## Juliane Barone, Executive Director Ohio Sunset Review Committee Testimony June 11, 2024

Good afternoon, Chairman Wilkin, Vice Chair Hillyer, and members of the Sunset Review Committee. On behalf of the Ohio Unemployment Compensation Review Commission (Review Commission), thank you for the opportunity to testify today about the vital and essential appellate services provided by the Commission. My name is Juliane Barone, and I am the executive director of the Review Commission.

The Review Commission is charged under Ohio Revised Code Section 4141.06 with administering two levels of due process for Ohio employers and workers who dispute unemployment insurance tax and benefits decisions made by the Ohio Department of Job and Family Services (ODJFS). Since the unemployment insurance program is a two-party system, appeals are routinely filed both by employers and workers.

The first level, termed "lower authority" by the federal Department of Labor, consists of a fair hearing that is conducted by an attorney, and provides a "de novo" or a fresh review of all the facts and evidence both in the ODJFS Director's file and any new evidence and testimony presented during the hearing process. The second level, or "higher authority" review, is an opportunity for customers to request full Commission review of the record on appeal.

The Review Commission's authorizing statute has been effective since 1939, and while many important legislative changes have been made to the Ohio unemployment insurance program since that time, the Review Commission has steadily maintained exclusive jurisdiction over lower and higher authority appeals of unemployment insurance decisions made by ODJFS.

The Commission is made up of three commissioners appointed by the Ohio Governor, an executive team, an administrative team, and a team of attorney hearing officers. Our total staff size is currently 36 employees. To give the Committee perspective, during the height of the pandemic impacting appeals, our staff size was 102 employees. Although the Review Commission falls under the administrative umbrella of Ohio's unemployment insurance program residing in ODJFS due to funding by the federal unemployment insurance grant, we are an independent appointing authority.

## **Necessary and Useful:**

The Commission fulfills the federal unemployment insurance "fair hearings" requirement of Section 303(a) of the Social Security Act. The federal law requires the state to provide a reasonable opportunity for appeals to be heard by an impartial tribunal. Customer employers and workers do not need an attorney or representative to participate in the hearing; it is the obligation of the attorney hearing officer to elicit all facts necessary to render a fair and reasoned decision. With respect to benefits-related appeals, typically workers are unemployed and unrepresented, so our appellate hearings are designed to be simple, speedy, and inexpensive.

The mission of the Commission is to ensure that Ohioans receive fair, impartial, and expedited

hearings on unemployment insurance matters. Our vision is to conduct business with consistency, in plain language, and to preserve the honor, dignity, and respect of all those we serve. It is our objective to carry out this vision with fairness, integrity, efficiency, and consistency.

To underscore the principles of fairness, the authorizing statute specifies that that three commissioners must serve for six-year terms, and not more than one of the appointees to the commission shall be a person who can be classified as a representative of employers, not more than one can be classified as a representative of employees, and no more than two members shall belong to the same political party.

Gregory M. Gantt, who is with me today, is the Chairman of the Commission. He was reappointed in 2021, and his term runs until February 26, 2027. Vice Chair Edward Good was reappointed in 2023 and his term ends in February of 2029. J. David Goodman was appointed Commissioner in 2019. His term expires in February of 2025.

## **Effectiveness:**

Our caseload in 2018 was 15,071 appeals. Our caseload in 2019 was down to 13,610 appeals. When the pandemic appellate wave reached us, our caseload increased to 24,186 appeals in 2020, 59,142 appeals in 2021, and 30,971 in 2022. In 2023, our caseload was back down to 18,147 appeals. As you can see from the numbers, the Commission is agile in staffing up or down in a cost-effective manner to meet the federal performance benchmarks of the U.S. Department of labor for appeals.

## **Performance:**

In 2024, the Commission will hear approximately 20,000 cases. This number is significantly higher than our pre-pandemic average of between 13,000 and 15,000 appeals. The post-pandemic "new normal" includes a much greater number of benefit appeals involving identity verification and denials for failure to timely meet state law reemployment requirements. Since the Commission is part of the continuum of due process appeal rights that originate at ODJFS, any increases in their workload and/or direct certifications of appeals for a lower authority hearing impact the Commission's caseload, staff size, and budgetary needs.

The Commission is federally funded (ALI 600679). Our current budget is \$6.8 million, as appropriated by the Legislature in H.B. 33. We anticipate the budget to increase slightly to \$6.9 million based on the higher post-pandemic "new normal" appellate caseloads.

Notably, the pandemic shone a spotlight on unemployment insurance programs nationally. As such, the Review Commission's role in providing two levels of due process to customer employers and workers is more critical than ever, given the complexity of the unemployment program, the volume of appeals, and the "new normal" of identity verification issues. The Review Commission respectfully urges the Committee to continue to authorize our vital functions.

Chairman Wilkin and members of the Committee, on behalf of the Review Commission, I thank you for your time and would be happy to answer any questions that you may have.