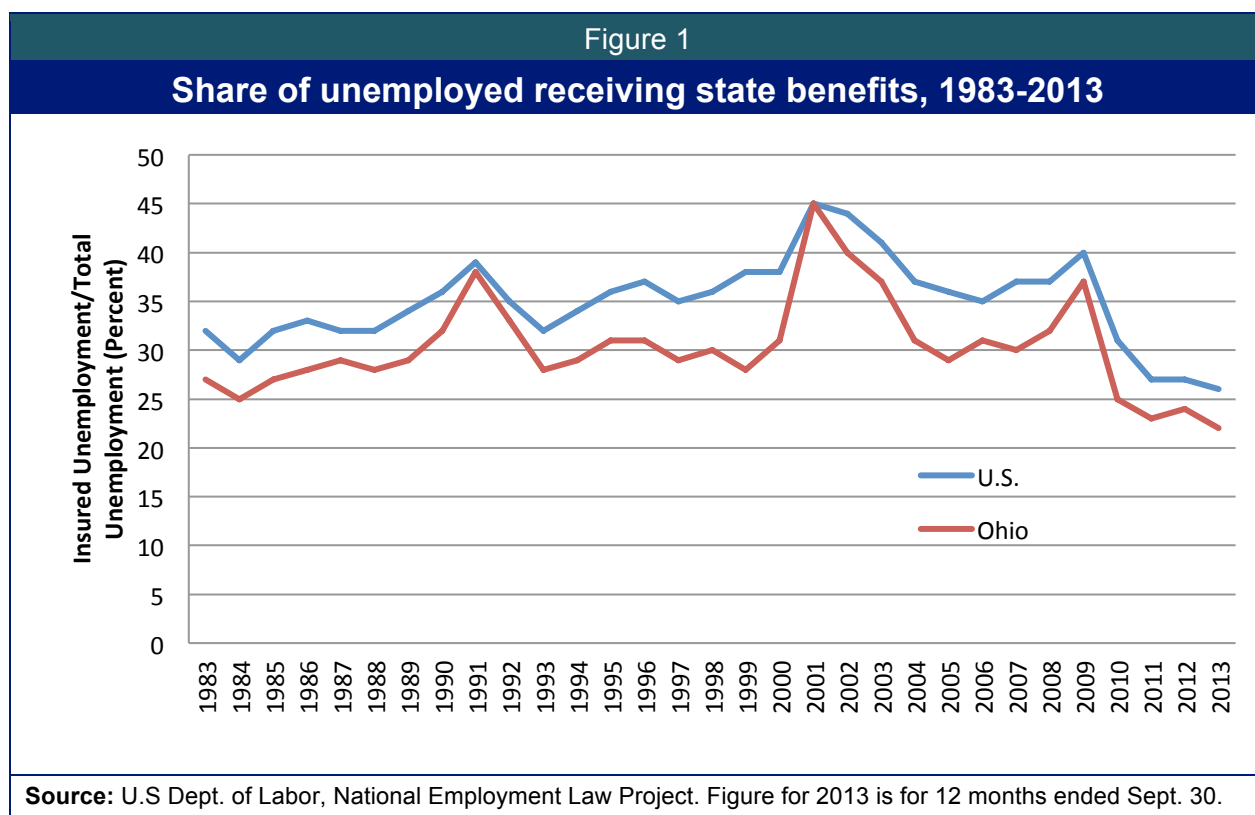


## Unemployment Compensation covers only 1 in 5 of Ohio's jobless

### End of federal program slashes benefits

Zach Schiller

With the expiration of federal unemployment benefits on Dec. 28, just one out of five unemployed Ohioans is receiving benefits. That share is as low as it has been any year over the past 30 years. Figure 1 shows the share of unemployed in Ohio and in the United States receiving regular state unemployment benefits, which typically last 26 weeks.



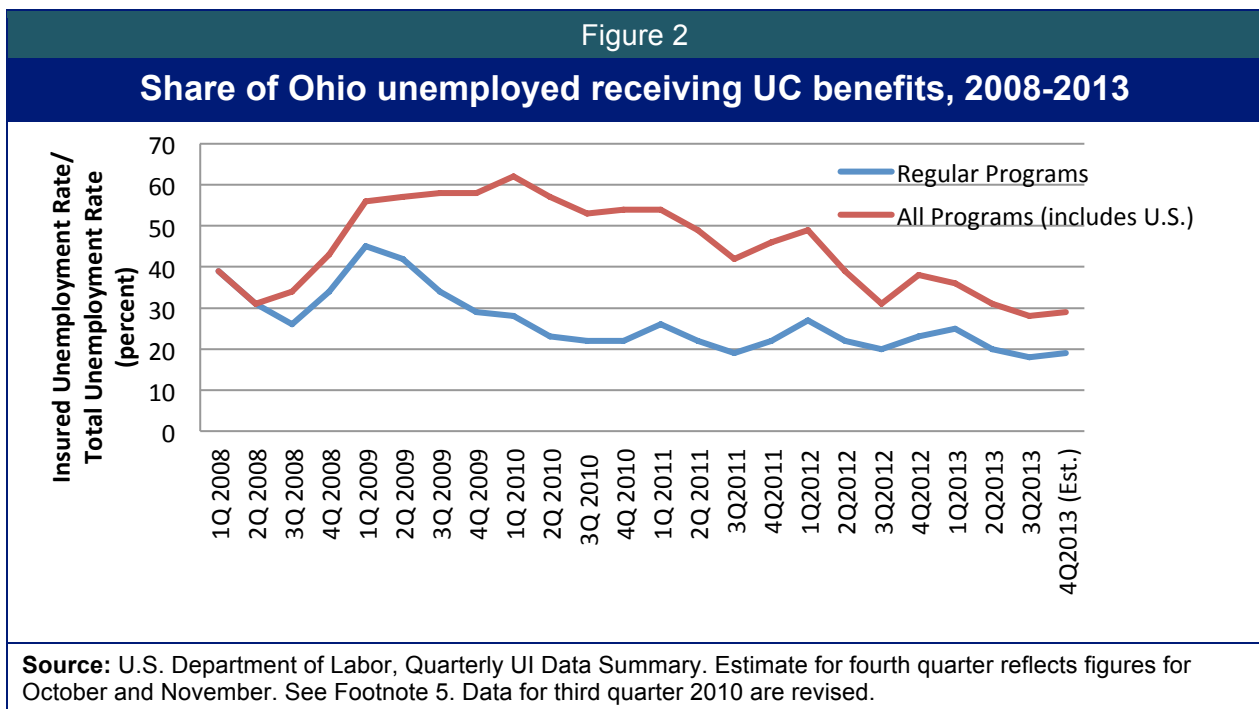
For years, as Figure 1 shows, relatively fewer unemployed Ohioans have qualified for benefits than their counterparts in most other states.<sup>1</sup> However, with the end of federal aid, which has provided up to an additional 37 weeks of benefits in Ohio, the drop in the share becomes more obvious. Congress should act now to restore federal benefits, which have not previously been withdrawn when the national

