

LEGAL ACTION OF WISCONSIN

Providing free legal services to low-income Wisconsin clients since 1968 • Proporcionando servicios legales gratuitos a clientes de bajos ingresos en Wisconsin desde 1968

TO: Senate Committee on Economic and Workforce Development
FROM: Abby Bar-Lev Wiley, Legislative Director, Legal Action of Wisconsin
RE: Impact of SB 911/AB 939 on Legal Action's Clients
DATE: February 9, 2022

Thank you for the opportunity to provide comments on AB 939/SB 911. Legal Action of Wisconsin (LAW) is the largest non-profit law firm providing high-quality, free civil legal aid to low-income people in 39 of Wisconsin's southern counties. Our broad reach and expertise means that we see what poverty looks like over a wide swath of the state, from urban and rural areas, from farmworkers to construction workers. One of our priority areas focuses on helping clients secure and maintain the government benefits necessary to meet their most basic needs including food, shelter, health, and income. Legal Action has serious concerns about how AB 939/SB 911 would impact our low-income clients.

AB 939/SB 911's Punitive Approach Would Harm Legal Action's Clients and Does Nothing to Promote Rejoining the Workforce

AB 939/SB 911 would needlessly take away critical benefits that people need to survive, punishing them for experiencing unexpected events. Under this bill, an individual could lose her unemployment insurance benefits—benefits often necessary to economic survival—not because she committed fraud or tried to cheat the system, but simply because she missed a job interview. At Legal Action, we deal with many clients who are applying for or rely on unemployment benefits—urban and rural, old and young, a variety of ethnic and racial backgrounds. We know that no one decides to miss a job interview so that they can remain on unemployment benefits. When someone loses employment through no fault of their own, they face a bewildering and glacial bureaucracy. They must satisfy onerous and confusing work search requirements. The system works slowly, and benefits are often delayed. Given a choice between a decent job and unemployment benefits, our clients would choose work every time. This bill is not solving a real problem. If someone misses a job interview or fails to respond to an offer, there is almost always good reason for it. The bill is punitive and does nothing to help people rejoin the workforce.

Unfortunately, people living with low incomes often face multiple stressors. Legal Action clients have woken up to find their car was repossessed overnight. Clients have received an eviction notice, or got a knock on the door from a sheriff looking to execute an eviction when the tenant thought they had more time. Clients who are victims of domestic violence and are being coerced or worse by their abuser. Grandparent clients who are suddenly responsible for their grandchildren when parents need childcare after an unanticipated COVID-19 school quarantine. Many of our clients are transitory, and so miss critical communications that were sent to their old addresses, or many clients' phone service gets cut off from not being able to pay the phone bill. For people with low incomes, these kinds of unanticipated events arise frequently. Under this bill, hardworking Wisconsinites could have their benefits taken away, throwing them deeper into crisis.

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Legal Action is likewise concerned about the bill's provision to withdraw benefits from someone who fails to return to work after being recalled by an employing unit. In our experience, this provision would be harmful to our farmworker clients. Wisconsin's agricultural economy depends on the seasonal flow of migrant farmworkers into the state, often from south Texas. These workers expect to be recalled, but sometimes get recalled earlier with little advance notice. For farmworkers who must travel to Wisconsin to work, they must often secure safe transportation, arrange for childcare –either in Wisconsin or in the community of origin, finish their leases or close up permanent housing, confirm new housing in Wisconsin, etc and they may not be able to immediately do all this in order to meet the new recall date. Under the bill, if employers do not set clear expectations, if a migrant farmworker is mistaken about the employer's expectations, or if the employer decides for whatever reason that they want employees back sooner, that farmworker could see his economic survival collapse with the withdrawal of unemployment benefits.

“Good Cause” Provision is Insufficient to Resolve the Burdens on Low-Income Wisconsinites

The bill's “good cause” provision does little to resolve the bill's flaws. “Good cause” is a subjective standard, the determination of which is open to bias and presumptions. Moreover, even if a claimant can show “good cause” and DWD agrees, the bureaucratic process to resolve this is slow. Unemployment benefits are already often delayed for eligible individuals. The bill lacks any cap on how much time may pass before a “good cause” determination must be made, and so it would be unsurprising for the process to take months. In that time, even if it is just a matter of weeks, the delay in receiving unemployment benefits could be life-altering. Delays in receiving critical benefits place people's housing at risk, puts at risk their health and food security. As people search for family-sustaining employment, their unemployment insurance benefits are often the sole reason they can keep the lights on, the heat running, the rent paid, and buy new socks or shoes or clothes for growing children.

AB 939/SB 911 Does Not Help People Find Jobs and Would Increase Reliance on State Benefits

Unemployment insurance is a critical safety net that allows people to make ends meet while they are searching for a job that they lost through no fault of their own. AB 939/SB 911 does nothing to help create better-paying jobs. Instead, it punishes people for events that may be out of their control. It may also increase dependence on public benefits as people lose unemployment insurance benefits before they are able to obtain family-sustaining employment. At Legal Action, we know that people desperately prefer to find good jobs than stay on unemployment. Unfortunately, AB 939/SB 911 is a solution in search of a problem, while making lives harder for Wisconsinites who have fallen on hard times.

Thank you for your consideration.

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