



December 7, 2017

Representative Kirk Schuring
District 48
77 S. High St
14th Floor
Columbus, OH 43215

Dear Rep. Schuring:

Thanks for the time you have taken trying to find a way to make Ohio's unemployment compensation system solvent. As you know, we testified earlier (see <https://www.policymattersohio.org/files/research/110117hb382testimony.pdf>) and continue to believe that the bill's benefit cuts are too extreme, that additional fixes should be made to strengthen our inadequate employer tax and that eligibility should be improved. It is also premature to suggest that the bill represents a 50-50 split of the costs of solvency between employers and employees. The analysis of that issue remains incomplete, as some bill provisions are not included in the fiscal analysis and it does not take into account all employer savings under the bill.

We hope you will share the amendments you have drafted and allow interested members of the public to review them well prior to a vote. Given the complex elements involved in the UC system and that its proper functioning affects the vast bulk of both employers and employees in the state, these should get a thorough public airing, not a snap vote.

We also are concerned that the bill is vague or incomplete on a number of key points. We understand that your amendments may address some of them. However, based on what you've said so far about the prospective changes, others remain outstanding. These include:

- How taxes will be paid by the 1 million Ohio employees of governments and nonprofits who will be among those paying the employee premium. For example, would this be paid as a lump sum or withheld from regular wages?
- Details of how the employee premium will work for workers at private-sector employers. While the bill says employees will pay 10 percent of the amount paid by their employers, the specifics are not spelled out;
- How will the employee premium be calculated for those laid-off workers who qualify because of the alternate base period?

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As we testified, we support the inclusion of an employee premium as part of a balanced package to fix system solvency, and are encouraged that you have included one as part of HB 382. However, it must be one that is workable and understandable.

These are not the only elements of the bill that cry out for more explanation. Under another provision, an individual who has worked at least 26 weeks may be eligible for two additional weeks of benefits if they were “separated from the individual’s most recent employment because the individual’s ability to perform the work depended on weather conditions.” Does this mean the Ohio Department of Job & Family Services (ODJFS) will hold hearings, or do separate investigations, regarding the many thousands of individuals who could be affected?

The bill should clearly spell out how the UC system would actually work. We hope you will make the amendments public well before a committee vote on the bill, and allow for a full discussion of them.

Sincerely,

A handwritten signature in black ink, appearing to read "Hannah Halbert".

Hannah Halbert

A handwritten signature in black ink, appearing to read "Zach Schiller".

Zach Schiller

cc Members of House Government Accountability & Oversight Committee
Members of Statehouse press corps

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