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Unemployment insurance, 1936-1937.

Ohio Senate

Columbus

JAMES METZENBAUM
TWENTY-FIFTH DISTRICT
HICKOX BUILDING
CLEVELAND, OHIO

December 16th, 1936.

Kind Friend:

Believing that you will be interested in the Unemployment Insurance Bill, which the Senate has finally passed, I am sending a copy thereof to you.

You may also care to read the enclosed article by myself.

It is my earnest trust that the House may promptly concur, in order that the benefits of this Act, as well as the twelve millions may be immediately had for Ohio.

Sincerely,

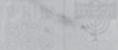

James Metzenbaum

Rabbi A. H. Silver
10311 Lake Shore Boulevard
Cleveland, Ohio

*Wednesday P.M. I just informed the House has
concorred.*

*I have no other copies left, beyond my "Office Copy",
which you may keep, as I shall receive others.*

Ohio Senate Columbus



MSD

JAMES METZENBAUM
HICKOX BUILDING
CLEVELAND, OHIO

(1) In January of this year, for the first time, the State of Ohio was called upon to look after and to provide for the unemployed.

Up until then, the Federal government cared for all who needed relief.

The burden of working out the program, was cast upon Senator James Metzenbaum, by the legislature.

To be sure, many members from the small counties (and they control the majority of the votes in the Ohio House of Representatives) were opposed to any considerable grants of money to care for the unemployed in the industrial cities and in the large counties, because, in the small districts, the relief problem is comparatively unknown. They have comparatively little of it.

So, it became necessary for someone to school and indoctrinate the members from the smaller areas, in order that they might come fully to know and to understand the terrible want, the need and the desperate conditions due to unemployment in the congested and thickly settled cities, like Cleveland.

This task was undertaken by Senator Metzenbaum.

(2) Whereas, at first, there was tremendous opposition to any allowance that would be sufficient, gradually more and more of the legislators were won over, until finally, 15 million were provided for relief for the first six months of this year -- $8\frac{1}{2}$ million new cash and $6\frac{1}{2}$ million Carey bonds.

Contrasted with this, is the now-proposed House bill introduced by a Representative of Cleveland, which would provide 6 million for the last six months of 1936 -- less than $1/2$ of the above 15 million.

→ (2-b) 10% administration on 6 million is LESS than 5% on 15 million. BOTH are too LITTLE, in DOLLARS.

(3) Under the so-called "Metzenbaum plan", as much ($4\frac{1}{2}$ million of cash and state-paid Carey bonds) was made available for Cuyahoga County alone, as some of the legislators wished to make available, at first, for the whole state.

(4) Under the "Metzenbaum plan", $4\frac{1}{2}$ million (Carey bonds and new cash) was made available for Cuyahoga County itself.

Whereas, under the now proposed plan, 6 million is made available for the whole state.

(5) This bill just passed by the House, provides for a Rotary or emergency fund of only $1/2$ million dollars;

Whereas the "Metzenbaum plan" places this same fund at 3 millions, beside the 15 million.

(6) So, too, under the "Metzenbaum plan", Cuyahoga county received almost $4\frac{1}{2}$ million (Carey bonds and new cash), from January to June 30th.

Whereas, under the House bill, about 2 million would be actually available for the next 6 months, in Greater Cleveland.

✓ (7) Under the "Metzenbaum arrangement", no family in Cleveland or throughout the state, was obliged to go without food or warmth, even though it was the coldest winter in almost a half century;

While, under the now-proposed House arrangement, want is to be feared.

(8) Under the "Metzenbaum plan", each family in Cuyahoga County was assured at least \$22.80 and even somewhat upwards;

But, under the new House bill provisions, there would be only about \$10.50 per family after allowance for Administration cost.

(9) The House bill speaks of \$12 per family, but the bill actually provides for only 6 million dollars, which, in reality, would give each Cleveland family less than \$12 -- actually about \$8.00.

(10) The "Metzenbaum program", in no way interfered with trained workers;

But the new act just passed by the House somewhat weakens the position of the specially trained workers.

Analysis of Provisions of Federal Social Security Act relating to
Unemployment Insurance and Ohio Unemployment Insurance Commission Bill

Features	Federal Social Security Act	Ohio Unemployment Insurance Commission Bill. (S.B. 6 by Mr. Hunter, 1935)
General Coverage	Tax levied on employers who have 8 or more employees during 20 or more weeks of calendar year. Sec. 907(a)	Contributions required by employers of 3 or more employees. Sec. 1,b.
Employments Exempted	<ol style="list-style-type: none"> 1. Agricultural labor; 2. Domestic service in a private home; 3. Officer or member of the crew of a vessel on the navigable waters of the United States; 4. Individual in the employ of his son, daughter or spouse, or by child under 21 years in the employ of his parent; 5. Public employees - Federal, State and local; 6. Employees of institutions operated exclusively for religious, charitable, scientific, literary or educational purpose, or for the prevention of cruelty to children or animals, and which are non-profit. Sec. 907(c) 	<ol style="list-style-type: none"> 1. Agricultural labor; 2. Domestic service in a private home; 3. Service of common carrier in interstate commerce; 4. Public employees; 5. Employees of private or parochial schools receiving annual salary; 6. Casual workers, employed less than 4 weeks; 7. Non-manual employees earn- ing over \$40 a week; 8. Employment not in the regular course of employers business. Sec. 1,c,d.
Financial basis of Fund	<u>Employers</u> 1% of all wages paid in 1936; 2% " " " " " 1937; 3% " " " " " thereafter Sec. 901 & Sec. 907(b)	<u>Employers</u> 2% of insurable payroll until January 1, 1939. Rates to be classified on exper- ience basis thereafter. Sec. 1,h; Sec. 4. <u>Employees</u> 1% of wages received. Sec. 6

Features	Federal Social Security Act	Ohio Unemployment Insurance Com. Bill
Benefits	<u>Qualifications</u> no provision	<u>Qualifications</u> Employment and contribution to fund for 26 weeks during previous year or employment and contribution for 40 weeks during two years preceding. Capable of and available for employment and unable to obtain same in usual employment or another for which fitted. Sec. 7,a. In seasonal industries, Commission is empowered to fix shorter qualifying period of employment. Sec. 13
	<u>Disqualifications</u> Worker must not be disqualified because of refusal to accept work if A. Position vacant is due directly to a strike, lockout or labor dispute; B. The wages, hours, or conditions of work are substantially less favorable to the individual than those prevailing in the locality, or C. The individual would be required to join a company union or to resign from or refrain from joining a bona fide labor organization. Sec. 903(a) (5)	<u>Disqualifications</u> 1. Unemployment because of strike or lockout, during its duration. 2. Unemployment due to act of God or to confinement in penal institution. 3. Failure to report to Commission 4. Failure to accept offer of suitable employment, except that worker shall not be disqualified by refusal of employment if A. Acceptance of employment would deny to employees right to refrain from joining or to belong to labor organization; B. Position vacant is due to strike or lockout; C. Employment is at unreasonable distance or wages or conditions less favorable than those prevailing in locality. Sec. 7,b.
	<u>Waiting Period</u> No provision	<u>Waiting Period</u> 3 weeks, or equivalent of 3 weeks in partial unemployment; 6 weeks for those discharged or quitting voluntarily. Sec. 8

Features	Federal Social Security Act	Ohio Unemployment Ins. Com. Bill
	<p><u>Amount of Benefit</u> No provision</p> <p><u>Benefit Period</u> no provision</p>	<p><u>Amount of Benefit</u> 50% of average weekly wage, but not more than \$15 per week. Sec. 9</p> <p><u>Benefit Period</u> Not more than 16 weeks in 12 months. Sec. 10.</p>
Insurance Carrier	<p>State pooled fund, Guaranteed employment accounts, or Individual reserve accounts. Sec. 910(a)</p> <p>All moneys received in State unemployment fund must be deposited in Unemployment Trust Fund maintained by the U. S. Treasury. Sec. 903 (a)(3) Sec. 904</p>	<p>Pooled Unemployment Insurance Fund in custody of State Treasurer. Sec. 2.</p>
Administration	<p>All benefits to be paid through public employment offices. Sec. 903(a)(1).</p> <p>Expenses of administration cannot be paid out of Fund. Sec. 903(a)(4) Sec. 303(a)(5)</p> <p>Federal grants for assistance in administration available; no matching required. Sec. 302(a).</p>	<p>Unemployment Commission of 3 members, responsible for administration of Unemployment Insurance and of public employment offices. Sec. 15, 16, 17.</p> <p>Expenses of administration to be met by Fund. Sec. 27</p>
Effective Dates	<p>Tax begins January 1, 1936. Sec. 901</p> <p>Payment of benefits cannot be made for unemployment occurring within 2 years after the first day of first period for which contributions are required - (not before January 1, 1938). Sec. 903(a)(2).</p>	<p>Tax begins January 1, 1936. Sec. 3,4,26.</p> <p>Payment of benefits begins after employee has paid premiums for 26 weeks and becomes unemployed. Sec. 7,a.</p>

16-1936
91ST GENERAL ASSEMBLY,
FIRST SPECIAL SESSION,
1935-1936

Am. Sub. Am. H. B. No. 608

MESSRS. BOYD-McINTYRE-ZOUL-HUNTER-POLLOCK

A BILL

To establish a system of unemployment insurance, without liability on the part of the state of Ohio, to create an unemployment insurance commission, to provide for employment offices, and to repeal sections 154-45a, 154-45b and 154-45c of the General Code and to declare an emergency.

