

SUMMER UI BENEFITS FOR SCHOOL SUPPORT STAFF: EVIDENCE FROM ILLINOIS AND WHAT IT MIGHT MEAN FOR MINNESOTA IN HF 1035

Dr. Dave Kamper, Senior State Policy Coordinator

February 17, 2022

Minnesota House of Representatives ♦ Education Finance Committee

**Economic
Policy
Institute**



The Economic Policy Institute:

- An independent, nonprofit think tank that researches the impact of economic trends and policies on working people and advocates for better wages, benefits, and a voice on the job.
- A partner in producing and uplifting state and local policy research.

ECONOMIC ANALYSIS AND RESEARCH NETWORK:

- A nationwide network of research, policy, and advocacy organizations fighting, state by state, for an economy that works for everyone, coordinated by EPI.
- Member organizations in nearly 60 state and local organizations in 43 states and D.C. – in Minnesota it is the [Minnesota Budget Project](#)

**Economic
Policy
Institute**



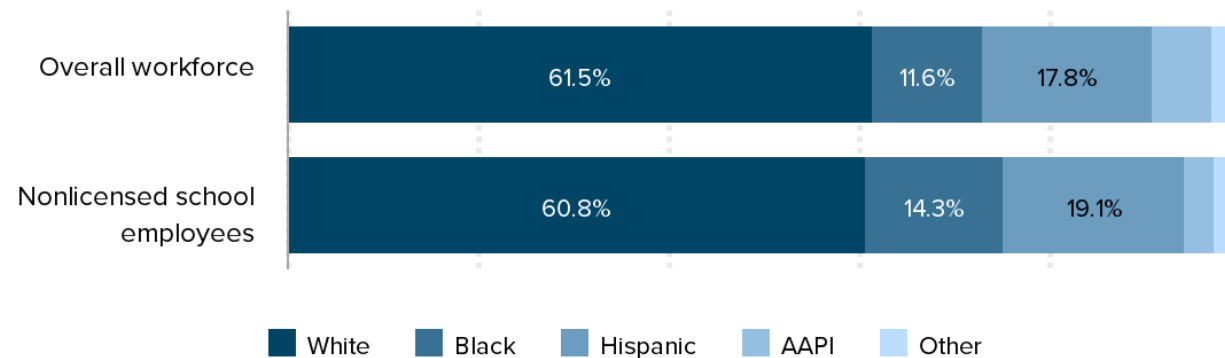
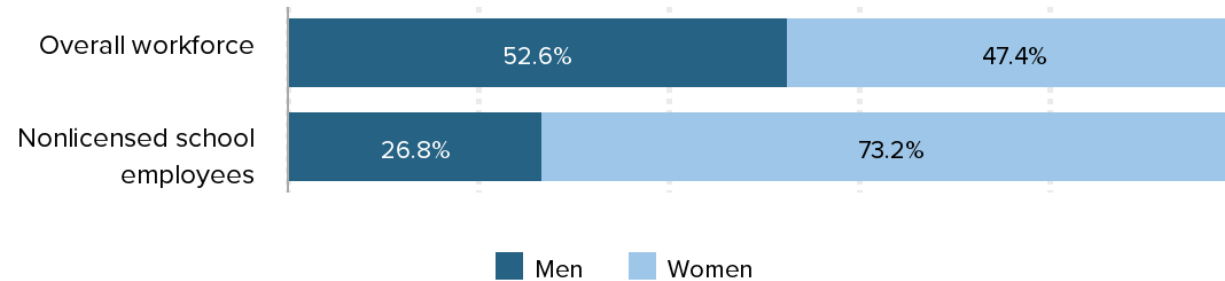
Posted May 12, 2021 at 3:01 pm by **Julia Wolfe** and **Dave Kamper**

Illinois extended unemployment benefits to school workers in the summer, and Minnesota should follow suit



WHO ARE SCHOOL SUPPORT STAFF?

