



1108 City Park Avenue, Suite 200  
Columbus, OH 43206  
614.827.0549  
ohiopovertylawcenter.org

**Testimony in Opposition to SB 228**

**Megan O'Dell, Attorney**

**Ohio Poverty Law Center**

**Senate Insurance Committee**

**December 15, 2021**

Chair Hackett, Vice Chair Romanchuk, Ranking Member Craig, and members of the Senate Insurance Committee, my name is Megan O'Dell, and I am an attorney at the Ohio Poverty Law Center. The Ohio Poverty Law Center advocates for evidence-based policies that protect and expand the rights of low-income Ohioans. We are a non-profit law firm working closely with Ohio's legal aid community, serving Ohioans who are living, working, and raising their families in poverty. Thank you for the opportunity to provide testimony in opposition to Senate Bill 228, to establish legislative oversight of executive unemployment action.

Several federal unemployment compensation programs were created in response to the COVID-19 pandemic, which forced businesses to shut down and employees to lose their jobs. The pandemic unemployment assistance (PUA), pandemic emergency unemployment compensation (PEUC), federal pandemic unemployment compensation (FPUC), employer benefits, and mixed earner unemployment compensation (MEUC) were all created to help employers and employees get through this unprecedented time. Governor DeWine and the Ohio Department of Job and Family Services (ODJFS) acted swiftly, entering into agreements with the federal government and implementing these programs, which were meant to be an automatic stabilizer for Ohioans who just lost their source of income.

SB228 would prohibit the Governor or ODJFS from entering into such agreements and grants that authority to the General Assembly. The bill also allows the General Assembly to rescind such agreements. In terms of efficiency, ODJFS and the Governor are best equipped to quickly enter into these unemployment compensation programs with the federal government. Removing that authority and only allowing the General Assembly that authority is not the most effective way to get funding out to the public during a state of emergency.

The justification given by proponents for the removal of power from the Governor is that these federal unemployment compensation programs, such as PUA and FPUC, damaged the economy by encouraging people not to return to work. This was also the reasoning given by Governor DeWine for ending FPUC benefits three months early. However, multiple sources and data show that this argument is false.

According to the most recent data, cutting off these benefits early did not result in a surge of employment. The result has been minimal at best.<sup>1</sup> In fact, data released by the Department of Labor shows that states that cut benefits early experienced job growth at a similar and sometimes slower rate than growth in states that did not cut unemployment compensation benefits early, including in the hospitality sector.<sup>2</sup> According to an analysis done by the Associated Press, workforces in the 25 states that maintained the extra \$300 payment actually grew more from May through September than they did in the other 25 states that ended the program early.<sup>3</sup> The decision to end the benefits early also led to a big drop in spending among Ohioans who used the extra payments to pay for food, rent, health care, etc.<sup>4</sup>

Understanding why Ohioans are not or cannot return to work should be a priority for this General Assembly instead. Economists point to COVID-19 health concerns as a challenge to returning to the workforce for Ohioans with underlying health conditions and those with caregiving responsibilities.<sup>5</sup> Lack of childcare remains an issue in Ohio. Although most schools have returned to in-person schooling, parents are struggling to find daycare, as daycare workers are taking different jobs offering higher pay, flexibility, and benefits, an improvement from their previous daycare positions.<sup>6</sup> Ohioans previously working in lower wage job sectors such as the hospitality industry are also finding they finally have some agency and are seeking out higher paying employment that offers a livable wage.

These federal unemployment compensation programs have been a lifeline for clients of legal aid. A couple examples include a client who was working in a community home for developmentally delayed individuals. She was advised by her cancer specialist to self-quarantine due to her high risk of getting COVID because of her chemotherapy. She had to leave work to protect herself and without PUA, her housing and livelihood were at risk. Another example is a client who was a home care worker. Her clients no longer wanted her in the home due to the risk of transmitting COVID. The agency she worked for could not find other work for her during the height of the pandemic and then went out of business. The worker was evicted from her home, but when legal aid was able to help her receive PUA, she secured new housing. Without the federal programs, she would have been homeless. Through the various tenant advocacy project clinics, our legal aid programs have received many referrals at eviction court for help with unemployment and PUA. Without these programs, many would have likely not only lost their homes, but would have been unable to search for work, interview with potential employers, and get to and from new employment.

Although the federal unemployment compensation programs have been a tremendous help for clients of legal aid, there are many barriers to accessing the system. Since the beginning of the pandemic, we have advocated for improved communication and language access. The notices provided by ODJFS are dense, confusing, and oftentimes conflicting. For limited English proficient individuals, there are no translated copies of the website available. For folks without access to the internet, there are limited options to apply for unemployment compensation via telephone, and these options are

---

<sup>1</sup> <https://www.dispatch.com/story/business/2021/12/01/ohio-unemployment-ended-early-workers-didnt-return/6371704001/>

<sup>2</sup> <https://www.nytimes.com/2021/08/20/business/economy/unemployment-benefits-economy-states.html>

<sup>3</sup> <https://www.pbs.org/newshour/economy/states-that-cutoff-of-jobless-aid-see-no-surge-of-job-seekers>

<sup>4</sup> <https://www.dispatch.com/story/business/2021/12/01/ohio-unemployment-ended-early-workers-didnt-return/6371704001/>

<sup>5</sup> <https://www.cnbc.com/2021/08/23/ending-unemployment-benefits-had-little-impact-on-jobs-study-says.html>

<sup>6</sup> <https://www.nytimes.com/2021/10/19/business/economy/us-economy.html>

largely automated. The lack of assistance from human representatives causes significant delays and often wrongful denials of benefits for eligible claimants. Providing a local, physical agency office for assistance would benefit individuals needing help with applying for benefits, filing appeals, uploading documentation, and understanding agency correspondence. These are only a few of the issues we have raised with the Unemployment Compensation Modernization and Improvement Council.

This pandemic is far from over for many Ohioans. Federal unemployment compensation programs helped Ohio stay afloat. Thank you for allowing me to offer testimony in opposition to SB228.