SB 355 would remove barriers to unemployment compensation for some of the lowest-paid Ohioans

A bill introduced over the summer would extend unemployment compensation (UC) coverage to 482,000 working Ohioans who are now blocked from benefits primarily because they are paid too little, according to a new report from Policy Matters Ohio.

Senate Bill 355, sponsored by Sen. Teresa Fedor (D-Toledo), would lower the amount a working Ohioan must be paid to qualify for UC. Right now, 15% of all working Ohioans, some 840,000 people, aren’t paid enough to qualify. Ohio workers must earn $298 a week over 20 weeks or an absolute minimum of $5,960 a year. Only three states have a higher minimum amount. Under SB 355, a working person would need to be paid at least $1,500 in a year and $1,000 in at least one quarter during the year, plus work at least 20 weeks out of the year to qualify for UC.

“Everyone who works deserves to know that if their job ends, they’ll be able to get by long enough to find a new one, no matter how much they are paid,” said report author Policy Matters Researcher Michael Shields. “A reliable and inclusive unemployment compensation system not only helps working people get by during tough times, it helps all of us. For example, federal pandemic unemployment compensation propped up the entire economy by putting money in people’s pockets so they could order from local restaurants and shop at the grocery store.”

Using American Community Survey data, Shields found SB 355 would extend coverage to more than half of the Ohioans currently left out — 8.9% of Ohio workers. Because women and Ohioans of color are more likely to be paid low wages, they are less likely to be covered by unemployment compensation and often must work more hours to be eligible. Shields found that the typical Ohio woman would have to work three hours more per week than her male counterpart to qualify for benefits. The typical Black Ohioan would have to work 3.3 hours more than their white counterpart. Fedor’s bill would increase the share of women and Black and brown workers eligible for UC coverage and reduce the racial and gender disparity.

“Years of policies and practices that excluded and undervalued people of color and women mean workers in these groups are more likely to be paid low wages and less likely to qualify for unemployment,” he said. “Whether or not we can get back on our feet after being laid off shouldn’t have anything to do with race or gender. Senate Bill 355 will go a long way in giving all Ohioans the tools and opportunities we need to get through difficult periods and emerge stronger.”