Women, Black, and Hispanic workers are disproportionately represented in nonlicensed education occupations



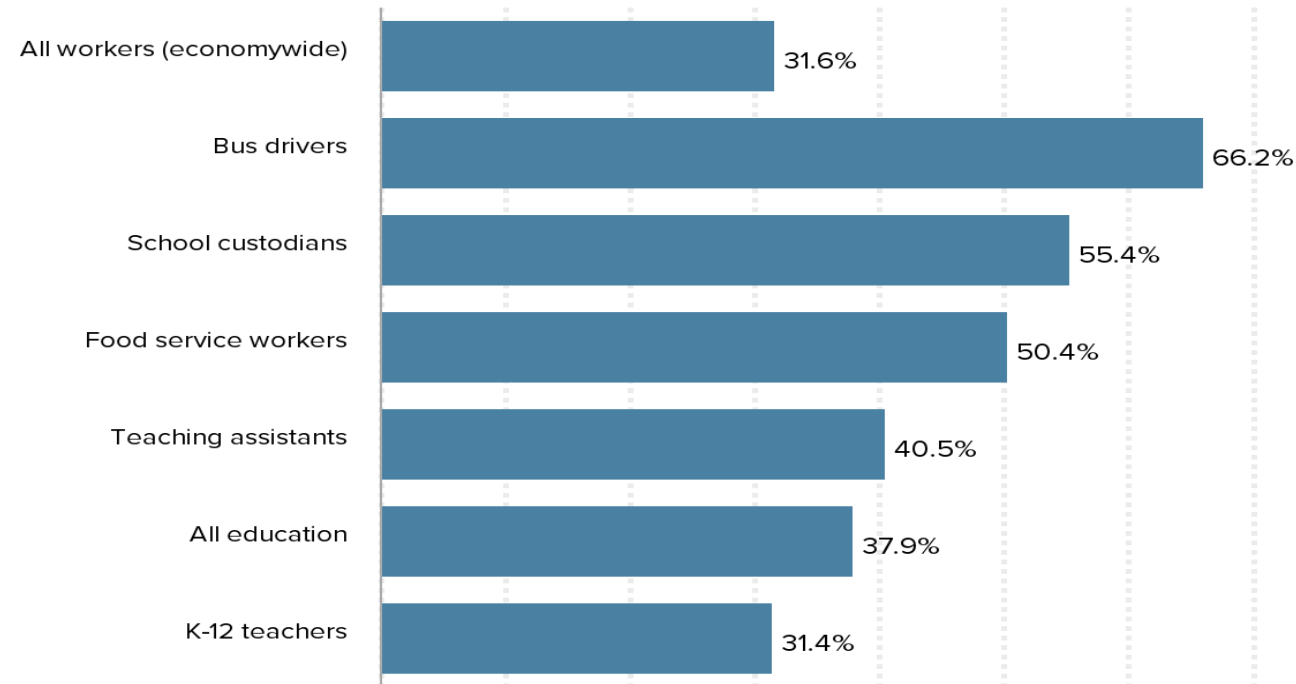
Source: EPI analysis of 2019 ACS microdata.



WHO ARE SCHOOL SUPPORT STAFF?

Education support staff are typically older than other workers

Shares of K–12 public education support workers and workers in the overall economy who are age 50 or older



Source: EPI analysis of 2014–2019 pooled Current Population Survey microdata.