Be it enacted by the General Assembly of the State of Ohio:

SECTION I. The following terms in this act shall be construed as follows:

a. "Commission" means the unemployment insurance commission of Ohio.

b. "Employer", except where the context clearly shows otherwise, means any person, partnership, firm, association or corporation who (which) has three or more persons employed at any one time in an employment subject to this act, except that for the period from December 21, 1936, to December 31, 1936, both inclusive, the term "employer" shall mean any person, partnership, firm, association, or corporation which is subject to the excise tax levied by section 901 of the social security act. "Employer" shall not include: the United States or an instrumentality thereof; the state of Ohio or any state; any municipal or public corporation, political subdivision, governmental unit, or instrumentality of one or more states or political subdivisions in the exercise of purely gov-

17 ernmental functions but shall include any such service performed in the
18 exercise of proprietary functions; any farmer; nor any person, partner-
19 ship, firm, association or corporation to which this act may not apply by
20 reason of any provision of the constitution of the United States or act of
21 congress.

22 c. "Employee", except where the context clearly shows otherwise,
23 means any person, including aliens and minors, employed for hire by an
24 employer in an employment subject to this act, except a person whose
25 employment is not in the usual course of the trade, business, profession
26 or occupation of the employer.

27 d. "An employment", except where the context clearly shows other-
28 wise, means an employment in which all or the greater part of the em-
29 ployee's work is performed within the state of Ohio, under any contract
30 of hire, express or implied, oral or written, including all contracts en-
31 tered into by helpers and assistants of an employee, whether paid by em-
32 ployer or employee, if employed with the knowledge actual or construc-
33 tive of the employer; and shall include any trade, occupation, profession
34 or process of manufacture, or any method of carrying on said trade, oc-
35 cupation, profession or process of manufacture in which any person may
36 engage; except that for the purpose of this act it shall not include:

37 (1) Agricultural labor;

38 (2) Domestic service in a private home;

39 (3) Service performed as an officer or member of the crew of a
40 vessel on the navigable waters of the United States;

41 (4) Employment by any governmental unit, municipal or public
42 corporation, political subdivision, or instrumentality of the United States
43 or of one or more states or political subdivisions in the exercise of purely
44 governmental functions;

45 (5) Employment in a private or parochial school, college, or uni-

46 versity as a teacher, in research or experimental work, as an adminis-
47 trative officer, or as a member of the faculty ;

48 (6) Employment as a short-time or casual laborer for a period of
49 less than four weeks, provided that where such short-time or casual labor
50 is employed during four successive weeks or more, it shall be deemed an
51 employment within the scope of this act ;

52 (6a) Employment as a short time worker of a minor, whose prin-
53 cipal occupation is a student actually attending public or private school,
54 shall not be deemed an employment within the scope of this act.

55 (7) Agency or employment, compensated on a commission basis,
56 by one or more principals, where the agent or employee is master of his
57 own time and efforts, and where his remuneration wholly depends on the
58 amount of effort he chooses to expend.

59 (8) Service performed as an "extra" worker on not more than one
60 day in any calendar week. (For the purpose of paying premiums under
61 section 6 of this act, this item shall not be excepted from the definition
62 of employment subject to this act.)

63 e. "Benefits" means money allowances payable to an employee as
64 insurance or compensation for losses of remuneration due to unemploy-
65 ment as provided in this act.

66 f. "Wages" means remuneration payable by employers for employ-
67 ment.

68 g. "Remuneration" means all compensation payable for personal
69 services, including commission and bonuses and the cash value of all
70 compensation payable in any medium other than cash. Gratuities cus-
71 tomarily received by an individual in the course of his employment from
72 persons other than his employing unit shall be treated as wages payable
73 by his employing unit. The reasonable cash value of compensation pay-
74 able in any medium other than cash, and the reasonable average amount

75 of gratuities, shall be estimated and determined in accordance with rules
76 prescribed by the commission.

77 h. "Average weekly wages" means the weekly earnings that an em-
78 ployee subject to this act would average if he were employed full time,
79 i. e., the full number of scheduled or customary working hours per week
80 in the employment or employments in which he is or was engaged prior
81 to applying for benefits under this act. The commission shall make suit-
82 able rules for the purpose of calculating the average wages on the basis
83 of which benefits under the act are to be paid, and for this purpose may
84 average full time earnings over a period of three months or more in order
85 to include reasonable proportions of busy and slack weeks, and may adopt
86 such method or methods of calculating the said average weekly wages as
87 may be suitable and reasonable under this act.

88 i. "Payroll" means and shall include all wages paid to employees
89 subject to this act.

90 j. "Employment office" means a free public employment office,
91 or branch thereof, operated by this state or maintained as a part of a
92 state-controlled system of public employment offices.

93 k. "Executive Director" means the director of unemployment com-
94 pensation in Ohio, who is also the secretary of the commission.

95 l. "Fund" means the unemployment compensation fund established
96 by this act, to which all contributions required and from which all benefits
97 provided under this act shall be paid.

98 m. "Contributions" means the money payments to the state unem-
99 ployment compensation fund required by this act.

100 n. "State Advisory Council" means the state advisory council es-
101 tablished by section 12 (c) (1) of this act.

102 o. "Total employment", except where the context clearly shows
103 otherwise, means the condition caused by the inability of the employee,
104 who is capable of and available for employment, to obtain work in his

105 usual employment, or in another employment for which he is reasonably
106 fitted, and whose lack of employment causes total loss of wages.

107 p. "Partial unemployment" means part-time employment resulting in
108 loss of wages amounting to forty per cent, or more, of an employee's
109 average weekly wages.

110 q. "Unemployment compensation administration fund" means the
111 unemployment compensation administration fund established by this act,
112 from which administrative expenses under this act shall be paid.

113 r. "Week" means such period or periods of seven consecutive
114 calendar days ending at midnight, as the commission may by regulations
115 prescribe.

116 s. "Weekly Benefit Amount." An individual's "weekly benefit
117 amount" means the amount of benefits he would be entitled to receive for
118 one week of total unemployment.

119 SECTION 2. a. There is hereby created an unemployment compensa-
120 tion fund (hereinafter called the unemployment fund), to be administered
121 by the state of Ohio, without liability on the part of the state beyond the
122 amounts paid into the fund and earned by the fund. This unemployment
123 fund shall consist of all contributions and money paid into and received by
124 it as provided by this act, all property and securities acquired by and
125 through the use of moneys belonging to said fund, and interest earned by
126 said fund. The unemployment fund shall be used to pay benefits, as pro-
127 vided by this act, and for no other purpose.

128 b. The treasurer of the state shall be the custodian of the unemploy-
129 ment fund and all disbursements therefrom shall be paid by him upon
130 vouchers authorized by the unemployment compensation commission here-
131 inafter provided for, and signed by any two members thereof; or, such
132 vouchers may bear the facsimile signatures of the members of the com-
133 mission printed thereon, and the signature of the deputy or other em-

134 ployee of the commission charged with the duty of keeping the account
135 of the unemployment fund and with the preparation of vouchers for the
136 payment of benefits to the persons entitled thereto. The treasurer of the
137 state shall give a separate and additional bond, in such amount as may be
138 fixed by the governor, and with sureties to his approval, conditioned for
139 the faithful performance of his duties as custodian of the unemployment
140 fund. Such bond shall be deposited with the secretary of state and kept
141 in his office.

142 c. The treasurer shall maintain within the fund three separate ac-
143 counts: (1) A clearing account, (2) an unemployment trust fund account,
144 and (3) a benefit account. All moneys payable to the fund, upon receipt
145 thereof by the commission, shall be forwarded to the treasurer who shall
146 immediately deposit them in the clearing account. After clearance thereof,
147 all moneys in the clearing account shall be immediately deposited
148 with the secretary of the treasury of the United States of America to
149 the credit of the account of this state in the unemployment trust fund,
150 established and maintained pursuant to section 904 of the social security
151 act, as amended, any provisions of law in this state relating to the deposit,
152 administration, release, or disbursement of moneys in the possession or cus-
153 tody of this state to the contrary notwithstanding. The benefit account
154 shall consist of all moneys requisitioned from this state's account in the
155 unemployment trust fund. Moneys so requisitioned shall be used solely
156 for the payment of benefits and for no other purpose. Except as herein
157 otherwise provided, moneys in the clearing and benefit accounts may be
158 deposited by the treasurer, under the direction of the commission, in any
159 bank or public depository in which general funds of the state may be de-
160 posited, but no public deposit insurance charge or premium shall be paid
161 out of the fund.