<sup>1</sup> One reason is the stringent earnings test Ohio imposes. See “Ohioans Face Tough Test to Receive Unemployment Benefits,” Policy Matters Ohio, Jan. 25, 2013, at [www.policymattersohio.org/unemployment-jan2013](http://www.policymattersohio.org/unemployment-jan2013).

unemployment rate was this high. This will not only aid the families of unemployed Ohioans, who get about \$300 a week in benefits, but the economy as well.<sup>2</sup>

Data from the U.S. Department of Labor show that in the third quarter of 2013, the share of unemployed Ohioans receiving regular state benefits fell to 18 percent.<sup>3</sup> An average of just 72,600 of the 411,800 unemployed Ohioans during the third quarter received regular state UC benefits. During the quarter, according to DOL, Ohio ranked 47<sup>th</sup> among states in the share of unemployed receiving regular state benefits.

Until the cut-off of federally supported benefits, another 10 percent of Ohio’s unemployed had been receiving them. That pushed Ohio’s ranking up to 41<sup>st</sup> once those benefits were included.<sup>4</sup> Figure 2 shows the share of Ohio unemployed who have received regular state benefits and federal benefits, respectively, over the past six years (the federal program was begun under President George W. Bush in June 2008).



<sup>2</sup> See The Council of Economic Advisers and the Department of Labor, “The Economic Benefits of Extending Unemployment Insurance,” Dec. 2013, at available at <http://1.usa.gov/1936WIM>. See also Policy Matters Ohio, “End of Federal Benefits Would Affect 36,000 Ohioans This Month,” Dec. 11, 2013, available at [www.policymattersohio.org/unemployed-dec2013](http://www.policymattersohio.org/unemployed-dec2013).

<sup>3</sup> U.S. Department of Labor, Employment & Training Administration, Unemployment Insurance Data Summary, 3<sup>rd</sup> Quarter 2013, at [http://workforcesecurity.doleta.gov/unemploy/content/data\\_stats/datasum13/DataSum\\_2013\\_3.pdf](http://workforcesecurity.doleta.gov/unemploy/content/data_stats/datasum13/DataSum_2013_3.pdf)

<sup>4</sup> Ibid.

Full data for the fourth quarter are not yet available. While the number of Ohioans receiving benefits increased during October and November, the share of unemployed getting regular state benefits was still only 20 percent.<sup>5</sup> Numbers of claims fluctuate and have increased recently, as they typically do in the winter. However, it is clear that the share of jobless Ohioans receiving benefits is shockingly low.

In the week that ended Dec. 21, 1,852 Ohioans filed initial claims for the extended federal benefits. That number has been relatively steady, averaging about 1,800 a week and more than 7,000 a month. Those Ohioans now will go without benefits, as will the 36,000 who were filing claims for benefits each week before the program ended.<sup>6</sup>

The National Employment Law Project previously has documented that if Congress does not restore federal benefits, the share of unemployed workers receiving jobless aid nationally will be lower than at any time since the U.S. Department of Labor first started recording this information in 1950.<sup>7</sup> Unemployed workers in Ohio and the nation need action.

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<sup>5</sup> Policy Matters Ohio calculation based on data from those months from the U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Weekly Claims Data, available at <http://workforcesecurity.doleta.gov/unemploy/claims.asp>, and Ohio's unemployment rate (not seasonally adjusted) for those months, at <http://ohiolmi.com/>. Numbers for October and November do not include data for the unemployment compensation programs for ex-service members (UCX) and federal employees (UCFE) programs, as the quarterly data do. However, these programs account for less than 2 percent of Ohio claims.

<sup>6</sup> Ohio Department of Job & Family Services, Ohio Labor Market Information, Unemployment Compensation Reports, Claim Trends - Weekly & Monthly, Beginning 1998, at [http://ohiolmi.com/asp/uc/OP\\_RPTS.ASP](http://ohiolmi.com/asp/uc/OP_RPTS.ASP).

<sup>7</sup> National Employment Law Project, "Share of Unemployed Receiving Jobless Aid Will Hit Record Low If Congress Fails to Renew Federal Unemployment Insurance," December 2013, at <http://bit.ly/1i2kqD2>.