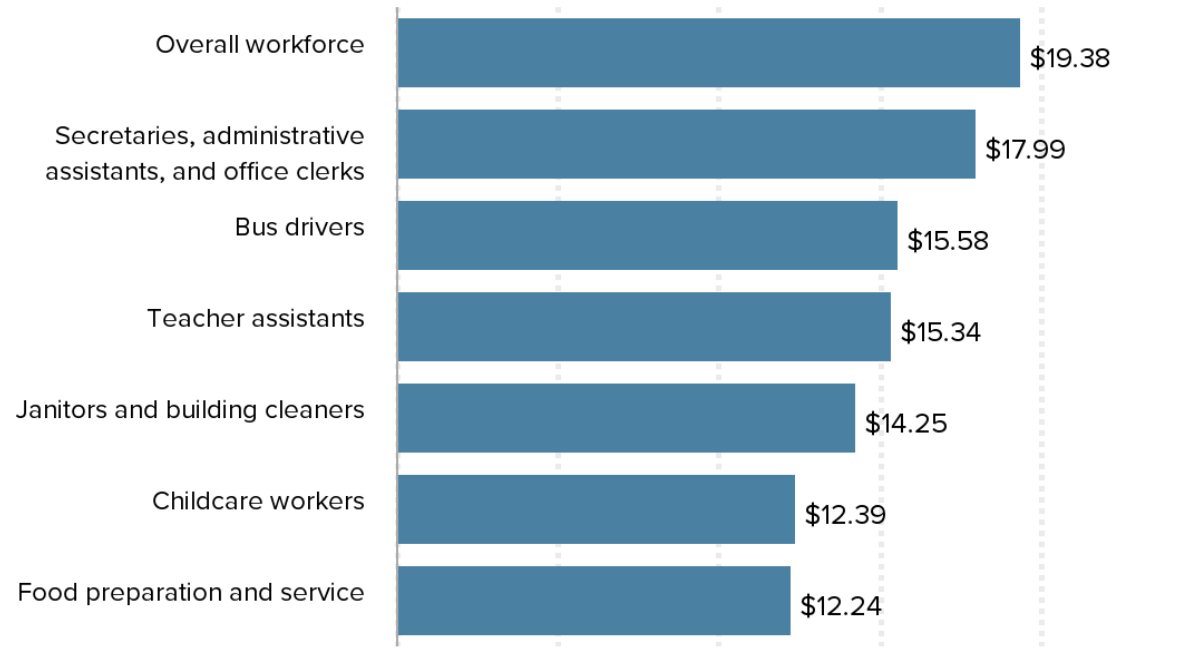
Source: Dave Cooper and Sebastian Martinez Hickey, "Raising Pay in Public K-12 Schools Is Critical to Solving Staffing Shortages" <https://www.epi.org/publication/solving-k-12-staffing-shortages/>



WHO ARE SCHOOL SUPPORT STAFF?

In many occupations, nonlicensed school employees are paid less than the typical worker

Real median annual wages of the overall workforce and selected nonlicensed education occupations (2020\$)



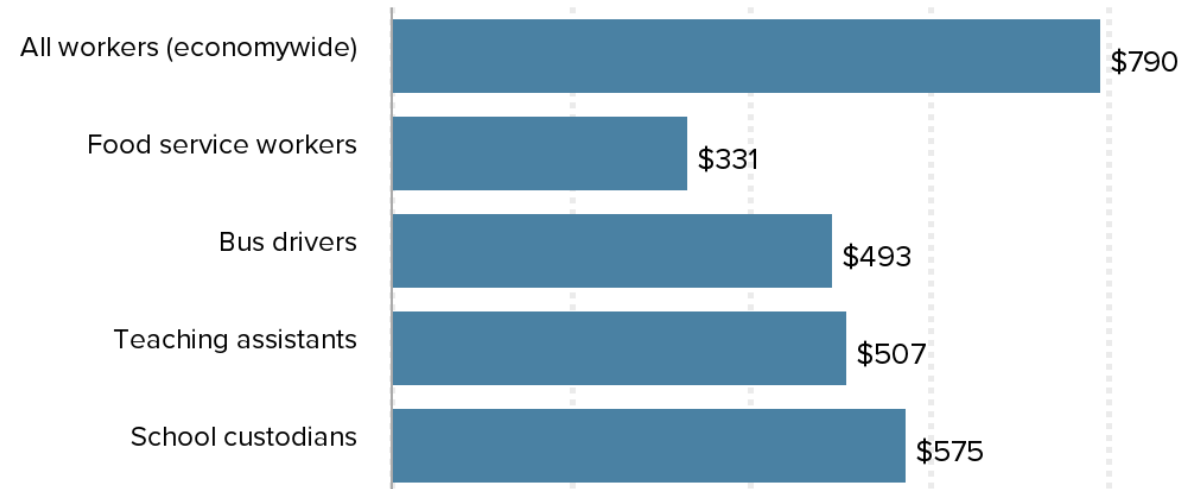
Source: EPI Analysis of 2017–2019 pooled CPS microdata.