162 Sec. 3. (a) There is hereby created in the state treasury a special
163 fund to be known as the unemployment compensation administration fund.

164 All moneys which are deposited or paid into this fund are hereby appro-
165 priated and made available to the commission. All moneys in this fund
166 shall be expended solely for the purpose of defraying the cost of the ad-
167 ministration of this act, and for no other purpose whatsoever. The fund
168 shall consist of all moneys appropriated by this state, and all moneys re-
169 ceived from the United States of America, or any agency thereof, includ-
170 ing the social security board and the United States employment service,
171 or from any other source, for such purpose. All moneys in this fund shall
172 be deposited, administered, and disbursed, in the same manner and under
173 the same conditions and requirements as is provided by law for other
174 special funds in the state treasury. Any balances in this fund shall not
175 lapse at any time, but shall be continuously available to the commission
176 for expenditure consistent with this act. The state treasurer shall give
177 a separate and additional bond conditioned upon the faithful performance
178 of his duties in connection with the unemployment compensation admin-
179 istration fund. The premiums for such bond and the premiums for the
180 bond given by the treasurer of the unemployment compensation fund under
181 section 2 of this act, shall be paid from the moneys in the unemployment
182 compensation administration fund.

183 (b) A special "employment service account" shall be maintained as
184 a part of the unemployment compensation administration fund for the
185 purpose of maintaining the public employment offices established pursuant
186 to section 15 of this act and for the purpose of cooperating with the
187 United States employment service.

188 SECTION 4. (a) (1) On and after December 21, 1936, contribu-
189 tions shall accrue and become payable by each employer for each calendar
190 year in which he is subject to this act, with respect to wages payable for
191 employment (as defined in section 1 (d)) occurring during such calendar
192 year, except that for the period beginning December 21, 1936, such con-
193 tributions shall accrue and become payable with respect to wages payable

194 for employment during such period beginning December 21, 1936. Such
195 contributions shall become due and be paid by each employer to the com-
196 mission for the fund in accordance with such regulations as the com-
197 mission may prescribe, and shall not be deducted, in whole or in part,
198 from the wages of individuals in his employ.

199 (2) In the payment of any contributions, a fractional part of a cent
200 shall be disregarded unless it amounts to one-half cent or more, in which
201 case it shall be increased to 1 cent.

202 (b) Each employer shall pay contributions equal to the following
203 percentages of wages payable by him with respect to employment:

204 1. For the period from December 21, 1936, to December 31, 1936,
205 both inclusive, a lump-sum premium equal to 90 per cent of the federal
206 excise tax levied against him for the calendar year 1936 pursuant to
207 section 901 of the social security act.

208 (2) During the calendar year 1937, with respect to wages payable
209 during that period, an amount equal to one and eight-tenths per cent of
210 such wages.

211 (3) During the calendar year 1938 and thereafter, to and including
212 December 31, 1941, with respect to wages payable for such years, an
213 amount equal to two and seven-tenths per cent of such wages.

214 (c) (1) The commission shall maintain a separate account for each
215 employer, and shall credit his account with all the contributions which he
216 has paid on his own behalf. But nothing in this act shall be construed
217 to grant any employer or individuals in his service prior claims or rights
218 to the amounts paid by him into the fund either on his own behalf or
219 on behalf of such individuals. Benefits paid to an eligible individual shall
220 be charged against the account of his most recent employers against whose
221 accounts the maximum charges hereunder have not previously been made
222 in the inverse chronological order in which the employment of such indi-
223 vidual occurred, but the maximum amount so charged against the account

224 of any employer shall not exceed one-sixth of the wages payable to such
225 individual by each such employer for employment occurring on and after
226 the first day of such individual's base period, or \$65 per completed cal-
227 endar quarter or portion thereof, whichever is the lesser, but this provision
228 shall not be construed to limit the duration of benefits payable pursuant
229 to section 8 (e). The commission shall by general rules prescribe the
230 manner in which benefits shall be charged against the accounts of several
231 employers for whom an individual performed employment during the
232 same week.

233 (2) The commission may prescribe regulations for the establish-
234 ment, maintenance, and dissolution of joint accounts by two or more em-
235 ployers, and shall, in accordance with such regulations and upon applica-
236 tion by two or more employers to establish such an account, or to merge
237 their several individual accounts in a joint account, maintain such joint
238 account as if it constituted a single employer's account.

239 (3) On and after January 1, 1942 the commission shall determine
240 the contribution rate of each employer in accordance with the following
241 requirements:

242 (A) Each employer's rate shall be two and seven-tenths per cent
243 except as otherwise provided in the following provisions. An employer's
244 rate shall be two and seven-tenths per cent unless and until there shall
245 have been three calendar years throughout which an individual in his
246 employ could have received benefits if eligible.

247 (B) Each employer's rate for the twelve months commencing Jan-
248 uary 1 of any calendar year shall be determined on the basis of his record
249 up to the beginning of the calendar quarter immediately preceding such
250 calendar year. If at the beginning of such calendar year, the total of all
251 his contributions, paid in his own behalf, for all past years exceeds the

252 total benefits charged to his account for all such years, his contribution
253 rate shall be—

254 (1) Two and one-half per cent if such excess equals or exceeds 8
255 but is less than 10 per cent of his average annual payroll (as defined in
256 section 1 (h)).

257 (2) One and three-quarters per cent, if such excess equals or ex-
258 ceeds 10 but is less than 12 per cent of his average annual payroll.

259 (3) One per cent if such excess equals or exceeds 12 per cent of
260 his average annual payroll.

261 (4) If the reserve of any employer, from whose account benefits
262 have been payable for not less than three years, falls below 8 per cent,
263 the commission shall raise the rate of contribution to four and one-half
264 per cent and continue such rate in effect until said employer's reserve is
265 again 8 per cent or more. Once a rate of contribution based upon the
266 above merit ratings shall have been established it shall remain in effect
267 for a minimum period of one year.

268 SECTION 5. No agreement by an employee to pay any portion of the
269 contribution or other payment required to be made by his employer under
270 this act, shall be valid; and no employer shall make a deduction for such
271 purposes from the remuneration or salary of any individual in his em-
272 ploy. But nothing in this act shall affect the validity of voluntary ar-
273 rangements by which employees individually or collectively agree to make
274 contributions for the purpose of securing benefits in addition to those
275 provided by this act.

276 SECTION 6. Every employee, as defined in section one of this act,
277 shall be eligible to receive benefits as compensation for loss of remunera-
278 tion due to total or partial unemployment, and benefits shall be paid
279 by the commission in the amounts and subject to the conditions stipu-
280 lated in this act; but no benefits shall be paid for total or partial unem-
281 ployment occurring prior to January 1, 1939.

282 a. No employee shall be entitled to any benefits unless he or she

283 (1) is capable of and available for work;

284 (2) is unable to obtain work in his usual trade or occupation or
285 any other employment for which he is reasonably fitted including em-
286 ployments not subject to this act, or is suffering loss of remuneration
287 by reason of involuntary partial unemployment (as defined in sec-
288 tion 1 (p)).

289 (3) has registered at an employment office or other registration
290 place maintained or designated by the commission, or has otherwise noti-
291 fied the commission of his unemployment in accordance with its rules
292 respecting notification, and has given notice of continuance of his unem-
293 ployment as frequently and in such manner as the commission may pre-
294 scribe; and

295 (4) No benefits shall be payable to any unemployed employee who
296 has lost his employment or has left his employment by reason of a strike
297 in the establishment in which he was employed, as long as such strike
298 continues; or whose unemployment has been directly caused by an act
299 of God; or who becomes unemployed by reason of commitment to any
300 penal institution; or who fails or refuses to report to the commission or
301 its designated agencies from time to time as required by its rules; or who
302 refuses to accept an offer of work for which he is reasonably fitted.

303 b. An employee suffering total unemployment shall be eligible for
304 benefits for unemployment occurring subsequent to a waiting period of
305 three weeks and no benefits shall be or become payable during this re-
306 quired waiting period; but no more than a total of three weeks of wait-
307 ing period or periods shall be required of any such employee in any
308 fifty-two consecutive weeks in order to establish his eligibility for total
309 unemployment benefits under this act; except that employees who have
310 been discharged for just cause connected with their work and those who
311 have voluntarily quit their work without just cause, and thereafter are

312 unable to secure other work, shall have a waiting period of six weeks
313 during which no benefits shall be payable.

314 An employee suffering partial unemployment shall be eligible for
315 benefits for each week of such partial unemployment after a waiting
316 period such that the loss of remuneration in such partial unemployment
317 is equal to three weeks of total unemployment. No benefits shall be or
318 become payable for this required waiting period, but the total waiting
319 period or periods required for any employee in any fifty-two consecutive
320 weeks, to establish his eligibility for total and/or partial unemployment
321 benefits, shall not exceed a period such that the loss of remuneration is
322 equal to three weeks of total unemployment.

