



**Budget Testimony of the Ohio Civil Rights Commission
Before the House Finance Higher Education Subcommittee
Fiscal Years 2022 – 2023
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We can make a difference in the state of Ohio, with dedicated service, perseverance and passion, positively impacting the quality of Ohioans' lives by carrying out the statutory mandates bestowed upon the Ohio Civil Rights Commission by the General Assembly.

On July 29, 1959, the General Assembly enacted the Ohio Civil Rights Act (R.C. Chapter 4112); thereby, creating the Ohio Civil Rights Commission. It was at that time, 62 years ago, that the General Assembly decided there should be no safe harbor within the state of Ohio for discrimination as a matter of public policy.

In making that decision, the General Assembly entrusted the Ohio Civil Rights Commission with powers and duties that evolved over time to, fairly and impartially, address charges of unlawful discrimination in the areas of employment, public accommodations, housing, credit and in institutions of higher learning with respect to disability.

The Commission is the state law enforcement agency that administers Ohio's strong public policy against discrimination. The agency does this by receiving and investigating charges of unlawful discriminatory practices based on race, color, religion, sex, military status, national origin, disability, age, ancestry, familial status, and retaliation.

The Commission's administrative investigative process is informal and more cost effective for those who file charges and for the business community, compared to a privately filed court action, which is more formal and a more costly adversarial process. The Commission received 3,585 charges of discrimination in FY 2019 and 3,220 charges of discrimination in FY 2020. The Commission closed 3,646 cases in FY 2019 and closed 3,344 cases in FY 2020.

These decreases were due to a large slowdown between March and June 2020, stemming from the Covid-19 pandemic.

Throughout our process, the Commission provides free voluntary Alternative Dispute Resolution services (mediation) as an effective and efficient means of resolving the parties' disputes in lieu of further governmental involvement and greater transaction costs to parties. The Commission reached voluntary, mutually agreed upon settlements in approximately 85% of cases it mediated over the past few years with an average total processing time of approximately 35 days. The mediation services of the agency provide quicker relief for victims of discrimination while providing all parties with an impartial, lower cost alternative to resolving disputes that would otherwise result in private, time-consuming, and more costly civil court lawsuits.

Over the years, the Commission has put in a valiant effort in enforcing our civil rights laws. The Commission secured more than \$3.8 million in monetary relief for aggrieved persons in FY 2019 and more than \$3.1 million in FY 2020. But despite our efforts, it is clear that our work is far from over. The Commission continues to see egregious cases of discrimination and harassment. In just the last few years, cases received by the agency include nooses hung in the workplace, women denied promotion because supervisors believed there were already "enough" in leadership, sexual and racial harassment, and being denied housing because children would be living in the dwelling. The current climate in our society dictates that we must hunker down and continue to serve Ohioans and battle against unlawful discriminatory conduct that continues to persist. There is still much to do to accomplish the dream and promise of freedom from discrimination for all Ohioans.

Please note, in addition to processing, mediating and litigating charges, the Commission routinely provides well-received, free, proactive training and outreach to businesses and organizations (private and public) upon request. These trainings help prevent discriminatory practices and encourage voluntary compliance with the law. We also provide training to help members of the Ohio community to understand the concepts of discrimination.

The Commission also hosts privately-funded public events to include the community in the essence of our mission. We host the annual Ohio Civil Rights Hall of Fame, which is designed to recognize diverse Ohio pioneers who have made significant and historic contributions to diversity and inclusion in our state. The Commission also hosts the annual Dr. Martin Luther King, Jr. Art, Essay and

Multimedia Contest for middle and high school students to inspire our youths to share their ideologies on treating others with respect and with dignity and encouraging them to live up to our highest aspirations.

Like the rest of the state, the Commission had to implement significant changes in March of FY 2020 to adapt to the Covid-19 health orders. Following a quick transition to remote work, the Commission's staff was able to maintain work levels and continue processing cases. The Commission has also begun offering remote trainings and has continued to host our public events. The Commission continues to implement improvements and efficiencies to better serve Charging Parties and Respondents during this crisis and for the future.

Executive GRF Recommendation

The Executive GRF recommendation for the Commission is \$6,118,897 in FY 2022, for an increase of 12.2% and \$6,118,897 in FY 2023 for an increase of 6.9%. This means the executive GRF recommendation will provide additional GRF in the amounts of \$666,157 and \$419,651 in FYs 2022 and 2023, respectively. These additional funds will be used to address two issues. First, they will address the operational deficit the Commission has experienced for several years. Second, they will provide necessary resources for the implementation of H.B. 352 of the 133rd General Assembly.

For the last several biennia, rising personnel expenses in the form of negotiated pay and increases in benefits have required the Commission to spend down its reserve of federal funds that had accrued over many years. Now, without these federal reserves, an increase in the GRF funds is necessary for the Commission to continue to carry out its duties and responsibilities. Otherwise, the Commission would need to layoff or postpone rehire of up to 7 FTE (at approximately \$80,000/year including benefits). This represents 10% of the Commission's employees, exclusive of the Commissioners, and 18% of investigative staff. This would impair the Commission's abilities to carry out its statutory duties.

Layoffs could drastically increase investigator caseloads, making it difficult to complete thorough and effective investigations while maintaining the statutory requirement to complete all investigations within a year. A decrease in case production could also have a spiral effect of reducing the Commission's per-case contract payments from its Federal partners at the EEOC and HUD. Fewer payments from these Federal sources resulting from fewer completed cases could

further exacerbate the Commission's funding issues, making it possible that even more layoffs or other cuts could be necessary.

It is with these potentially devastating consequences in mind that we respectfully request the House maintain the Governor's recommended appropriations. Such additional funding will prevent a potentially disastrous funding shortfall and provide resources necessary to implement the substantial changes required in HB 352.

HB 352, passed by the 133rd General Assembly and signed by the Governor on January 12 of this year, creates a new system for allegations of employment discrimination under Ohio law. This new system, called "administrative exhaustion," requires all charges to be filed first with the Commission before being filed in a private court action. Before a claimant can file a charge of employment discrimination in court, the Commission is required to issue a Notice of Right to Sue. While the Commission is still uncertain of the volume of cases, this change will certainly include a substantial increase in cases filed; resulting in significant new administrative responsibilities and potentially a significant increase in investigative caseloads as well.

The Governor's recommended appropriation levels provide additional funding for the implementation of HB 352, including the likely creation of additional FTE positions to handle the new administrative and investigative burden. These funds will be critical to a smooth transition and continuing effectiveness.

Summary

In summary, the General Assembly entrusted the Ohio Civil Rights Commission to fairly and impartially address unlawful discriminatory practices. The Commission has been prudent with its resources and will continue to be so. With the demands from the implementation of HB 352, the Commission will make the necessary adjustments to ensure that all charges filed will be efficiently handled through a thorough and impartial process. Finally, with the demands imposed by the current social climate, the Ohio Civil Rights Commission will continue to judiciously implement the state's civil rights laws to provide meaningful and effective relief for victims of discrimination, to educate and enlighten those accused of engaging in discriminatory practices, and to fulfill other mandates imposed by the Ohio Civil Rights Act that could prove to be valuable and cost effective for the state as a whole.