WHO ARE SCHOOL SUPPORT STAFF?

Education support staff are paid very low wages

Weekly median wages of all workers and K–12 public education support workers



Source: Dave Cooper and Sebastian Martinez Hickey, "Raising Pay in Public K-12 Schools Is Critical to Solving Staffing Shortages" <https://www.epi.org/publication/solving-k-12-staffing-shortages/>

Notes: Weekly wages in 2020 dollars.

Source: EPI analysis of 2014–2019 pooled Current Population Survey microdata.



THE BROADER ECONOMIC CONTEXT

Minnesota

Percent change in number of jobs in last 12 months: 6.2%

Change in number of jobs in last 12 months: 167,800

Percent change in numbers of jobs in last 3 months: 0.8%

Change in number of jobs in last 3 months: 21,500

Percent change in number of jobs since February 2020: -3.6%

Change in number of jobs since February 2020: -108,900

Jobs refers to the total number of jobs, part-time or full-time, in nonfarm establishments.

Source: EPI analysis of Bureau of Labor Statistics' Local Area Unemployment Statistics data

Economic Policy Institute

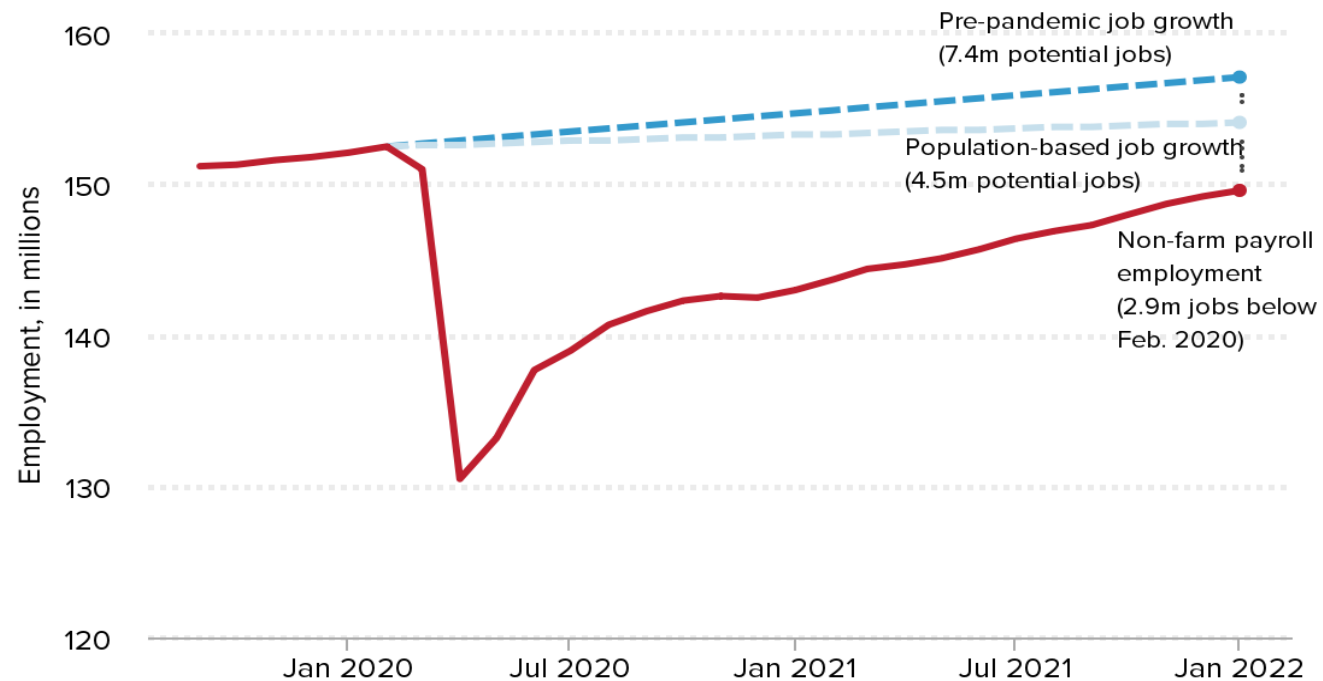
**Economic
Policy