323 The employee's maximum weeks of benefit per year shall be reduced
324 by three weeks in the event such unemployment results from voluntary
325 resignations from work or dismissal for misconduct.

326 The waiting period for total unemployment shall commence on the
327 day the employee registers as unemployed at an employment office or
328 other place of registration maintained or designated by the commission
329 or on the day that he has otherwise given notice of his unemployment
330 in accordance with the rules of the commission.

331 c. No unemployed employee otherwise qualified to receive benefits
332 shall lose the right to benefits by reason of a refusal to accept new
333 work if

334 (1) as a condition of being so employed, he would be required to
335 join a company union, or to resign from or refrain from joining any
336 bona fide labor organization, or

337 (2) the position offered is vacant due directly to a strike, lockout,
338 or other labor dispute; or

339 (3) the work is at an unreasonable distance from his residence,
340 having regard to the character of the work he has been accustomed
341 to do, and travel to the place of work involves expense substantially

342 greater than that required for his former work, unless the expense be
343 provided for; or

344 (4) the remuneration, hours, or other conditions of the work of-
345 fered are substantially less favorable than those prevailing for similar
346 work in the locality.

347 SECTION 7. No benefits shall be paid for any week with respect to
348 which an individual is receiving or has received remuneration in the
349 form of

350 (1) Remuneration in lieu of notice;

351 (2) Compensation for temporary partial disability under the work-
352 men's compensation law of any state or under a similar law of the United
353 States; or

354 (3) Old-age benefits under title II of the social security act, as
355 amended, or similar payments under any act of congress: Provided, That
356 if such remuneration is less than the benefits which would otherwise be
357 due under this act, he shall be entitled to receive for such week, if other-
358 wise eligible, benefits reduced by the amount of such remuneration.

359 SECTION 8. (a) On and after January 1, 1939, benefits shall be-
360 come payable from the fund. All benefits shall be paid through employ-
361 ment offices, in accordance with such regulations as the commission may
362 prescribe.

363 (b) Benefits shall be payable on account of each week of total un-
364 employment after the specified waiting period at the rate of fifty per
365 cent of the employee's average weekly wages, but not to exceed a maxi-
366 mum of fifteen dollars per week. In cases of partial unemployment
367 where by reason of part-time employment there is loss of wages amount-
368 ing to more than forty per cent. of weekly wages, benefits shall be paid
369 as in cases of total unemployment, except that the amount of such bene-
370 fits shall be as follows:

371 Where part-time employment results in loss of weekly wages in
372 excess of 40% but less than 55%, benefits shall be 10% of average weekly
373 wages; 55% but less than 70%, benefits shall be 20% of average weekly
374 wages; 70% but less than 85%, benefits shall be 30% of average weekly
375 wages; 85% or more, benefits shall be 40% of average weekly wages.

376 In cases where average weekly wages amount to more than \$30.00
377 per week, these percentages shall be calculated on the basis of \$30.

378 The total benefits to which an employee shall be entitled in any
379 consecutive twelve months, whether for partial unemployment or total
380 unemployment, or partial and total unemployment, shall not exceed six-
381 teen times his benefit for one week of total unemployment. In the event
382 of general and extended unemployment such that the fund is reduced
383 below a proper actuarial basis, the commission shall have authority to
384 declare an emergency, and thereupon to borrow funds from whatever
385 source obtainable on the security of the resources of the fund, and/or
386 to adjust the benefits, either in their weekly amount or in the length
387 of time for which they should be paid, until such time as the fund is
388 restored to a sound actuarial basis.

389 SECTION 9. No agreement by an employee to waive his right to
390 benefits under this act shall be valid; nor shall benefits under this act be
391 assigned, released or commuted, and such benefits shall be exempt from
392 all claims of creditors and from levy, execution, garnishment, attachment
393 and all other process or remedy for recovery or collection of a debt, which
394 exemption may not be waived.

395 SECTION 10. Whenever in any employment it is customary to op-
396 erate only during a regularly recurring period or periods of less than one
397 year in length, then the rights to benefits shall apply only to the longest
398 seasonal period or periods which the best practice of such industry or
399 class of employment will reasonably permit. The commission shall ascer-
400 tain and determine, or redetermine, after investigation and due notice,

401 such seasonal period or periods for each such seasonal employment.
402 Until such determination by the commission, no employment shall be
403 deemed seasonal. When the commission has determined such seasonal
404 period or periods, it shall also fix the proportionate number of weeks of
405 employment and payment of contribution required to qualify for benefits.

406 SECTION 11. Any employer desirous of employing additional em-
407 ployees for short-time work only, and without liability for contribution and
408 benefits for such employees, may secure permission from the commission
409 for such employment, which shall thereupon be deemed casual employ-
410 ment and exempted from the provisions of this act. The commission
411 shall make and publish rules governing the exemption of such casual
412 employment. But no such employment shall be exempted from the pro-
413 visions of this act by virtue of this section, unless express permission
414 shall have been granted by the commission, nor in any case if the employ-
415 ment shall continue for a period of more than four weeks.

416 SECTION 12. (a) This act shall be administered by the unemploy-
417 ment compensation commission of Ohio.

418 There is hereby created an unemployment compensation commission
419 of Ohio, to be composed of three members appointed by the governor with
420 the advice and consent of the senate. Not more than one of the ap-
421 pointees to such commission shall be a person who, on account of his
422 previous vocation, employment or affiliations can be classed as a repre-
423 sentative of employers, and not more than one of such appointees shall
424 be a person who, on account of his previous vocation, employment or
425 affiliations, can be classed as a representative of employees; and not more
426 than two of the members of said commission shall belong to the same
427 political party. No commissioner shall hold any position of trust or
428 profit, or engage in any occupation or business interfering or inconsistent
429 with his duties as a member of said commission; and no commissioner
430 shall serve on any committee of any political party.

431 The initial members shall be appointed within ten days after the
432 date this act becomes effective, one for a term of two years, one for four
433 years, and one for six years. Thereafter as their terms expire the gov-
434 ernor shall appoint one member each for a term of six years. Vacancies
435 shall be filled by appointment by the governor for the unexpired term.

436 The governor may remove any member of the commission for in-
437 efficiency, neglect of duty, malfeasance, misfeasance or nonfeasance in
438 office, giving to him a copy of the charges against him and an opportunity
439 to be publicly heard, in person or by counsel, in his own defense, upon
440 not less than ten days' notice. If such member shall be removed, the gov-
441 ernor shall file in the office of the secretary of state a complete statement
442 of all charges made against such member, and his findings thereon, to-
443 gether with a complete record of the proceedings, and his decision therein
444 shall be final.

445 Each of the members of the commission shall receive an annual salary
446 of six thousand dollars, payable in the same manner as the salaries of
447 other state officers. Before entering upon the duties of his office, each
448 member shall take an oath of office in accordance with section 3 of the
449 General Code and shall swear or affirm that he holds no position upon
450 any committee of a political party, which oath or affirmation shall be filed
451 in the office of the governor. Each member of the commission shall give
452 a bond in the sum of ten thousand dollars, which bond shall be approved
453 by the governor and filed with the treasurer of state. All employees or
454 deputies of the commission receiving or disbursing funds shall give bond
455 to the state in amounts and with surety to be approved by the commission.

456 The commission shall choose one of its members as chairman. A ma-
457 jority of the commission shall constitute a quorum to transact business.
458 No vacancy shall impair the rights of the remaining commissioners to
459 exercise all of the powers of the commission, so long as a majority remain.
460 Any investigation, inquiry or hearing which the commission is authorized

461 to hold or undertake may be held or undertaken by or before any one
462 member of the commission, or by or before one of its deputies, and every
463 order made by a member thereof, or by one of its duly authorized dep-
464 uties, when approved and confirmed by a majority of the commissioners,
465 and so shown on its record of proceedings, shall be deemed to be the order
466 of the commission.

467 The commission shall keep and maintain its principal office in the city
468 of Columbus, and such branch offices in other cities of the state as it may
469 find necessary, and shall provide suitable rooms, equipment, supplies,
470 books, periodicals and maps for the same. It shall provide itself with a
471 seal for the authentication of its rules, orders, awards and proceedings,
472 upon which shall be inscribed the words "Unemployment Compensation
473 Commission—State of Ohio—Official Seal." The commission may hold
474 sessions in any place within the state of Ohio.

475 (b) The commission shall appoint, with the advice and consent of
476 the advisory council, hereafter provided for, an executive director and
477 shall fix the compensation and prescribe the duties of such executive direc-
478 tor. Such executive director shall not be subject to the civil service laws
479 of this state, but shall hold office continuously, shall act as secretary of
480 the commission and shall be responsible for the administration of this act
481 under authority delegated to him by the commission. The executive di-
482 rector may not be removed without the consent of the advisory council,
483 nor may the duties of his office be altered, suspended or abolished without
484 the consent of the advisory council.

