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H.B. 139
134th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Sobecki and Crossman

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SUMMARY

- Requires the Director of Job and Family Services to waive collection of state unemployment benefit overpayments and pandemic unemployment assistance overpayments if certain conditions are satisfied.
- Declares an emergency.

DETAILED ANALYSIS

Unemployment benefit overpayments

The bill requires the Director of Job and Family Services to waive collection of an unemployment benefit overpayment if the overpayment was not the result of fraud and all of the following apply:

- The benefit was intended to compensate the individual for a week of unemployment occurring during the period beginning March 15, 2020, and ending April 30, 2021;
- The individual who received the benefit was not at fault for the overpayment;
- Repayment would cause an undue hardship on the individual who received the benefit.¹

Current law generally requires the Director to recover all benefit overpayments, regardless of whether they involved fraud. With respect to nonfraudulent overpayments, the Director must either order the recipient to repay the overpayment or withhold the overpayment from future benefits. The Director may not, however, order repayment or withhold from future benefits when an overpayment was caused by the Director's own

¹ Section 1(B).

typographical or clerical error or an error in information reported by the recipient's former employer.

If the Director orders repayment, and an overpayment is not repaid within 45 days after repayment is due, the Director must certify the amount owed to the Attorney General and notify the Director of Budget and Management of the amount. The Attorney General must collect the amount or sue the individual for the amount and issue an execution for its collection.

The statute of limitations on an action to collect nonfraudulent benefits is three years.²

Pandemic unemployment assistance overpayments

The bill also requires the Director to waive collection of an overpayment under the Pandemic Unemployment Assistance (PUA) program created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act³ if all of the following apply:

- The payment was intended to compensate the individual for any week of unemployment or inability to work during the period beginning January 27, 2020, and ending April 5, 2021 (the final date benefits were payable under the federal Consolidated Appropriations Act, 2021⁴);
- The individual who received the payment was not at fault for the overpayment;
- Repayment would cause an undue hardship on the individual who received the payment.⁵

PUA provides benefits to covered individuals who are not eligible for regular unemployment benefits or extended benefits under state or federal law, including those who have exhausted all rights to other state or federal benefits. PUA is federally funded and administered through state unemployment systems. PUA covers the self-employed, those seeking part-time employment, and individuals lacking sufficient work history.

In general, an individual may receive up to 79 weeks of PUA benefits provided the individual is otherwise able to work and is available for work within the meaning of the applicable state unemployment law, but is unemployed, partially unemployed, or unable or unavailable to work due to one of several COVID-19 related reasons specified in the CARES Act and its implementing regulations.⁶

² R.C. 131.02 and 4141.35, not in the bill.

³ 15 United States Code (U.S.C.) 9021.

⁴ P.L. 116-260.

⁵ Section 1(C).

⁶ 15 U.S.C. 9021(a)(3)(A) and (c), as amended by Sec. 9011 of the "American Rescue Plan Act of 2021," Pub. L. 117-2; and U.S. Department of Labor, Unemployment Insurance Program Letter No. 16-20, Change 5, available [here](#).

Federal law requires states to recover PUA overpayments, regardless of whether the overpayment resulted from fraud. A state may, however, waive PUA overpayment recovery if the recipient was not at fault for the payment and the recovery would be contrary to equity and good conscience.⁷ Federal law does not specify situations in which repayment would be contrary to equity and good conscience.

Emergency

The bill declares it to be an emergency law, meaning that it will take immediate effect once signed by the Governor.⁸

HISTORY

Action	Date
Introduced	02-18-21

H0139-I-134/ts

⁷ 15 U.S.C. 9021(d)(4).

⁸ Section 2.