



Unemployment Compensation

Testimony on SB 282 before the Senate Insurance and Financial Institutions Committee

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Good morning, Chairman Hackett, Ranking Member Craig and members of the committee. My name is Zach Schiller and I am research director of Policy Matters Ohio, a nonprofit, nonpartisan organization with the mission of creating a more prosperous, equitable, sustainable and inclusive Ohio. Thank you for the opportunity to testify. We oppose Senate Bill 282 as unnecessary and ill-timed legislation that does not sufficiently take existing state law into account.

Ohio's unemployment compensation (UC) system is straining to provide the benefits to which so many jobless Ohioans are entitled. Many have had lengthy waits to receive these benefits. New federal benefit programs and U.S. mandates for program integrity have generated additional demands on the system. So far, the General Assembly has not taken action to alleviate the difficulties Ohio's unemployed are having with the UC system. You should take steps to do so before focusing on this unneeded bill.

As proponents have previously testified, the Ohio Department of Job & Family Services already has an online portal that allows employers to report employees who do not accept offers of return to work or meet other nonmonetary requirements.¹ There is no need for a law requiring it.

Sponsors of the law don't seem to realize that there is already a section of the Ohio Revised Code – Section 4141.28(F), titled "Eligibility notice," – that specifically covers this. It says in part:

"Any base period or subsequent employer of a claimant who has knowledge of specific facts affecting the claimant's right to receive benefits for any week may notify the director in writing of those facts. The director shall prescribe a form for such eligibility notice, but failure to use the form shall not preclude the director's examination of any notice."

In other words, a form is already required under the law. The agency cannot simply eliminate that on its own because of a change in administration.

However, Section 4141.29(F) also has other elements that are not included in the proposed bill. It appropriately requires that an eligibility notice must:

- Identify the source that has firsthand knowledge of the information or an informant who can identify the source;
- Provide specific and detailed information that may potentially disqualify the claimant;
- Provide the name and address of the source or the informant
- Appear to the director to be reliable and credible
- Be received or postmarked within 45 days after the end of the week of the claim for benefits

It goes on to say: "The director shall consider the information contained in the eligibility notice, together with other available information. After giving the claimant notice and an opportunity to respond, the director shall make a determination and inform the notifying employer, the claimant, and other interested parties of the determination."

¹ See <https://secure.jfs.ohio.gov/covid-19-return-to-work/>

In addition, Revised Code Section 4141.28(E) requires that the claimant receive notice of the issue identified and at least 5 business days to respond to the eligibility notice before a determination is issued. Those requirements of RC 4141.28(E) as well as elements of a valid continuing eligibility issue listed in RC 4141.28(F) are required pursuant to a federal court order issued in 1993 in the case of Taylor v. Bowland, N.D. Ohio No. C83-419, 1993 WL 623315 (Dec.13,1993), and were incorporated into the statute in 2001 (Senate Bill 99).

None of this appears to have been taken into account by the sponsors. This could create confusion. It underlines that this bill should not be approved.

For these reasons, you should oppose Senate Bill 282. Thank you for the opportunity to testify.