485 (c) (1) There is hereby created a state advisory council, here-
486 after called the advisory council, of seven members to be appointed
487 by the governor, with the advice and consent of the senate. Two of
488 the appointees to this council shall be persons who, on account of
489 their vocations, employment or affiliations, can be classed as repre-

490 sentatives of employers; two shall be persons who, on account of
491 their vocations, employments or affiliations, can be classed as repre-
492 sentatives of employees; the remaining three appointees to the coun-
493 cil shall be persons whose training and experience qualify them to
494 deal with the difficult problems of unemployment compensation, par-
495 ticularly with respect to the legal, accounting, actuarial, economic
496 and social aspects of unemployment compensation.

497 (2) Each member of the state advisory council shall serve with-
498 out salary but shall be allowed traveling and other incidental ex-
499 penses, and shall hold office for a term of seven years, except that
500 (1) any member appointed to fill a vacancy occurring prior to the
501 expiration of the term for which his predecessor was appointed, shall
502 be appointed for the remainder of such term; and (2) the terms of
503 office of the members first taking office after the date of the enact-
504 ment of this act shall expire, as designated by the governor at the
505 time of appointment, one at the end of one year, one at the end of
506 two years and one at the end of each succeeding year after the date
507 of enactment of this act.

508 (3) The state advisory council shall choose one of its members
509 as chairman. The chief of the division of research, as provided for in
510 section 13 (b) hereof, shall act as secretary of the advisory council.

511 (4) The state advisory council shall have access to all the records
512 of the commission and to the reasonable services of the employees of the
513 commission. It may request any member of the commission or any of
514 its employees, or any employer or employee subject to this act to appear
515 before it and to testify relative to the functioning of the act and to other
516 relevant matters. The advisory council may conduct research of its own,
517 make public reports, and recommend to the commission, the governor and
518 the legislature needed changes from time to time. Where the consent of

519 the advisory council is required in this act, said consent must be obtained
520 from at least four members of the advisory council.

521 (5) The commission shall make available to the state advisory coun-
522 cil from the administrative fund the funds necessary to enable the ad-
523 visory council to perform its duties under this act.

524 SECTION 13. (a) In addition to all other duties imposed on the
525 commission and powers granted by the provisions of this act, the com-
526 mission shall have full power:

527 (1) To adopt and enforce reasonable rules and regulations relative
528 to the exercise of its powers and authority, and proper rules to govern its
529 proceedings and to regulate the mode and manner of all investigations and
530 hearings; to prescribe the time, place and manner of making claims for
531 benefits under this act, the kind and character of notices required there-
532 under, the procedure for investigating, hearing and deciding claims, the
533 nature and extent of the proofs and evidence and the method of taking
534 and furnishing the same to establish the right to benefits, and the method
535 and time within which adjudication and awards shall be made; to adopt
536 rules and regulations with respect to the collection, maintenance and dis-
537 bursements of the unemployment and administrative funds; and to amend
538 and modify any of its rules and regulations from time to time in such
539 respects as it may find necessary or desirable;

540 (2) To employ, subject to the civil service laws of this state, secre-
541 taries, deputies, accountants, superintendents of employment districts and
542 offices, clerks, stenographers, and other assistants as may be required for
543 the administration of the provisions of this act, and to determine their
544 salaries and duties;

545 (3) To appoint advisors or advisory employment committees, by
546 local districts or by industries, who shall, without compensation but with
547 reimbursements of necessary expenses, assist the commission in the exe-
548 cution of its duties;

549 (4) To require all employers, including employers not otherwise
550 subject to the provisions of this act, to furnish to it from time to time
551 information concerning the amount of wages paid, the number of em-
552 ployees employed, the regularity of their employment, the number of em-
553 ployees hired, laid off and discharged from time to time and the reasons
554 therefor, and the numbers that quit voluntarily; and to require such em-
555 ployers to give other and further information respecting any other facts
556 required for the proper administration of this act;

557 (5) To classify generally industries, businesses, occupations and
558 employments, and employers individually, as to the hazard of unemploy-
559 ment in each business, industry, occupation or employment, and as to the
560 particular hazard of each employer, having special reference to the con-
561 ditions of regularity and irregularity of the employment provided by such
562 employer and of the fluctuations in payrolls of such employer;

563 (6) To determine, within the limits and provisions of this act, the
564 contribution rates upon employers subject to this act; and to provide for
565 the levy and collection of the contributions from all employers subject to
566 the act;

567 (7) To receive, hear, and decide claims for unemployment benefits,
568 and to provide for the payment of such claims as are allowed;

569 (8) To promote the regularization of employment and the preven-
570 tion of unemployment; to encourage and assist in the adoption of practi-
571 cal methods of vocational training, retraining and vocational guidance;
572 to investigate, recommend, and advise and assist in the establishment and
573 operation by municipalities, counties, school districts and the state, of
574 prosperity reserves of public works to be prosecuted in times of business
575 depression and unemployment; to promote the re-employment of unem-
576 ployed workers throughout the state in any other way that may be
577 feasible, and to take all appropriate steps within its means to reduce and
578 prevent unemployment; and to these ends to carry on, and publish the

579 results of, any investigations and research which it deems relevant;

580 (9) To make such reports to the social security board created by
581 the social security act enacted by the congress of the United States as
582 that board may require, and to comply with such provisions as the board
583 may from time to time find necessary to assure the correctness and veri-
584 fication of such reports;

585 (10) To make available upon request to any agency of the United
586 States charged with the administration of public works or assistance
587 through public employment, the name, address, ordinary occupation and
588 employment status of each recipient of unemployment benefits under this
589 act and a statement of such recipient's rights to further benefits under the
590 same.

591 (b) The commission shall also establish a division of research. The
592 head of the division of research shall be a "grade 1 statistician" under
593 the civil service laws of this state. His (or her) official title shall be
594 "chief of the division of research". The chief of the division of research
595 may not be removed without the consent of the advisory council, nor may
596 the duties of his office be altered, suspended or abolished without the
597 consent of the advisory council.

598 SECTION 14. The commission shall make payments of unemploy-
599 ment benefits solely through public employment offices in this state.

600 Sec. 15. The Ohio state employment service is hereby transferred
601 to the commission as a division thereof, which shall establish and main-
602 tain free public employment offices in such number and in such places as
603 may be necessary for the proper administration of this act for the pur-
604 pose of performing such duties as are within the purview of the act of
605 congress entitled "An act to provide for the establishment of a national
606 employment system and for cooperation with the states in the promotion
607 of such system, and for other purposes", approved June 6, 1933 (48

608 Stat. 113; U. S. C., title 29, sec. 49 (c)), as amended. The said division
609 shall be administered by a full-time salaried director, who shall be charged
610 with the duty to cooperate with any official or agency of the United States
611 having powers or duties under the provisions of the said act of congress,
612 as amended, and to do and perform all things necessary to secure to this
613 state the benefits of the said act of congress, as amended, in the promotion
614 and maintenance of a system of public employment offices. The provi-
615 sions of the said act of congress, as amended, are hereby accepted by
616 this state, in conformity with section 4 of said act, and this state will
617 observe and comply with the requirements thereof. The Ohio state em-
618 ployment service is hereby designated and constituted the agency of this
619 state for the purposes of said act. The commission is directed to appoint
620 the director, other officers, and employees of the Ohio state employment
621 service. Such appointments shall be made in accordance with regulations
622 prescribed by the director of the United States employment service.

623 All moneys received by this state under said act of congress as
624 amended, shall be paid into the special "employment service account" in
625 the unemployment compensation administration fund, and said moneys
626 are hereby made available to the Ohio state employment service to be ex-
627 pended as provided by this section and by said act of congress. For the
628 purpose of establishing and maintaining free public employment offices,
629 said division is authorized to enter into agreements with any political sub-
630 division of this state or with any private, non profit organization and as
631 a part of any such agreement the commission may accept moneys, services
632 or quarters as a contribution to the employment service account.

633 The provisions of this section and of section 16 of this act shall take
634 effect on July 1, 1937 and thereupon all records, files, office equipment,
635 supplies, and property of employment offices maintained, operated and/or
636 supervised by the department of industrial relations, which are the prop-
637 erty of the state of Ohio, shall be transferred to the unemployment com-

638 pension commission and the powers and duties enumerated in paragraph
639 (9) of section 871-22 and in section 154-45b and 154-45c of the General
640 Code shall be transferred to and vested in the commission on July 1, 1937.

641 Sec. 16. (a) The commission shall establish two coordinate divi-
642 sions: The Ohio state employment service division, created pursuant to
643 section 15 of this act, and the unemployment compensation division. Each
644 division shall be a separate administrative unit with respect to personnel,
645 budget, and duties, except insofar as the commission may find that such
646 separation is impracticable.

647 (b) A special "employment service account" shall be maintained as
648 a part of the unemployment compensation administration fund for the
649 purpose of maintaining the public employment offices established pursuant
650 to section 15 of this act for the purpose of cooperating with the United
651 States employment service.

