The Process: Unemployment Insurance Applications
(Department of Labor)

Streamlining the process of applying for and receiving UI benefits for eligible unemployed workers through plain language, partnerships with community organizations, translation, and more.

What Is the Federal-State Unemployment Insurance System?

Run as a partnership between individual states and the Department of Labor (DOL), the Federal-State Unemployment Insurance (UI) system offers benefits to workers who lose their jobs through no fault of their own. UI offers economic security to workers and their families and provides stimulus to the economy during downturns. The program was a critical lifeline during the COVID-19 pandemic, paying out benefits to 53 million Americans and keeping millions out of poverty.35

Although UI provides much-needed support to individual workers and the economy as a whole, many workers, especially from underserved communities, face barriers to applying for, and receiving, benefits in a timely manner. Many unemployed workers who might be eligible for benefits do not claim them due to lack of knowledge about the program. Although rates of application and recipiency increased during the pandemic, in 2022 the majority of individuals who lost jobs — the unemployed workers most likely to have qualified for benefits — reported that they did not receive benefits.36 Looking over the past decade, workers from underserved communities, particularly workers of color and workers with lower levels of formal education, applied for and received UI benefits at lower rates than workers who were not from such communities.


While there are many reasons workers do not apply for benefits, some important factors include the complicated forms and processes that unemployed workers must complete to qualify for benefits, as well as outdated and strained information technology systems states have in place to process claims. These barriers create learning, compliance, and psychological costs for workers attempting to access benefits.

**How Has Public Engagement Informed UI Burden Reduction Efforts?**

DOL built on extensive engagement with the public, including unemployed workers, worker organizations, legal services organizations, state governments, and UI agency staff, to understand the barriers faced by workers in claiming benefits. DOL is working together with state UI agencies to take steps to address those barriers.

For example, DOL regularly convenes Claimant Advocate listening sessions with front-line advocates for unemployed workers (primarily legal service lawyers) every three weeks. These listening sessions provide DOL with candid feedback from the field about burdens placed on claimants throughout the process of applying for and receiving UI benefits. To date, worker representatives from 20 states have participated in this roundtable. Further, DOL has sent multi-disciplinary Tiger Teams into states to make recommendations for process improvements, and these teams have also interviewed front-line advocates to gain additional perspectives on the burdens in each state.

**What Steps Is the Biden-Harris Administration Taking To Modernize the UI System To Reduce Burdens?**

With support from the American Rescue Plan Act, the Biden-Harris Administration is taking a number of steps to make it easier for qualified unemployed workers to access unemployment benefits. DOL has awarded new equity grants to states that both improve program integrity and ensure that more eligible workers, and especially workers from underserved communities, can access benefits in a timely manner. As of June 2023, 42 states and jurisdictions have received funding for new information technology process improvements that advance equity; launch or improve translation services;
foster better communication with workers and other civil society groups; engage in data analysis to understand relevant barriers; and undertake plain language communications efforts, among other focus areas.\(^{37}\)

Separately, DOL has awarded grants to states to partner with community-based organizations to help more eligible workers, especially from underserved communities, navigate the application process, reduce the stigma around benefit receipt, and flag issues that state governments and DOL can jointly address. These “navigator grants” are supporting DOL and state governments to partner with frontline organizations with trusted relationships in specific communities to better understand and address barriers that those communities face to accessing benefits.\(^{38}\)

Many UI forms and processes use technical terms to describe key concepts regarding eligibility and benefit amounts that can be difficult for potential applicants to understand. DOL is creating new plain language forms and processes to ease the process of applying.\(^{39}\) Making it easier for workers to understand how to complete forms accurately can also speed up application processing, and reduce improper payments that are generated when claimants do not understand instructions. This will save state agency time and resources by reducing the need to follow up with applicants to correct information, and by reducing time spent on processing appeals for inaccurate benefit denials.

Together, these changes will help reduce learning costs, by making it easier for workers to understand how to apply, through both plain language communications and assistance from community or worker organizations; reduce compliance costs by simplifying the steps necessary to complete forms and speeding up processing of applications; and reduce psychological costs by partnering with community and worker organizations to spread awareness of the program and reduce the stigma of applying.

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