

June 10, 2020

The Honorable Derek Merrin Chairman House Ways and Means Committee 77 S. High St 13th Floor Columbus, OH 43215

RE: House Bill 614: OMA Interested Party Written Testimony

Dear Chairman Merrin,

Thank you for the opportunity to provide written interested party testimony on Substitute House Bill 614. Substitute House Bill 614 begins the important work of comprehensively reviewing Ohio's unemployment compensation system in an effort to create a more efficient and effective system for both employers and employees.

The Social Security Act of 1935 (SSA) created a federal-state unemployment insurance (UI) program to (1.) provide temporary, partial wage replacement to individuals out of work, generally through no fault of their own, and (2.) promote economic stability by maintaining a steady flow of dollars throughout the economy even when there is widespread unemployment.

Since the 1930s Ohio's system has seen a variety of major adaptations as society's needs have changed. It is important to continue to review the system to ensure it operates optimally for the employers and employees who rely on it.

COVID-19 has provided unprecedented challenges for the filing and delivering of benefits. Historic unemployment due to the pandemic has exacerbated problems that have long festered in the system. This bill provides an opportunity to holistically review and improve Ohio's unemployment compensation system.

The OMA has consistently advocated for comprehensive administrative and solvency reforms and we're encouraged that Ohio is embarking on this process. How the system administratively functions is as important as the solvency of the system.

Thank you very much for the opportunity to submit this written testimony. I'd be pleased to try to answer any questions that you might have; contact me at rbrundrett@ohiomfg.com or (614) 629-6814.

Sincerely,

Rob Brundrett

Director, Public Policy Services