652 SECTION 17. The commission shall cause to be printed in proper
653 form for distribution to the public its classifications, rates, rules, regu-
654 lations and rules of procedure and shall furnish the same to any person
655 upon application therefor; and the fact that such classifications, rates,
656 rules, regulations and rules of procedure are printed ready for distribution
657 to all who apply for the same, shall be a sufficient publication of the same
658 as required by this act.

659 SECTION 18. Every employer (whether or not subject to this act)
660 shall furnish the commission upon request all information required by it
661 to carry out the purposes and provisions of this act. Every such employer
662 receiving from the commission any blank, with direction to fill out the
663 same, shall cause the same to be properly filled out so as to answer fully
664 and correctly all questions therein propounded, and to furnish all the in-
665 formation therein sought, or if unable to do so, he shall give the com-
666 mission in writing good and sufficient reasons for such failure.

667 The commission may require that the information herein required

668 to be furnished shall be verified under oath and returned to the com-
669 mission within the period fixed by it or law. The commission or any
670 member thereof, or any person employed by it for that purpose, shall
671 have the right to examine under oath any such employer, or the officer,
672 agent or employee thereof, for the purpose of ascertaining any informa-
673 tion which such employer is required by this act to furnish to the com-
674 mission. Any employer (whether or not subject to this act) who shall
675 fail or refuse to furnish such information as may be required by the com-
676 mission under authority of this section, shall be liable to a penalty of five
677 hundred dollars, to be collected in a civil action brought against said em-
678 ployer in the name of the state. All such penalties, when collected, shall
679 be paid into the fund and become a part thereof.

680 SECTION 19. The commission may cooperate with the industrial
681 commission of Ohio, the department of industrial relations, the United
682 States social security board, the United States bureau of internal revenue,
683 the United States employment service and other similar departments and
684 agencies, in the exchange of information as to employment, payrolls, un-
685 employment and other information necessary for the proper administra-
686 tion of this act, and for such purpose may employ jointly with one or
687 more of the above mentioned agencies or departments, auditors, exam-
688 iners, inspectors or other employees in work of determining payrolls and
689 premiums and in acquiring other information necessary for administra-
690 tion of the purposes of this act.

691 SECTION 20. Subject to the provisions of section 19, the information
692 furnished to the commission by employers pursuant to the provisions of
693 this act, shall be for the exclusive use and information of the com-
694 mission in discharge of its duties, and shall not be open to the public
695 nor be used in any court in any action or proceeding pending therein
696 unless the commission is a party to such action or proceeding; provided,
697 however, that all of the information and records necessary or useful in

698 the determination of any particular claim for benefits shall be available
699 for examination and use by the employer and the employee involved or
700 their authorized representatives, in the hearing of such claim; and said
701 information may be tabulated and published in statistical form, for the
702 use and information of the state departments and the public. Any person
703 in the employ of the commission who shall divulge any information se-
704 cured by him while in the employ of the commission in respect to the
705 transactions, property, business, or mechanical, chemical or other indus-
706 trial processes of any person, firm, corporation, association or co-partner-
707 ship, to any person other than the members of the commission, or other
708 employees of the commission as required by his duties, or to other persons
709 as authorized by the commission under authority of section 19, shall be
710 guilty of a misdemeanor and upon conviction thereof shall be fined not
711 less than one hundred dollars nor more than one thousand dollars, and
712 shall thereafter be disqualified from holding any appointment or employ-
713 ment by the commission.

714 SECTION 21. Every employer whether or not otherwise subject to
715 this act shall keep a true and accurate employment record of all his em-
716 ployees, whether qualified and eligible to benefits or not, and of the hours
717 worked by each employee and of the wages paid to each, and shall furnish
718 to the commission upon demand a sworn statement of the same. Such
719 record shall be open to inspection by the commission or its authorized
720 representatives at any reasonable time.

721 SECTION 22. It shall be the duty of each member of a firm, and of
722 the president, secretary, general manager and managing agent of every
723 corporation subject to this act, to cause such firm or corporation to com-
724 ply with the provisions of this act, and any person or any member of such
725 firm or any such officer of such corporation who shall neglect or fail
726 to comply with the provisions of this act relating to the making of reports

727 or the payment of premiums to the fund shall be guilty of a misdemeanor
728 and upon conviction thereof shall be fined not more than five hundred
729 dollars and the costs of prosecution. Such fine when collected shall be
730 paid to the commission and placed in the unemployment fund. Each
731 day's refusal on the part of any such person, member of such firm or
732 such officer of such corporation, to comply with the provisions of this
733 act, after notice to said person, firm or corporation from the commission
734 to comply with the same, shall be deemed a separate offense and be pun-
735 ished as herein provided.

736 SECTION 23. Claims for benefits shall be filed with the superintend-
737 ent of the public employment office for the district in which the claimant
738 is or was last employed, or with a deputy of the commission designated
739 for the purpose. Such claims shall be in such form and shall be filed
740 within such time and in such manner as the rules of the commission shall
741 prescribe; and said rules shall also prescribe the form and manner of
742 allowing or disallowing claims for benefits in the first instance, and the
743 method and manner of serving notice of disputed or contested claims,
744 of hearing and deciding the same, and of appealing and deciding appeals
745 on all claims that are disputed or contested.

746 The rules of the commission shall provide to all persons whose claims
747 for benefits are denied, opportunity for a fair and impartial hearing, in-
748 cluding reasonable notice thereof in advance.

749 No individual claiming benefits shall be charged fees of any kind in
750 any proceeding under this act by the commission or its representatives or
751 by any court or any officer thereof. Any individual claiming benefits in
752 any proceeding before the commission or a court may be represented by
753 counsel or other duly authorized agent; but no such counsel or agents
754 shall either charge or receive for such services more than an amount ap-
755 proved by the commission. Any person who violates any provision of
756 this subsection shall, for each such offense, be fined not less than \$50

757 nor more than \$500, or imprisoned for not more than six months.

758 The commission may provide for the hearing of disputed or con-
759 tested claims by local boards consisting of one employer or representative
760 of employers, one employee or representative of employees, and one per-
761 son who is neither an employer nor an employee nor a representative
762 of either. The members of such boards shall be appointed by the com-
763 mission, and the commission shall make rules for the proceedings before
764 such boards and for review or rehearing by the commission or by any
765 commissioner or deputy authorized to hear or review claims under rules
766 adopted by the commission as provided in this act.

767 SECTION 24. Each member of the commission, its secretary, deputies,
768 and any duly authorized representative of the commission shall, for the
769 purposes contemplated by this act, have power to administer oaths, cer-
770 tify to official acts, take depositions, issue subpoenas, compel the attend-
771 ance and testimony of witnesses and production of books, accounts,
772 papers, records, documents and testimony; but no person shall be com-
773 pelled to attend at a place outside the county in which he resides or is
774 found.

775 In case of refusal of a witness to attend or testify, or to produce
776 books or papers, as to any matter regarding which he might be lawfully
777 interrogated in the administration of this act, the court of common pleas
778 of the county in which the person resides or is found, or a judge thereof,
779 upon application of the commission, shall compel obedience by proceed-
780 ings as for contempt as in case of like refusal to obey a similar order
781 of the court.

782 SECTION 25. If the commission finds that any fraudulent misrep-
783 resentation has been made by an applicant for or recipient of benefits
784 with the object of obtaining benefits to which he was not entitled, then in
785 addition to any other penalty under this act the commission may reject
786 or cancel his claim for benefits and may by order declare that such person

787 shall not receive any benefits under this act for a designated period of
788 not to exceed one year after the date of such order.

789 SECTION 26. Any person who, by means of a false statement or rep-
790 resentation or by impersonation or any other fraudulent devise whatever,
791 obtains or attempts to obtain, for himself or any other person, benefits
792 to which such person is not entitled or benefits in larger amount than
793 that to which he is entitled under this act, shall be guilty of a misde-
794 meanor and upon conviction thereof shall be punished by a fine of not
795 more than three hundred dollars or by imprisonment for not more than
796 three months, or both.

797 SECTION 27. If any employer, employee or other person shall vio-
798 late any of the provisions of this act or shall do any act prohibited by
799 this act or shall fail or refuse to perform any duty lawfully enjoined,
800 within the time prescribed by the commission, for which no penalty has
801 been specifically provided, or fail, neglect or refuse to obey any lawful
802 order given or made by the commission, or any judgment or decree
803 made by any court in connection with provisions of this act, for each such
804 violation, failure or refusal, such employer, employee, or other person
805 upon conviction thereof shall be fined not more than five hundred dollars
806 for the first offense, and not less than twenty-five nor more than one
807 thousand dollars for each subsequent offense. Every day during which
808 any person, persons or corporation, or any officer, agent or employee
809 thereof, shall fail to observe and comply with any order of the commis-
810 sion or to perform any duty enjoined by this act shall constitute a sepa-
811 rate and distinct violation of such order or section of this act, as the
812 case may be.

