



FREQUENTLY ASKED QUESTIONS (FAQ)

Safety Net for All Workers Act (SB 227)

What is SB 227 – The Safety Net for All Workers Act (Durazo)? What would it do?

SB 227 - The Safety Net for All Workers Act (Durazo) would create an Excluded Workers Program, which would provide unemployment benefits to workers excluded from traditional unemployment insurance solely due to their immigration status. Eligible workers would qualify for \$300 for each week of unemployment up to a maximum of 20 weeks.

Why is the Safety Net for All Workers Act necessary right now?

SB 227 would address a longstanding racist exclusion that has had a devastating economic impact on immigrant communities, California's industries, and the wellbeing of our state—particularly during times of disaster, such as wildfires and historic winter storms. While millions of undocumented immigrant workers work in jobs that help California prosper, they are unable to access unemployment benefits when they experience job loss. Losing their livelihood without recourse hurts theirs and their loved ones' well-being, forcing them to exhaust savings and incur debt to pay for the costs of housing, childcare, food, and other basic needs. For California to build a resilient economic future, it must end these unjust exclusions for undocumented workers.

Who will be eligible and how will they qualify?

Applicants will need to demonstrate that they live in California, that they previously performed work as an employee, that they experienced at least one week of unemployment, and that they are ineligible for Unemployment Insurance due to their immigration status.

How many people would benefit from this program?

There are just over 1 million undocumented workers in California who all are currently excluded from receiving unemployment benefits. This program would ensure that all of these 1 million workers have access to a safety net if they lose their job. This also would have an impact on the family members and relatives of undocumented workers. For example, we know that 20% of all Californians under the age of 18 live with an undocumented family member or are undocumented themselves.

How much funding will be needed for the Excluded Workers Program?

We estimate that the program will require \$356M which includes funding for the benefits as well as funds for the state Employment Development Department to administer the program.

Where will the funding for this program come from?

Currently, funding is proposed to come from the state's General Fund. However, there are several possibilities to raise revenue for an Excluded Workers Program, such as by creating a dedicated fund, raising the taxable wage base for UI, or cutting corporate tax breaks.



If an employer doesn't report wages, or pays workers with cash or check, will these workers be able to qualify?

Yes, workers can qualify for these benefits if they meet all of the other eligibility requirements and are able to show that they have performed work as an employee. The bill provides several different ways that workers can prove their work history in order to accommodate the various circumstances undocumented immigrant workers face, while also ensuring that the benefits only go to eligible workers.

How will you ensure the privacy of workers' personal information?

Information submitted to EDD for the program can only be used for the purpose of administering the program. The bill establishes robust privacy protections ensuring that workers' data is not shared outside of the EDD, and information can only be disclosed pursuant to a court order.

Do people who are undocumented work and pay taxes?

Yes. People who are undocumented comprise approximately 1 in 17 workers in California, and many work in front-line jobs that are precarious, pay low wages, and lack strong worker protections. Undocumented immigrant workers also contribute roughly \$3.7B every year in state and local taxes. Further, California employers contribute an estimated \$485 million to the Unemployment Insurance fund on behalf of undocumented workers annually—even though those very workers don't see a cent of the benefits.

Has any other state created a similar program?

Yes, other states have implemented programs to provide similar benefits to undocumented workers that have successfully addressed fraud, respected people's privacy, and maximized access. New York is the largest, with a \$2.1B investment in an Excluded Workers Fund that provided unemployment payments to workers who lost income during the pandemic but were not eligible for unemployment insurance. Eligible workers were able to receive a one-time payment of up to \$15,600. An evaluation of the program found that the Excluded Worker Program was used to pay back rent, pay for food, and support an individual's economic advancement and wellbeing. It also led to an increase in volunteer work, workplace improvements, and ITIN and driver's license applications. New York's Excluded Workers Fund is a model for other states to efficiently and safely deliver cash payments to a vulnerable group with heightened privacy concerns. In 2022, Colorado passed into law the nation's first permanent unemployment insurance benefit program for undocumented workers, and workers will begin to receive payments starting in 2023. There have also been other programs that provided different types of relief or cash assistance to undocumented immigrants in states such as WA, NJ, NM, OR, IA, and VT.