



*BEFORE THE SENATE INSURANCE & FINANCIAL INSTITUTIONS COMMITTEE
PROPONENT TESTIMONY ON SENATE BILL 282*

Chairman Hackett, Vice Chair Hottinger, Ranking Member Craig, and members of the Senate Insurance & Financial Institutions Committee, thank you for the opportunity to provide proponent testimony on Senate Bill 282 (SB 282). My name is Kevin Shimp and I am the Director of Labor and Legal Affairs for the Ohio Chamber of Commerce.

The Ohio Chamber is the state's leading business advocate, and we represent over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

In our efforts to champion economic competitiveness and free enterprise, the Ohio Chamber supports SB 282 because it helps assure unemployment benefits – which are exclusively funded by employer taxes – are paid only to eligible recipients. Senate Bill 282 helps safeguard employer dollars by codifying an electronic process employers can utilize to notify the Ohio Department of Job and Family Services (ODJFS) when the employer has knowledge that someone may not be adhering to all the eligibility guidelines for unemployment benefits.

Under the legislation, ODJFS must establish and maintain a process on their website that gives employers the ability to report individuals who are seeking or receiving unemployment benefits for failing to meet the eligibility requirements as determined by Ohio law. This means employers can inform ODJFS of an individual who fails to show up to an interview, fails to search for work on a weekly basis, turns down a job offer, drops out of a training course or educational program, or fails to register with the OhioMeansJobs website.

Thankfully, under the current leadership at ODJFS, there is already an online form for employers to report eligibility issues to the Department. However, this form is not required by law, so it could be removed tomorrow or by future administrations which would leave employers without a uniform process to report eligibility concerns. SB 282 addresses this issue and guarantees an online process is in place for employers to easily inform ODJFS when someone may not be meeting unemployment eligibility requirements.

The Ohio Chamber of Commerce's Small Business Council has reviewed the legislation and voiced their support for the bill in their most recent quarterly meeting. These small business owners highlighted

how frustrating it is to schedule an interview with an applicant only to find out the potential employee had no intention of showing up but instead scheduled the interview to meet unemployment's work search requirements. They also noted how SB 282 will improve their ability to share information with ODJFS and potentially lower the amount of time former employees remain on unemployment.

The enactment of SB 282 should help safeguard employer dollars within the unemployment compensation system too by bolstering a process that can increase the number of credible investigations for fraud or the improper payment of benefits. In turn, those investigations can lead to better enforcement of Ohio's unemployment eligibility laws which could result in less benefits being paid out to ineligible individuals.

The Ohio Chamber urges your favorable consideration of SB 282 because employers should have access to an easy to use process enabling them to report known instances of individuals failing to meet the eligibility requirements for receiving unemployment compensation.