813 SECTION 28. If the commission finds that any person, firm, corpora-
814 tion or association is, or has been at any time after December 21, 1936, an
815 employer subject to the provisions of this act and has failed to comply
816 with the provisions of this act, it shall determine the period during which

817 he or it was such an employer, which finding and determination shall for
818 all purposes of this act be prima facie evidence thereof. The commission
819 shall forthwith give notice of said action to the employer who shall im-
820 mediately thereafter furnish the commission with a payroll covering the
821 period included in said finding, and shall forthwith pay the amount of
822 premium determined and fixed by the commission.

823 If said employer fails, neglects or refuses to furnish such payroll
824 and pay the contribution for such period within ten days after receiving
825 such notice, the commission shall then determine the amount of contribu-
826 tion due from said employer for the period the commission found him or
827 it to be subject to this act, and shall notify said employer of the amount
828 thereof and shall order the same paid. If said amount is not paid within
829 ten days after receiving notice, the commission shall certify the same to
830 the attorney general, who shall forthwith institute a civil action against
831 such employer in the name of the state for the collection of such contribu-
832 tion. In such action it shall be sufficient for the plaintiff to set forth a
833 copy of the finding of the commission relative to such employer as certified
834 by the commission to the attorney general and to state that there is due to
835 plaintiff on account of such finding of the commission a specified sum
836 which plaintiff claims with interest. A certified copy of such finding
837 relative to such employer shall be attached to the petition and shall con-
838 stitute prima facie evidence of the truth of the facts therein contained.
839 The answer or demurrer to such petition shall be filed within ten days,
840 the reply or demurrer to the answer within twenty days, and the de-
841 murrer to the reply within thirty days after the return day of the sum-
842 mons or service by publication. All motions and demurrers shall be
843 submitted to the court within ten days after the same are filed. As soon
844 as the issues are made up in any such case, it shall be placed at the head
845 of the trial docket and shall be first in order of trial.

846 Unless said employer shall, before the filing of the petition as afore-
847 said, execute a bond to the state, in double the amount so found and or-
848 dered paid by the commission, with sureties to the approval of the com-
849 mission, conditioned that he or it shall pay any judgment and costs ren-
850 dered against him or it for said premium, the court at the time of filing
851 of the petition, and without notice, shall appoint a receiver for the prop-
852 erty and business of such employer, in this state, with all the powers of
853 receivers in other cases, who shall take charge of all said property and
854 assets of the defendant and administer the same under the orders of the
855 court.

856 If upon final hearing of said cause it is found and determined that
857 the defendant is subject to the provisions of this act, the court shall render
858 judgment against said defendant for the amount of premium provided to
859 be paid by such employer for such period under the provisions of this act,
860 with interest from the date of the determination of said amount by the
861 commission, together with costs, which judgment shall be given the same
862 preference as is now or may hereafter be allowed by law to judgments
863 rendered for claims for taxes.

864 If any employer who has complied with this act shall default in any
865 payment required to be made by him or if for a period of ten days after
866 notice that such payment is due, the same proceedings may be had as in
867 the case of an employer against whom the commission has made a finding
868 as hereinbefore provided in this section.

869 If the defendant is a non-resident of this state or a foreign corpora-
870 tion doing business in this state, service of summons may be made upon
871 any agent, representative or foreman of said defendant, wherever found
872 in the state, or service may be made in any other manner authorized by
873 statute.

874 The commission, for good cause shown, may waive a default in the

875 payment of contributions where said default is less than sixty days'
876 duration.

877 SECTION 29. The commission shall have full power and authority to
878 hear and determine all questions within its jurisdiction, and its decisions
879 thereon shall be final. The powers and jurisdiction of the commission shall
880 be continuing, and it may from time to time modify its former findings
881 and orders, and may rehear or reconsider any question or claim previously
882 decided or passed upon. Provided, however, that any employer or em-
883 ployee aggrieved by an order or decision of the commission may, within
884 thirty days therefrom, appeal from such order or decision to the court of
885 common pleas of the county wherein said appellant, if an employe, is
886 resident or was last employed, or of the county wherein the appellant, if an
887 employer, is resident or has his principal place of business in Ohio. Such ap-
888 peal shall be heard upon a transcript of the proceedings before the commis-
889 sion; and said order or decision shall not be modified or reversed unless
890 said court shall find that it was unlawful or unreasonable. Either party
891 shall have the right to prosecute error from the court of common pleas
892 as in other civil cases.

893 SECTION 30. All the rights, privileges, or immunities conferred by
894 this act, or by acts done pursuant thereto, shall exist subject to the power
895 of the general assembly to amend or repeal this act at any time.

896 SECTION 31. Sections 154-45a, 154-45b, and 154-45c of the General
897 Code are hereby repealed, said repeal to be effective on the first day of
898 January 1, 1938, and not earlier.

899 SECTION 32. This act shall take effect at the earliest time allowed by
900 law, except that the provisions of sections 15, 16 and 31 shall take effect
901 on January 1, 1938, and the contributions provided to be paid by employers
902 shall accrue and become payable at the times as in this act prescribed.

903 SECTION 33. The several sections of this act and every part of such
904 sections are hereby declared to be separate and independent sections and

905 provisions, and the holding of any section or part thereof to be void or
906 ineffective shall not affect the validity of any other section or part thereof.

907 This act shall be liberally construed to accomplish the purposes
908 thereof.

909 SECTION 34. This act is enacted as a part of a national plan of un-
910 employment compensation and social security, and for the purpose of as-
911 sisting in the stabilization of employment conditions. The imposition of
912 the contributions herein imposed upon Ohio industry alone without a cor-
913 responding tax imposed upon all industry in the United States would by
914 the penalty upon Ohio industry, defeat the purposes of this act. Therefore
915 this act shall remain in effect only so long as the excise tax upon employ-
916 ers of eight or more persons which is imposed by title IX of the social
917 security act enacted by the congress of the United States shall remain
918 and be in effect and operative.

919 When and if such tax imposed by title IX of said act shall be re-
920 pealed or amended by congress or held unconstitutional by the supreme
921 court of the United States with the result that no portion of the contribu-
922 tions required to be paid under this act can be credited against said tax,
923 then upon the effective date of such repeal, amendment or change, the
924 provisions of this act shall cease to be operative and any assets in the
925 unemployment fund or administrative fund shall in the discretion of the
926 state treasurer be held in the then existing depositories or otherwise held
927 in the state treasury until provision for their disposition is made by the
928 general assembly. In the case of the administrative fund, such moneys
929 may thereafter be dealt with by the state treasurer pursuant to the con-
930 ditions of the grant of any part thereof to this state by the United States
931 government or agency thereof.

932 SECTION 35. There is hereby appropriated out of any moneys in the
933 state treasury to the credit of the general revenue fund and not otherwise
934 appropriated the sum of one hundred and fifty thousand dollars to the

935 administration fund created by this act for the use of the commission in
936 administrative costs and expenses in carrying out the provisions and pur-
937 poses of this act. The commission shall repay all of this appropriation
938 from the administration fund to the general revenue fund not later than
939 December 31, 1937.

940 SECTION 36. This act is hereby declared to be an emergency measure,
941 necessary for the immediate preservation of the public peace, health and
942 safety. The reason for such necessity lies in the fact that the public
943 peace and safety requires that the unemployment compensation fund estab-
944 lished by this act shall begin to be accumulated immediately and unless this
945 act shall go into immediate effect substantial losses will be sustained by
946 that fund. Therefore, this act shall go into immediate effect.



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December 18, 1936

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Rabbi A. H. Silver
The Temple
Ansel Rd. & E. 105th St.,
Cleveland, Ohio

Dear Rabbi Silver:

I am sending you a statement about the unemployment insurance campaign which will explain some of the events which took place so rapidly. I am hoping that some time before the end of the year we can get together a few of our committee to discuss the situation.

With kindest regards, I am

Sincerely yours,

Elizabeth S. Magee
Elizabeth S. Magee,
Executive Secretary.

Statements in the press by Governor Davey and several State Senators in the last day or two, to the effect that if the present Ohio Legislature should enact an unemployment insurance law this month it would save for Ohio Unemployment Fund twelve million or more dollars which would otherwise go into the general fund of the United States Treasury, are based upon a complete misconception of the Federal Social Security Act. That Act imposes a tax upon employers of eight or more persons of 1 per cent of their payrolls during the calendar year 1936, (with certain exceptions). Such employers must file returns (as to their payrolls for 1936) on or before January 31, 1937, and pay one-fourth of the tax at that time. All of this tax goes into the general fund of the U. S. Treasury. Ohio employers may have credits against this tax, as much as 90 per cent of the tax, if Ohio has enacted an unemployment insurance law which is approved by the Social Security Board at Washington on or before December 31, 1936, but the only credits allowed are for sums actually paid by the Ohio employer into an Ohio Unemployment Fund before January 31, 1937, which are based upon payrolls during 1936. It would be unconstitutional for the Ohio Legislature now to impose an unemployment tax upon 1936 payrolls, because the Ohio Constitution forbids enactment of retroactive laws. Furthermore, it would be practically impossible to set up the machinery and actually collect such taxes before January 31, 1937.