Institute**



THE BROADER ECONOMIC CONTEXT

Measuring the job shortfall since February 2020

Actual and counterfactual employment, January 2019–January 2022



Notes: Payroll employment growth averaged 202,000 in the 12 months leading up to the pandemic recession. Population-adjusted employment growth applies population growth in the latest month since February 2020 to payroll employment and interpolates in the intervening years.

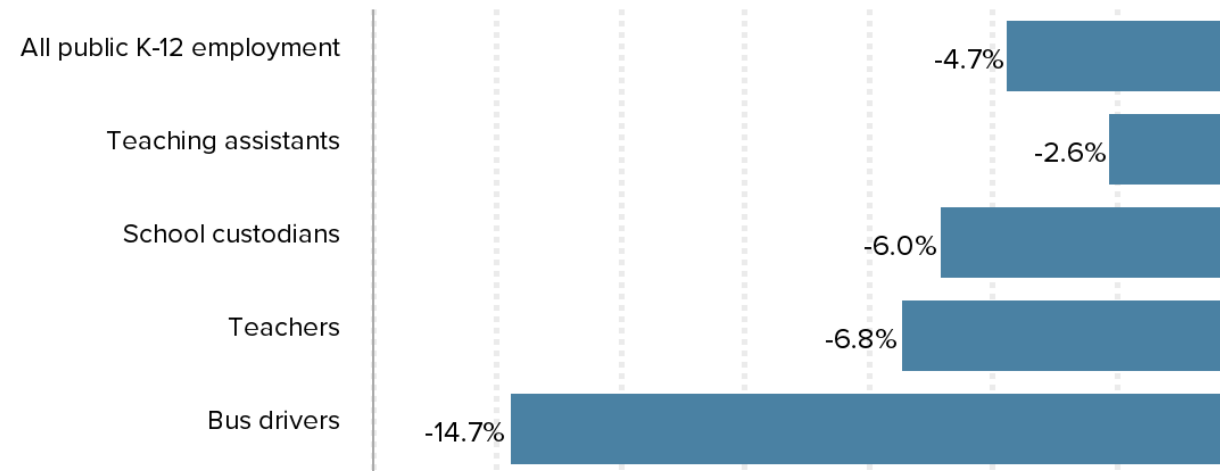
Source: EPI analysis of Bureau of Labor Statistics Current Population Survey public data series.



THE BROADER ECONOMIC CONTEXT

Bus drivers, teachers, and school custodians have experienced particularly large declines in employment during the pandemic

Percent change in employment levels from October 2019 to October 2021 for select K–12 public education occupations



Notes: Data reflect the 12-month average in employment ending in October 2021 relative to the 12-month average of employment ending in October 2019.

Source: Economic Policy Institute analysis of BLS Current Employment Statistics series and Current Population Survey microdata.

