

Testimony of Stephanie P. Freed, Co-Founder of ExtendPUA.org, and others on

How New York's Partial Unemployment Insurance Rules Are Hurting
Workers During the COVID-19 Crisis
Before the Joint New York State Senate and Assembly Public Hearing on

the Impact of COVID-19 on the Workforce

Aug. 13, 2020

Good morning. My name is Stephanie Freed. I live in Inwood, Manhattan and am represented by Assemblymember Carmen N. De La Rosa and Senator Robert Jackson.

I have been a gainfully employed freelancer behind the scenes in the entertainment and live events industry for 10 years and I am a member of IATSE. I am a Production Electrician and Lighting Designer and all of my jobs have understandably disappeared since the pandemic began in March. My industry, which accounts for almost 500,000 jobs in NYS alone, is not likely to return to work until well into 2021. Many of us aren't sure how we survive until then. NYC's entertainment will be slow to come back as freelancers are all being pushed out of the city.

Personally, on UI WITH the \$600 supplement I was receiving about half of my usual monthly income. My bills haven't changed at all. Now that the \$600 supplement has expired I receive 1/4 of my usual income in UI, \$1764/mo, which is the NYS maximum after taxes. That's 22,932 for the year. Last year I made over \$100,000 and my bills reflect that. My rent, self pay health insurance, and utilities add up to \$2300/mo so I am losing my apartment. While I am grateful NYS has provided some rent relief, I and many like me, do not qualify. Rent relief needs to be expanded to keep people in their homes. I am not the only one being pushed out of the city I love; friends and colleagues are leaving NYC left and right, blowing marquees out as they go. Without more assistance for individuals who cannot return to work NY's entertainment industry will come back very slowly when it does.

In an attempt to make rent I have been looking for small copywriting freelance projects. This project work is unreliable, competitive, and often low paying, but it could help if I were able to add it to my UI. The Partial UI rule makes this not feasible. Instead of supplementing my income, an hour of work for \$20 costs me \$126 of my UI.

I need to keep taking small projects in addition to UI to even attempt to make enough to pay my bills, but with the current partial UI rule, it is impossible.

Desperation around UI is rampant, so a colleague and I created ExtendPUA.org to provide everyone in need of pandemic assistance with resources and easy ways to reach out to their US Senators in order to make their demands heard. We are a grassroots national

organization, by the unemployed for the unemployed, created in NY. As part of our work I have heard from thousands of people who are struggling. Here are three stories from New Yorkers who are affected by the Partial UI rule specifically. These testimonies were compiled with help from Joe Beumer from my team.

Donna Reggio is a speech pathologist from Calverton. She has spent 36 years building a private practice for preschool aged children. Now, 16 of her 18 students are moving on to kindergarten, and the pandemic prevented all evaluations for incoming preschoolers who need her services. She has seen her typical work week of 35 to 40 sessions drop to just five sessions per week; however, due to educational mandates, these sessions must be spread out over three separate days.

Two and a half hours of sessions in a week eliminate 75% of her UI benefits. Under the proposed Executive Order and the state's Partial UI provisions, her unemployment benefits would drop from \$839 dollars per week (with the \$600 FPUC) to less than \$60 - all because of two and a half hours of work. Partial UI is a true disincentive to work. Donna told me, "I have no choice looking long range... I'm almost 60 [and] cannot 'Go find another career.'"

Richard Heisel has worked as a cook for over 12 years at the same restaurant in Rochester. He has never struggled financially, and he asked that I tell his story. He was furloughed from his job at the beginning of the pandemic, and while not being able to work meant losing \$1000 per week in income - his wages were effectively replaced by UI and the FPUC.

Richard has now gone back to work. His scheduled hours have gone from 60-67 per week to 20 - *but spread across four days*. This has disqualified Richard from any UI benefits under the Partial UI rule- leaving him with one third of his previous wages. Richard told us he has "Never struggled like he is now," and that he wanted his story known because the partial UI does not help him. He is underemployed *because of the pandemic*. We owe him the unemployment assistance he needs *during the pandemic*.

Lisa, a Western New York State resident who asked to remain anonymous works as a server at a chain restaurant. She's not comfortable returning to work, but did so when she was asked to 5 weeks ago since refusing would kick her off of UI and cost her the job. She's uncomfortable because the precautions seem mainly for the customers', and not the employees', benefit. With restaurants at 50% capacity, she has seen her weekly shifts reduced from five to only two.

During the pandemic, Lisa was able to care for herself and her four year old daughter, because of a \$775 combined weekly UI payment. After returning to work, her UI benefit has shrunk to less than \$90/wk, with no additional help. She now must rely on that benefit and nine to ten hours of tips from a 50% capacity restaurant to provide food, rent, healthcare, and all other basic needs for herself and four year old daughter. Even in what is an incredibly dire situation,

Lisa told me, "I know many service people who this is affecting way worse than me, so I am speaking for them as well."

These are just three of the stories that have been shared with me, Partial UI rules punished these workers for doing exactly what the thousands of unemployed people I have talked to want to do - go back to work, in whatever way they can - and make enough money to survive.

I would be misrepresenting my organization to only speak about Partial UI here today though. ExtendPUA.org represents a large group of unemployed workers, facing many issues facing New Yorkers in the Workforce during this pandemic. When 12% of the state and 20% of NYC's Workforce is unemployed we must enact comprehensive response until the pandemic has ended and it is safe for us to go back to work. This includes expansive and inclusive rent and healthcare relief as well as food assistance. 2 million people in NYC alone are estimated to be food insecure because of this pandemic. A concern I was hearing just yesterday was that even though NYS expanded SNAP benefits, many families were kicked off when they were receiving the \$600 and now they are not receiving SNAP or the \$600.

Rent relief is being offered based on income requirements prior to March 1st, which, thankfully, helps families who were already at a disadvantage. However, it does not help those who may have been middle income prior to the pandemic. While the assumption may be that the middle class doesn't need the assistance, we are actually feeling a different kind of hit in that we have lost all of our income, our bills remain higher than the max UI coverage and there is no further assistance provided.

We also need to take care of our immigrant community, who are left out of UI and pandemic relief completely.

Lastly, I want to urge the NYS Senate to not only take action on what they can surrounding the issues Workers are facing in this pandemic, but to also join and help us citizens who are putting pressure on the Federal government to pass a comprehensive relief bill with urgency. We need your voices too. Us unemployed at ExtendPUA.org would be more than happy to continue to provide voices of unemployed folks for the NYS Senate as necessary.

Thank you for allowing me to share our stories here today.