



## **Senate Bill 228 Proponent Testimony October 27, 2021**

Chairman Hackett, Vice Chairman Romanchuk, Ranking Member Craig, and members of the Senate Insurance Committee, my name is Tom Balzer and I am the President and CEO of the Ohio Trucking Association (OTA), representing over 800 trucking, moving, logistics and warehouse companies and allied vendor members. Thank you for allowing me the opportunity to express our support for SB 228, which would provide legislative oversight of executive action on federal voluntary unemployment benefits.

The State of Ohio has a long history of challenges with the Unemployment Compensation system that has impacted the trucking industry. One example of that was when during the Great Recession the Federal government put in place the unfunded mandate of 99 weeks of unemployment benefits. This decision put the State of Ohio in debt to the Federal government by over \$2 billion. The responsibility for this debt fell onto every employer in the state with an additional penalty of \$80-\$100 per employee.

Most recently, because of unfunded benefit extensions, unemployment benefits provided during the COVID-19 pandemic put the state in debt to the Federal government by over \$1.5 billion. Without the state using Federal COVID relief money to pay off the debt, the responsibility would have had to be borne by the state's employers.

One of the biggest challenges for the logistics industry is finding a qualified workforce. Unfortunately, the decision to extend and increase unemployment benefits during the pandemic has amplified these numbers, threatening the supply chain throughout the nation. The trucking industry because of our lack of utilization of the unemployment system due to our unfilled workforce needs already bear a disproportional burden for the unemployment compensation systems, the unfunded extensions of benefits only exacerbate our liability.

Businesses throughout the state, including members of the Ohio Trucking Association, have struggled to find employees. Attempts to extend the duration of

unemployment benefits and provide enhanced payments has only made the struggle to find employees worse. SB 228 would provide the legislative oversight necessary to avoid future situations that deter getting Ohioans back into the workforce. For these reasons, we would urge the committee's support for this important legislation.

Sincerely,

A handwritten signature in black ink that reads "Tom 16". The signature is written in a cursive style with a long, sweeping underline.

Thomas A. Balzer, CAE  
President and CEO  
Ohio Trucking Association