

Senator Teresa Fedor
Senate District 11
1 Capital Square Columbus, OH 43215

Senate President Matt Huffman 1 Capitol Square 2nd Floor

Speaker Robert Cupp Vern Riffe Center 77 S. High St, FL 14 Columbus, OH 43215

Columbus, OH 43215

January 27, 2021

Representative Lisa Sobecki House District 45 77 S. High St, FL 11 Columbus, OH 43215

Re: Unemployment Compensation Modernization and Improvement Council

Dear President Huffman and Speaker Cupp,

We write to you today to express our concerns about the unemployment compensation system in Ohio, as well as to urge you to schedule the Unemployment Compensation Modernization and Improvement Council to begin its statuary work. As you are aware, the Council was established through House Bill 614 in October 2020, and has yet to meet. This is concerning because dedicated and hardworking Ohioans continue to face difficulties in receiving their unemployment insurance benefits and multiple data breaches have occurred.

The COVID-19 pandemic has placed an unprecedented burden on the unemployment compensation system in our state. In April 2020, unemployment hit a record high of 16.8%, the highest since Ohio's current record keeping system was created almost 50 years ago. Since then, we have continued to see unemployment claims trend upward. According to Policy Matters, 43,000 initial claims were filed the week ending Jan. 16, 2021, which was Ohio's highest number since May, and more than double the number of claims during the late summer and early fall of 2020.

As a result, Ohioans filing for State Unemployment Insurance and Pandemic Unemployment Assistance have experienced prolonged delays in receiving their benefits, leaving many without any income. Since the start of the pandemic, the majority of state lawmakers have heard from constituents who have gone months without receiving any benefits, and the extensions of the Federal programs have continued that trend. There are dozens of news reports detailing the constituent issues with Ohio's Unemployment system including this article about Two Northwest Ohio residents who haven't received anything for the month of January. Additionally, last month,

a data breach only affecting applications for PUA benefits exposed the personal information of 131 people, 96 of which had their Social Security numbers exposed. The fraud within our system is even causing problems for individuals who have not even received unemployment. As Ohioans are preparing for tax filings, there have been reports that 1099-G's have been sent to individuals who never filed claims wrongly showing unemployment income, and others have reported more income than actually received. This will not only cause delays in tax filings, it is going to cause immense financial hardship for individuals already unemployed. Continuing to use an antiquated system is not good governance and leaves our constituents open to more fraud.

The 133rd Ohio General Assembly created the Unemployment Compensation Modernization and Improvement Council to investigate these issues in Ohio's unemployment compensation system, and to recommend meaningful solutions. As Ohioans continue to deal with an unemployment insurance program that doesn't work the way it should, the House and Senate should not wait any longer to take action.

Therefore, we urge you to convene the Unemployment Compensation Modernization and Improvement Council to ensure a full and thorough investigation into Ohio's unemployment compensation system. With delay after delay, the current system is failing countless Ohioans who rely on their unemployment benefits to keep food on the table and a roof over their heads. We need targeted reform for our broken system so it can provide support to every eligible individual in our state, especially now during the COVID-19 pandemic, and convening the Unemployment Compensation Modernization and Improvement Council is the place to start.

Thank you for your attention to this important matter. We await your response.

Sincerely,

Teresa Fedor Ohio Senate, 11th District

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Lisa Sobecki Ohio House of Representatives, 45th District

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cc:

Governor Mike DeWine Lieutenant Governor Husted Minority Leader Sykes Minority Leader Yuko