



## Advocates for Ohio's Future

Senate Bill 116 Opponent Testimony - Written  
Senate Insurance Committee

June 7, 2023

Chairman Hackett, Vice Chair Lang, Ranking Member Craig, and members of the Senate Insurance Committee, my name is Kelsey Bergfeld and I am the Director of Advocates for Ohio's Future (AOF). Thank you for the opportunity to submit comments on Senate Bill 116, which seeks to reform Ohio's current unemployment compensation system.

AOF is a nonprofit, nonpartisan coalition of over 500 state and local health and human services policy, advocacy and provider organizations that strive to strengthen families and communities through public funding for health, human services, and early care & education. We work to empower and support nonprofit organizations in the critical work they do, especially as it relates to lifting up the most vulnerable among us.

As a coalition of a broad range of health and human service organizations, we unite to identify and prioritize the greatest needs of people and families across the state. We support public programs that provide economic security, help people get to work and empower Ohio residents.

We can agree that we want public support systems to work better and more efficiently for people who need these programs. Most of all we want to help people and families in times of crisis, ensure their basic needs are met to help them stabilize, then support their path to self-sufficiency with resources, guidance and opportunity.

Ohio's unemployment compensation system is intended to help people who lose their jobs through no fault of their own so they can afford basic needs while navigating to a new job that matches their skillset.

Unfortunately, temporary, vital unemployment assistance is already difficult for low-wage workers to access due to Ohio's stringent earnings requirement to qualify for benefits. According to our partner Zach Schiller at Policy Matters Ohio, "Some 840,000 Ohioans – about 15% of the employed workforce – are excluded from eligibility for unemployment insurance, mostly due to low pay.<sup>i</sup>" He continues, "The real problem with Ohio's UC program is not that unemployed workers stay too long, but that it covers far too few jobless Ohioans. Last year, just 16.2% of unemployed Ohio workers received UC benefits, ranking 37th in the country.<sup>ii</sup>"

The sponsors of SB 116 claim the intention of their proposal is to get Ohioans off unemployment benefits and back to work. This comes at a time when Ohio is experiencing the lowest unemployment rate in the past fifty years, but, according to the bill sponsors, roughly 33% of Ohioans are not participating in the labor market.

AOF and our partners would argue there are more significant reasons why Ohioans have not returned to the workforce. Increasing costs of childcare, housing, food and utilities, coupled with a lack of transportation options and job opportunities that pay a living wage and offer benefits like health care and paid leave have all contributed greatly to more people struggling to piece together several unpredictable, low paying jobs or a member of a household staying home to care for their families. Notably, a parent working full time at minimum wage with two children (~\$21,000 per year) makes little enough to qualify for publicly funded childcare, food and health care support.

This bill also comes at a time when thousands of Ohioans who are already struggling to make ends meet are losing resources to keep food on the table and losing healthcare coverage as COVID era flexibilities and enhanced supports unwind. This reduction of nutrition support and loss of healthcare coverage significantly increases the importance of even modest unemployment benefits in a family's ability to keep themselves fed and healthy.

By reducing the maximum number of weeks unemployed Ohioans would be eligible for benefits, SB 116 would make it more difficult for workers to achieve stability during times of crisis and in turn, could send workers and their families deeper into hardship. We encourage the Senate Insurance Committee and the full General Assembly to continue their work in finding a more fair, effective balance between workers' benefits and employers' contributions to ensure the long-term solvency of the state's unemployment compensation fund and to continue to invest in work supports like childcare and transportation to help Ohioans get back to work.

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<sup>i</sup> Zach Schiller, Policy Matters Ohio: [A ray of hope for low-paid workers](#) 10/27/22

<sup>ii</sup> Zach Schiller, Policy Matters Ohio: [Ohio bill would slash unemployment benefits](#) 5/31/23