



# HB23-1078: Unemployment Compensation Dependent Allowance

*Reps. Willford & Gonzales-Gutierrez  
Sens. Hansen & Winter*

## Colorado Benefits from a Dependent Allowance

UI benefits only replace about 40% of a worker's wages, making it difficult for all workers to cover basic needs while looking for work. This is especially true for single parents.

Single mothers of color are hit particularly hard by periods of joblessness, as they are more likely to be sole breadwinners for their families. Dependent allowances can make the unemployment system work better for these workers.

Workers caring for dependents have higher fixed costs for food, housing, and medical care, so periods of unemployment for primary caregivers can drive a family into greater hardship, housing insecurity, and food insecurity without additional help.

## VOTE YES ON HB23-1078

### Centering Parents and Caregivers in CO's UI Program

HB23-1078 supports parents and caregivers in Colorado's unemployment insurance (UI) program by establishing a dependent allowance for workers with children or dependent adult children. A dependent allowance (DA) is an additional amount of money added to an eligible UI beneficiary's weekly benefit amount to help them meet basic needs as they continue to search for work. HB23-1078 will provide \$35 per week, per dependent, for parents and other caregivers on top of their weekly UI benefit. Dependents include those who receive at least half of their financial support from a parent or caregiver and who are:

- Children (biological, adopted, foster child, stepchild, child of a domestic partner, or child to whom an individual stands in loco parentis) under the age of 18 or
- Dependent adults 18 and older who have a physical or mental disability.

HB23-1078 is a strong step towards ensuring that critical safety net programs like UI effectively support workers and their families.

### Unemployment Insurance: An Economic Safety Net

For nearly a century, Colorado's UI system has been an important lifeline for workers who lose their job through no fault of their own. This was especially true in 2020 and 2021. When the pandemic hit, unemployment shot up to a high of 12.1%. 1.4 million Coloradans claimed UI benefits between March 2020 and the end of 2021. Federal and state unemployment insurance programs together put more than \$11.5 billion into the hands of Coloradans in every community in the state.

Adequate UI benefits can increase or retain caregivers' workforce participation, lowering overall labor costs. Caregiving challenges are cited as a top reason for reduced labor-force participation, especially among women. Dependent allowances help unemployed workers keep their childcare arrangements while seeking re-employment or temporarily working part time.

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# Organizations Supporting HB23-1078



**COLORADO  
ORGANIZATION FOR  
LATINA  
OPPORTUNITY AND  
REPRODUCTIVE RIGHTS**



**CENTENNIAL STATE  
PROSPERITY**



**towards  
justice**



*A Union of Professionals*  
**AFT Colorado**



**COLORADO  
CHILDREN'S  
CAMPAIGN**  
*Every Chance for Every Child*



**ECPAC**  
**EARLY CHILDHOOD  
PARTNERSHIP  
OF ADAMS COUNTY**



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