according to WPRS.
 - ii. Information mailed and information session.
 - iii. To qualify have to send business proposal.
 - iv. Waive work search requirement.
 - v. Bi-weekly benefit payments
 - vi. 6 entrepreneurship training sessions.
 - vii. Help with business proposal and mid-session assessment.
 - viii. Help accessing small business loans.
- Total Cost of \$16 million.

- **Bridge-To-Work (5 randomized pilots):**
 - i. Receive benefits for up to 12 weeks if placed or find employment-based experience.
 - ii. Waive work search requirement.
 - iii. High prob. to exhaust using WPRS and first 8 weeks of claims.
 - iv. Min. of 30 hours of work/week paying the highest of federal or state minimum wage.
 - v. Program pays for workers' compensation.
 - vi. Employer has to show job announcement, not replacing another worker (laid off, on strike or lockout).
 - vii. Transportation stipend of \$100.
 - viii. Childcare stipend of \$150.
 - ix. Rehiring bonus of \$1,500 if keep at least 26 more weeks.
- Total Cost of \$173.5 million.

- **Under-Employment Assistance (5 randomized pilots):**
 - i. 4 states which do not provide benefits to part-timers apply a disregard of 50% and 20% to earnings from part-time work. 1 state with low disregard applies 50% disregard.
 - ii. 3 states provide waiver from work search and 2 states reduce work search requirement.
 - iii. Workers who find part-time work are randomly assigned to high disregard and work search waiver.
 - iv. Can claim benefits up to 24 weeks.
- Total cost of \$17.2 million.
- Total of 1.8 million potentially affected at a cost of \$2,000/person if multipronged approach adopted nationally. Benefits: increased employment b/w 7.5% and 15% and increased income b/w \$2,000 and \$11,000.