



Advocates for Basic
Legal Equality, Inc.

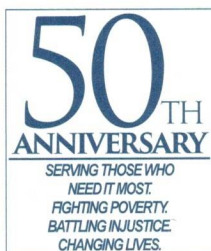
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**Testimony before the Senate Insurance Committee
Senate Bill 228
December 10, 2021**

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Advocates for Basic Legal Equality, Inc.**

Good morning Chairman Hackett, Vice Chairman Romanchuk, Ranking Member Craig and members of the Ohio Senate Insurance Committee. I am a Managing Attorney at Advocates for Basic Legal Equality, Inc. (ABLE). We are a non-profit regional law firm that provides free legal assistance in civil matters to help individuals and groups with low incomes in 32 counties in Western Ohio achieve self-reliance, and equal justice and equal opportunity.

I manage our Healthcare and Public Benefits practice group. We are a group of attorneys that focus on improving clients' health and economic stability by securing or maintaining access to public benefits like Medicaid, Medicare, cash assistance, food assistance, unemployment compensation, and Social Security benefits. We also advocate to address systemic issues, such as: lack of language access in state and federal programs, discrimination against people with disabilities, and policies that deny life-saving treatment to Medicaid recipients.

I am here on behalf of ABLE to provide testimony in opposition to Ohio Senate Bill (S.B.) 228. We believe S.B. 228 would be very harmful to our client community and to others living in Ohio.

Background of S.B. 228

S.B. 228 proposes to prevent the governor or the director of Ohio Department of Job and Family Services (ODJFS) from entering into an agreement or issuing a special or standing order to implement a voluntary unemployment program without the prior approval of the legislature. This proposal applies to any federal law providing for compensation, assistance or allowances with respect to unemployment if the program subjects employers to additional requirements, increases the benefit to which an employee is entitled, increases or decreases the duration for which benefits are payable to individuals, provides additional benefits to individuals, or requires the director to create new administrative processes or systems.

History of recent unemployment benefits

Unemployment programs such as Pandemic Unemployment Assistance (PUA), Federal Pandemic Unemployment Compensation (FPUC), and extended weekly benefits were crucial lifelines for Ohioans during an unprecedented time of financial crisis and uncertainty caused by COVID-19. From March 15, 2020, to October 31, 2021, 2,381, 803 Ohioans were paid unemployment compensation benefits, with a total of 24 billion dollars paid. Over half of these claims were for PUA, a special type of expanded unemployment compensation for those individuals otherwise ineligible for state unemployment benefits, such as self-employed workers, 1099 tax filers and part-time workers. All workers, whether receiving state or PUA benefits, were also eligible for FPUC, an additional weekly cash benefit made available through the CARES Act and subsequent congressional extensions. While it took a while to develop a separate online application process for PUA benefits, the quick passage of the CARES Act and the subsequent delivery of benefits to eligible individuals was a true safety net for Ohioans and their families during the pandemic. The swift action of Governor DeWine and ODJFS helped provide an additional measure of economic stability to Ohioans during a very turbulent time.

Unemployment insurance benefits are good for the economy

In addition to serving as a safety net for Ohioans, emergency unemployment benefits such as PUA, FPUC and extended weeks of coverage, provide a crucial boost to state and national economies. Spending falls further for individuals experiencing job loss when they do not receive unemployment benefits. When the statewide shutdown occurred, unemployment benefits helped to contain some of the economic devastation by pouring additional dollars into the economy. Unemployment benefits have not been a key strategy in past years to keeping the economy afloat, largely because the benefits were so minimal and large numbers of the workforce were not eligible for the benefits.ⁱ With the additional benefits available through the CARES act and subsequent legislation, additional money flowed into our economy, at a time when the potential for spending was nonexistent for many, resulting in a multiplier effect, when initial spending triggers additional spending in the economy.ⁱⁱ The pandemic unemployment benefits were 100% federally funded and were delivered to states at no additional cost, a win-win situation for workers and the Ohio economy. Should we encounter such a national emergency again, we cannot afford to delay or refuse these very important benefits for Ohioans.

ODJFS and the Governor need the freedom to deliver emergency benefits without unnecessary delay during times of crisis

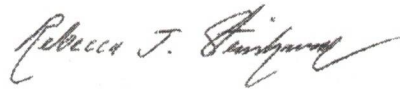
The power to decide whether Ohioans should receive emergency unemployment benefits and how those benefits should be delivered should be reserved with ODJFS, the agency that originally had that power. In cooperation with the governor, ODJFS is well-qualified to both decide upon and implement these types of emergency benefits. ODJFS has years of expertise in the operation of such programs and there has been a long-standing precedent of deference to them and similar agencies. Not only does S.B. 228's proposal remove power from those who are best placed to make decisions and operate the system, it adds an additional layer of burdensome

delay and inefficiency to the process, thus putting workers at risk of delayed benefits and financial catastrophe.

Conclusion

In closing, S.B. 228 would have devastating consequences for working individuals and families in Ohio. As a state, we must ensure that we protect and preserve our economy and maintain the ability to quickly and efficiently deliver unemployment benefits to our vulnerable populations when they need them the very most. Thank you for the opportunity to provide this testimony.

Respectfully submitted,



Rebecca J. Steinhauser

ⁱ <https://www.epi.org/blog/cutting-off-the-600-boost-to-unemployment-benefits-would-be-both-cruel-and-bad-economics-new-personal-income-data-show-just-how-steep-the-coming-fiscal-cliff-will-be/>

ⁱⁱ <https://www.cleveland.com/news/2021/05/loss-of-federal-unemployment-aid-may-cost-ohio-more-than-help-it.html>