

5 STATES WHERE THOSE WHO ARE UNEMPLOYED COULD LOSE BENEFITS



Almost 2 million Americans that are currently receiving unemployment benefits stand to lose coverage this January if Congress doesn't extend the emergency federal unemployment insurance program. 24/7 Wall St. has reviewed the study by the National Employment Law Project to identify the ten states where the most people could lose benefits. The supercommittee was responsible for the extending of the unemployment benefits. The group was supposed to reach a federal debt-reduction agreement that would have included an extension of the federal unemployment insurance for the people who have run out of state-level benefits. Since the supercommittee failed to reach an agreement, the federal programs will expire on December 31, unless Congressional lawmakers renew it. A similar uncertainty existed last year, before the federal benefits were eventually extended. However, a sharply divided Congress may find it even more difficult to extend benefits this year. Rebecca Dixon, who is the policy analyst at NELP, told 24/7 Wall Street that "if Congress fails to renew unemployment insurance benefits, 6 million hardworking Americans struggling to get back on their feet, will lose their emergency lifeline. These modest payments are vital to keeping these workers and their families afloat while they search for work in the worst job market since the Great Depression." Despite the recent declines in the national rate, unemployment is still a huge problem in the US. The rate has remained around 9 percent for three year, well above 2008's 5 percent rate. Even worse, 42 percent of the unemployed are currently "long-term unemployed" meaning they have exhausted all state unemployment benefit, received before federal benefits and usually lasting for 26 weeks. This will account for approximately 6 million people. If the federal program ends, 1.8 million people, who either currently collect federal benefits or are to begin collecting them in January, will be completely cut off. The state on the list have the largest number of residents who could lose benefits. Many state make this list simply because of their size. For instance, New York and Texas both have employment rates that are below the national average but are among the most populous state in the country. Other states on the list have particularly high unemployment, in addition to the large populations. California for instance, has the second highest rate in the country, and Michigan has the fourth. These are the five states where the most unemployed could lose benefits in 2012.

1. New Jersey Unemployment rate: 9.1% Number of residents potentially losing insurance in January: 85,900 Total population: 8,791,894
2. Texas Unemployment rate: 8.4% Number of residents potentially losing insurance in January: 102,500 Total population: 25,145,561
3. New York Unemployment rate: 7.9% Number of residents potentially losing insurance in January: 126,000
4. Florida Unemployment rate: 10.3 % Number of residents potentially losing insurance in January: 131,000 Total population: 18,801,310
5. California Unemployment rate: 11.7% Number of residents potentially losing insurance in January: 305,400 Total population: 37,253,956