



SENATOR
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LEGISLATIVE FACTSHEET

**Senate Bill 227 (Durazo)
Safety Net for All Workers Act**

Issue

Excluded immigrant workers helped to hold California's economy together throughout the pandemic, and continue to do so during economic downturns and natural disasters. Yet without the support of essential safety net programs like unemployment insurance, many immigrant families are forced to exhaust their life savings, accumulate debt, and compromise their health to simply afford basic necessities when they lose their jobs.

Background

California is set to be the world's fourth-largest economy in large part thanks to immigrant labor. **78% of undocumented immigrant workers in California work in jobs deemed "essential and critical" to the economy.** Yet, undocumented workers are excluded from critical safety net programs like unemployment benefits due to historic, racist exclusions.

Today, taxes on the wages of undocumented workers contribute an estimated \$485 million annually to the Unemployment Insurance system, even though those workers do not see a cent of the benefits. During the COVID-19 pandemic, California unemployed citizen workers were eligible for up to 20 times as much economic aid as unemployed undocumented workers.

Other states have addressed this injustice by providing unemployment benefits to excluded immigrant workers, with great success. In one example, 66% of participants were able to pay back rent, and 20% were able to invest in getting their new job and applied for an ITIN to help them file their taxes.

Unemployment benefits are a lifeline for California's families, communities and industries.

According to the LAO, unemployment benefits not only help alleviate temporary economic hardship for workers and their families, but also bolster the state economy during economic downturns. They also help prevent the sort of desperation among job seekers that allows unscrupulous employers to commit wage theft and perpetuate other forms of harassment or mistreatment on the job. And, they support industries and the economy by making sure that those who lose work can keep spending money with local businesses and can get back to work quickly.

By providing unemployment benefits to excluded immigrant workers, California can address inequities, increase economic resilience, and build a California that works for all.

Bill Summary

SB 227 (Durazo) would establish the Safety Net for All Workers Act, which would create an Excluded Workers Program to be administered by the Employment Development Department. The program would provide workers who are excluded from Unemployment Insurance solely due to their immigration status with \$300 per week, for up to 20 weeks, for each week they are unemployed between January 1, 2025 and December 21, 2025.

In addition, the bill would:

- Require the department to promulgate regulations on or before January 1, 2025.
- Prohibit disclosures of personal information obtained through the program.
- Require the department to report to the Legislature specified information describing

program participation, including outreach efforts and administrative costs.

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