

An Overview of Stories from Applicants to the Excluded Workers Fund

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Unemployment insurance is a vital social program to help workers through economic struggle, but program gaps leave many workers behind. Federal actions to expand coverage during the COVID-19 pandemic temporarily fixed many of those shortcomings. But even the expanded coverage left millions of workers out of unemployment compensation. Most strikingly, the coverage left behind millions of undocumented immigrants. Around the country, **various states and localities** responded by creating programs to cover excluded workers. The most expansive is New York's \$2.1 billion Excluded Workers Fund (EWF), the only fund to provide recipients with compensation on par with what other workers received in unemployment benefits for the year. Through the fund, 130,000 New York workers received one-time payments of \$15,600 in 2021, about 40 percent of the total 305,000 estimated to be eligible.

To learn more about the impacts of the fund on families and communities, the Urban Institute and Immigration Research Initiative conducted 24 in-depth interviews: 9 with staff members of community-based organizations that supported the application process and 15 with fund applicants. For those who received the unemployment compensation, the fund was critical during the worst of the pandemic recession and created steps toward greater social inclusion and civic engagement for workers and their families. Workers who qualified but did not receive the payments continue to struggle with basic needs.

ECONOMIC AND SOCIAL IMPACTS OF THE EXCLUDED WORKERS FUND

Helping make ends meet through the pandemic and a period of severe job loss. Unemployment spiked to unprecedented levels during the height of the pandemic. The EWF payments helped people who lost work meet their families' most basic needs. It also allowed many to step away from dangerous or abusive situations at work or at home, maintaining community and workplace standards.

Balancing family and work responsibilities. Many of the interviewees struggled to balance work and family care. Some had children at home because day care or schools were shut down. Some had to quarantine and care for parents or spouses who contracted COVID-19. Paid time off for caretaking is rare for undocumented workers, but the fund allowed workers to care for their families.

Investing in children and education. The pandemic was challenging for children at home and at school. The fund allowed parents to adapt to stressful conditions. Some bought equipment to allow participation in remote learning; others paid for tuition, clothes, or school supplies.

One woman described how the fund made it possible to move her family of five children to a new apartment:

As a mother...you want to see your kids free and happy and have space. In one tiny one-bedroom, there was no space...I'm so grateful...They have their space and everybody's good. It's a happy life. That's what every parent [is] wishing for, for their kids.

Paying accumulated bills and climbing out of debt.

Some fund recipients needed to pay back accumulated debts, which was possible because of the fund. Several interviewees discussed how the fund allowed them to move out of neighborhoods or household situations where they felt unsafe. One described the enormous relief when the fund allowed him to get out from under “the burden of debt.” Another described how she was afraid of being evicted because of her debt. Upon getting the fund payment, she said,

I withdrew the money to pay the person that loaned it to me, and that way, I feel less stressed. I'm not thinking about that all the time, that I owe this much money, and that I have to pay it. The first thing I did was pay for that.

Improving local economies. Payments also helped recipients invest in their future work. Those with small businesses, such as street vendors, bought merchandise to help them grow their sales or weather periods with lean revenue. One woman said she could put the money toward a car so she could drive to work.

Moving from eligibility hesitancy to recognition and greater social inclusion. An important, less tangible impact of the EWF was workers’ sense of being seen and valued as members of society, and their sense of having power and dignity.

One worker said, “It was like an oasis in the desert and it gave me a really big power that I never thought possible.... In my over 50 years of life, this is the first time I have ever received something like this from the country.” Another said, “I would tell [anyone I knew], ‘Do this. Do this and they’re going to help.’” Helping the community felt powerful and often brought people closer to community and advocacy organizations. Recipients started engaging in other ways, such as applying for drivers’ licenses, filing taxes, or getting municipal identification cards.

People who did not receive the fund despite qualifying often continue to struggle. “COVID is still here. The sickness continues...rent, [their] bills, electricity, phone—that’s the most common disease in this country.” But for those who did, EWF was an earned victory. A staff member at a community-based group described the reaction of community members:

A lot of them were saying, “Finally, we’re being recognized. They know we’re here.”

Looking into the future. Interviewees saw the 2021 EWF as life-changing but recognized many people who qualified did not receive payments. The fund served as a temporary connection to the safety net, giving many excluded workers support that others in the US regularly rely on. Interviewees stressed the importance of a long-term solution, a way to permanently patch the holes in unemployment assistance. As one worker put it, “I hope the permanent relief bill comes as soon as possible. So many people have been waiting such a long time.”

This fact sheet draws from “*Finally We’re Being Recognized*”: *Stories and Perspectives from Applicants to the Excluded Workers Fund*. Read the full report [here](#).