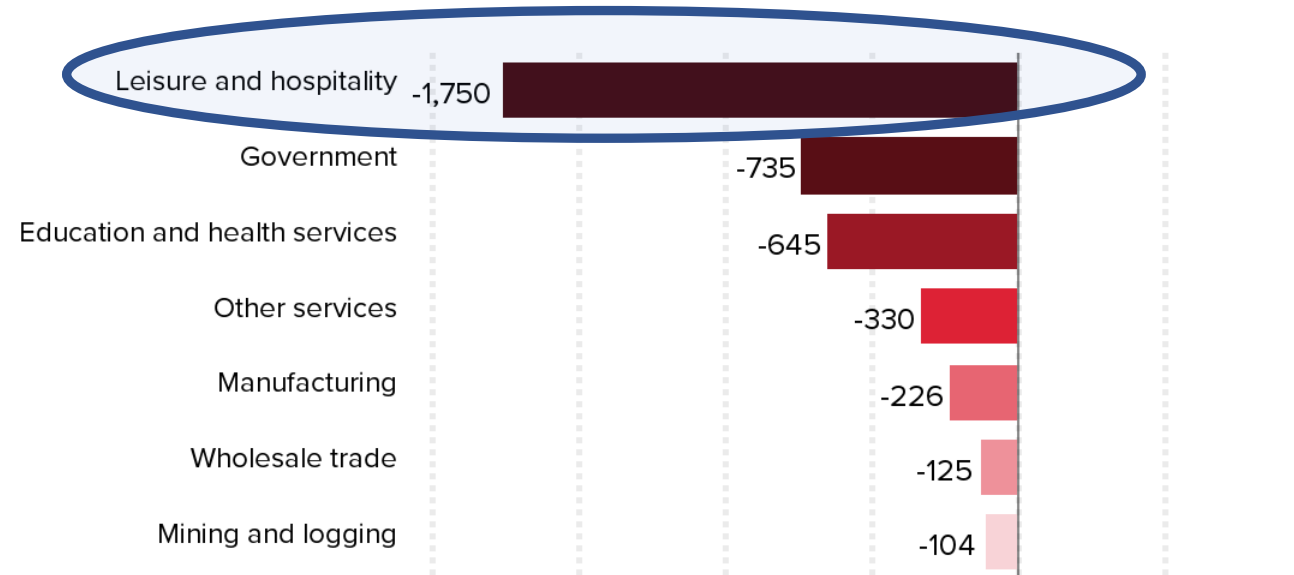
Source: Dave Cooper and Sebastian Martinez Hickey, "Raising Pay in Public K-12 Schools Is Critical to Solving Staffing Shortages" <https://www.epi.org/publication/solving-k-12-staffing-shortages/>



THE BROADER ECONOMIC CONTEXT

Employment change by industry since February 2020

All employees (thousands), seasonally adjusted, January 2022



CALCULATING THE EFFECTS OF SUMMER UI FOR NONLICENSED SCHOOL STAFF

- How many work for the school district year round?
- How many have other summer employment?
- How much would it cost school districts? [in MN, school districts directly reimburse UI system for costs]

EVIDENCE FROM ILLINOIS:

- Enacted summer UI for school support staff in 2020
- In summer 2020, 121,153 weeks of unemployment benefits were claimed
- Approximately **11% of the workforce** used this benefit (adjusted for job losses in 2020)

**Economic
Policy
Institute**



If that pattern is followed in Minnesota:



- There are approximately 62,375 nonlicensed school staff in Minnesota K-12 institutions
- We estimate **75,753 weeks** of unemployment would be claimed in Minnesota by approximately 6800 employees
- UI compensation is 50% of average weekly earnings
- Average pay is \$738, so 11 weeks of benefits over the summer would be **\$4,058**

NET COSTS

- \$738 average weekly wages *times* 50% benefit *times* 75,753 total weeks claimed = ~\$28,000,000
- Total MN school district fund balances (per MDE data) at end of 2020 was \$2,643,996,300
- **Total amount spent on UI for K-12 nonlicensed staff in the summer would amount to ~1.1% of school districts' total reserves.**

THANK YOU!

Contact:

dkamper@epi.org (Dave Kamper)

earn@epi.org (EARN Team)

**Economic
Policy
Institute**

