



# The Bell Policy Center

---

Research • Advocacy • Opportunity

1905 Sherman St., Suite 900, Denver, Colo. 80203 • 303-297-0456

[www.thebell.org](http://www.thebell.org)

Emailed to supporters June 2, 2009

## Success from the session

# Unemployment, foreclosure bills to help hard-working Coloradans

By Rich Jones

Director of policy and research

[jones@thebell.org](mailto:jones@thebell.org)

This evening, Gov. Bill Ritter will sign several bills that will help hard-working Coloradans better make it through the recession. He plans to sign **SB 247**, which modernizes, strengthens and reforms Colorado's unemployment insurance system, and **HB 1276**, which delays foreclosure proceedings so borrowers and lenders can avoid foreclosure. Last night, he signed **HB 1064** to create the Economic Opportunity and Poverty Reduction Task Force, which will recommend actions to alleviate poverty in Colorado.

The bill-signing is being held in conjunction with a Help and Opportunity Fair for Working Families, hosted by Gov. Ritter, state agencies, nonprofit groups and other service providers. The fair will be from 5-7 p.m. at the Capitol and will provide information about unemployment benefits, foreclosure prevention, health care, utility assistance and job training. If it is raining, the fair will be inside.

## **SB 247: Unemployment insurance reform**

This session, the legislature and Gov. Ritter took significant action to modernize, reform and strengthen Colorado's unemployment insurance system. This legislation creates an alternative base period that helps mostly low-wage workers qualify for unemployment benefits when they are laid off, rather than having to wait up to three months under the current system. This is projected to help 1,800 workers receive unemployment benefits over the next year. Nationally, the average wage of workers who benefit from the alternative base period is about \$9 per hour.

The bill also makes minor changes to Colorado's laws relating to workers who are

forced to leave a job due to their own illness or disability or that of a family member or because of domestic violence. It expands benefits currently available to workers who leave a job to follow a spouse in the military to any worker whose spouse changes employment location, making commuting impractical. These provisions are projected to expand unemployment benefits to an additional 465 workers in the coming year.

It also provides additional unemployment benefits to workers enrolled in approved training programs, so they can prepare to work in high-demand occupations and the renewable energy sector. The training will help workers qualify for better-paying and more stable jobs. The training provisions apply for three years, ending in 2012.

Finally, SB 247 allows Colorado to access federal funds to fully pay extended unemployment benefits during 2009 for those workers who have exhausted their traditional unemployment benefits and still do not have a job.

By making these changes, Colorado will receive more than \$127 million in federal funds to bolster our unemployment insurance trust fund. Without the federal money, the trust fund balance is projected to drop to \$44 million in fiscal year 2009-10. However, with these federal funds the trust fund balance is projected to grow to \$179 million.

Unemployment insurance reform is often a contentious issue, pitting business against labor, but labor, business and advocates for low-wage workers all supported SB 247.

### **HB 1276: Foreclosure prevention**

This legislation will delay foreclosure proceedings for up to 90 days to allow qualified homeowners and mortgage holders to work out an agreement to prevent foreclosure. To qualify, homeowners must contact a certified housing counselor within 20 days after receiving a notice of foreclosure, and the housing counselor must attest that the borrower meets designated requirements.

During the delay in the foreclosure process, the homeowner must make payments equal to two-thirds of the monthly payment amount due before the delinquency.

This legislation will help create breathing room so homeowners can work out an agreement that keeps them in their homes.

### **HB 1064: Economic opportunity and poverty reduction**

This bill creates the Economic Opportunity and Poverty Reduction Task Force to thoroughly examine and recommend actions to cut poverty in half in Colorado by 2019. The task force, a bipartisan group of legislators, will meet over the interim

to gather information, hear testimony and develop recommendations.

It will be assisted by subcommittees with a broad cross section of citizens representing business, labor, state agencies, local governments, education organizations, advocates and people affected by the work of the task force.

Between 2000 and 2006, Colorado had the highest increase in the rate of children living in poverty of any state in the nation. This task force will focus on developing strategic, long-term actions to reduce poverty and add to the state's economy.