In other words, the twelve million dollar federal tax imposed upon the payrolls of Ohio employers for 1936 is already lost to Ohio, and unemployed persons in Ohio will get no benefits therefrom due to the failure of the present Ohio Senate to enact an unemployment insurance law. The time for enacting such a law to prevent the twelve million dollars of 1936 tax going to Washington instead of remaining in an Ohio Unemployment Compensation Fund does not expire on December 31st, as stated in recent press statements, but expired many months ago. The Ohio House of Representatives understood this fully and passed a sound unemployment insurance law last January, which was supported by the Ohio State Federation of Labor, the Ohio League of Women Voters, the Ohio Consumers' League, and other organizations. The Senate was urged to pass this Boyd bill early last spring and the senators fully understood that every month of delay lost money to Ohio in the form of future benefits to unemployed persons in Ohio, yet the Senate took no action.

If the Ohio Legislature does not enact an unemployment insurance law speedily, Ohio will lose not only all of the tax for 1936 but part of the higher rate tax for the year 1937.

The Executive Board of the Consumers' League of Ohio at its regular meeting December 1st took action opposing the plan of attempting to pass an unemployment insurance bill at this special session of the Legislature for the following reasons:

1. The persons now urging adoption of unemployment insurance are those who have done everything possible to sabotage the passage of the Boyd bill; and undoubtedly, if any bill is adopted at this time it will be a compromise measure which will be a mere counterfeit.

2. It is impossible to pass a law which will save \$12,000,000 for Ohio. The best proof of this fact lies in the fact that it would require 25% tax on the last two weeks payroll of December.

3. The new Legislature will have ample time to decide this question on its merits.

4. The new Legislature is obviously more liberal than the conservatives who were defeated, and it can be relied on to pass a real unemployment insurance bill.

(1) The unemployment insurance movement in Ohio began in an effort on the part of the Consumers' League of Ohio, back in 1928, to make a study of the problem of unemployment which was then beginning to assume serious proportions.

(2) On April 17, 1928, the Consumers' League called a conference ^{unemployment} on ~~the~~ subject. At this meeting which was held at the Women's City Club where numerous points of view were expressed on the subject of unemployment, Rabbi Silver called upon the leaders of this community to devote themselves to a study of unemployment insurance, not as a solution for the problem of unemployment but as a means of scientifically anticipating and relieving widespread distress caused by unemployment. ("I should like to see a great movement started in this country on the part of those who are alert to the situation, for unemployment insurance.")

(3) For the next two years, the Consumers' League attempted to interest various groups in the community in the problems raised by unemployment and organized an "Unemployment Committee" for that purpose.

(4) By the end of 1929, Rabbi Silver again urged, this time upon the Unemployment Committee of the Consumers' League, to devote itself exclusively to the subject of unemployment insurance, feeling that it could make a definite and vital contribution in this field. (^{this} Rabbi Silver's advice was followed.) At a meeting held on April 10, 1930, the Committee resolved itself into a Study Committee on Unemployment Insurance and from that time on, regular meetings were held in the Parlor of Rabbi Silver's Temple on Friday

evenings by men and women interested in unemployment insurance at which a detailed study was made of various kinds of unemployment insurance with an eye to framing legislation on the subject to be presented to the Ohio State Legislature.

- (5) Among those who were very active on this Study Committee were Marvin C. Harrison, Max. S. Hayes, Professor Henry M. Busch, Professor Frank T. Carleton, Father Emanuel Cyprian, Edward Lynde, Charles Kreindler, Carl Rudolph; and from the Consumers' League, Alice Gannett, Elizabeth S. Magee, Grace Mayette and Marie Wing. ✓

- (6) By the end of 1930, the Committee had drafted a bill embodying the results of its studies and investigations. The actual drafting of the bill was in the hands of Marvin C. Harrison who, throughout, gave invaluable service and counsel to the movement.

- (7) A public meeting was called on December 15, 1930 at which the results of the study of this Committee were presented. At this meeting, the Cleveland Committee for Unemployment Insurance was officially organized and Rabbi Silver was elected Chairman.

- (8) In January, 1931, our Bill was introduced in the Ohio State Legislature and was known as the Reynolds-Keifer Bill. Hearings on that Bill were held and Rabbi Silver appeared before the Legislature on February 17 in Columbus.

Prior to Rabbi Silver's appearance, the Executive Director of the State Council of Retail Merchants circularized the membership of the Council with the warning: "When the eloquent Rabbi Silver appears in Columbus before legislative committees, with packed

galleries, pleading for such a cause, 'Look Out!'. Increasing *Opposition* opposition developed to the Bill. Both the Ohio Chamber of Commerce and the Cleveland Chamber of Commerce worked for its defeat. The Bill was killed in the Senate on March 12 and in the House on March 26.

- (9) The Cleveland group, as part of its campaign for unemployment insurance, organized, in February of 1931, an Ohio State Committee for Unemployment Insurance. Thomas J. Duffey of Columbus, was elected chairman. ~~Rabbi Silver~~ was elected Chairman of the Executive Committee. *Miss Magee - Secy -*

The active management of the State campaign as well as its financing was left with the Cleveland group which had the benefit of the rare ability and untiring devotion of Miss Elizabeth S. Magee, who throughout, remained as its secretary. Miss Magee, in the judgment of ~~Rabbi Silver~~, is the best informed woman on unemployment insurance in the United States.

- (10) Following the defeat of the Bill and as a result of the efforts of our Committee, greatly aided by Senator James A. Reynolds, at present County Commissioner, the Ohio Legislature acted favorably upon the recommendation of Governor White for the appointment of a Commission to study unemployment insurance. ~~Rabbi Silver was appointed~~ a member of the Commission of eleven.

Senator Reynolds became chairman of the Commission and Miss Elizabeth S. Magee was appointed as its Executive Secretary. *911* *I was member*

- (11) The thorough study which was made by the Commission of the whole field of unemployment insurance was incorporated in a second

Bill introduced in the Legislature early ⁱⁿ 1933, known as the Harrison-Keifer Bill. This Bill became nationally known as the Ohio Plan and has since served as a model for unemployment insurance bills in many states in the Union.

The Cleveland Committee launched a vigorous campaign in behalf of the Bill and again strong influences exerted themselves to thwart it. ~~Rabbi Silver~~ ^{Don member} addressed numerous meetings throughout the State in behalf of the Bill. Dr. William M. Leiserson of Antioch College and the Late Dr. I. M. Rubinow, expert on social insurance, gave of themselves unstintingly to the cause of educating the people of Ohio to the needs of unemployment insurance. This Bill ~~likewise failed of passage.~~ ^{passed the House but was killed in the Senate.}

- (12) Organized labor at first opposed unemployment insurance but by 1932, a complete reversal of attitude took place on the part of the American Federation of Labor and thereafter unemployment insurance had as one of its staunchest friends in the State, organized labor which was ably represented by Mr. Thomas J. Donnelly.

^{We} ~~Rabbi Silver~~ and other champions of unemployment insurance were bitterly attacked by the Ohio Chamber of Commerce as academicians and theorists and by some vehement "antis" as un-American. But the work went on.

- (13) ^{Miss Weger-Harrison} ~~Rabbi Silver~~ also went to Washington in 1934 and appeared before the Ways and Means Committee of the House to advocate the passage of the Wagner-Lewis Bill for Unemployment Insurance.

(14) ^{hu} Rabbi Silver called a conference in Columbus in June 1934, to plan the drafting and presentation of a third unemployment insurance bill.

(15) In 1935, a third bill was introduced known as the ^{Boyd} ~~Untermyer~~ Hesse Bill which like the preceding Bill, embodied the recommendations of the Ohio Commission on Unemployment Insurance. This Bill passed the House but was stifled in the Senate.

(16) In December 1936, at a special session of the Legislature, an unemployment insurance bill was finally passed by the State of Ohio which, in the main, followed the provisions of the original Commission Bill. Thus, seven years of unflagging labor and devotion to a cause were finally crowned with success.

1- Tribute - Vision - Energy - Persistence
Vindication of Method - Ed. + Human. Power

2- Topic Years -

U.S. - 1928 - History

3- Not Perfect - Measure will not solve - Help - Step by step

4- Communist - peaceful - unleashed - Long - Org
Content - Key - Logged - Well on way
Social Struggle

Simple - Ind. - Emerge -

First Steps - protest - Power - Standards

5- we are builders - job - 1st -

new civilization - Spies -

Value - Reward - Integrity

Measured - Sharp contrast

6- Chaos

7. any on! "Croix de Feu" Revd.

"Marseillais" display Tricolor

8- Confidence - Proper not Rectilinear but
undulatory - Inclined - Alis

9- Fals Morton . Honesty - integrity
connection

