31 March 2021

Representative Ivy Spohnholz Alaska State Legislature Capital Building, Rm 406 Juneau, AK 99801



Re: HB 151: An Act relating to unemployment benefits during a period of state or national emergency resulting from a novel coronavirus disease (COVID-19) outbreak;

At Alaska Children's Trust (ACT) we believe every child should grow up safe, happy, and able to achieve their dreams. ACT is the statewide lead organization working to prevent child abuse and neglect across the state through systems change. One key mechanism for doing this is by advocating for policies that support our families in having the economic supports they need to thrive.

In December 2020, a striking 22% of Alaska's children reporting feeling down, depressed, or hopeless according to *Kids, Families and COVID-19: Pandemic Pain Points and a Roadmap for Recovery*, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how families are faring during the COVID-19 crisis. This KIDS COUNT report examined data from weekly surveys conducted by the U.S. Census Bureau that demonstrate how families across the country are challenged to meet basic needs during this global public health crisis while managing school, work and mental health. The Foundation finds that the concurrent health and economic crises are exacerbating trends that show vulnerable families are unable to fulfill basic needs.

Many in our community are struggling to meet these basic needs due to COVID-19, putting undue stress on families who are already balancing lack of childcare access, remote education needs for their children, and work. This stress is affecting the health and well-being of our children; in Alaska specifically, over a quarter of children reported feeling anxious, nervous, or on edge. Even before the pandemic hit, 25,000 Alaskan children lived in poverty and 18,000 lacked health insurance. Food security is a growing issue as well- 34,800 Alaskan children were already struggling with food insecurity pre-pandemic, and we can assume that percentage has only risen. Alaska reflects this nationwide trend. The annual Thanksgiving Blessing food drop-off in Anchorage this year, for example, served a record number of families, and 14% of survey respondents said that they sometimes or often did not have enough to eat. Helping families with children achieve financial stability and bolster their well-being by expanding and securing access to unemployment insurance is a key step in battling these statistics.

HB 151 will provide greater targeted relief to unemployed Alaskans with dependents, which are children and people living with disabilities. Nearly one-third of unemployment claims last month were for families with dependents. While things are improving for our state, claims filed just last month were 208% higher compared to last year. Alaskan families continue to need additional support as we turn the corner on this pandemic. We need to support the economic recovery of Alaska's children and families like we are trying to help our businesses - by giving them the tools they need to recover from the effects of COVID-19.

Thank you,

Trevor J. Storrs President & CEO

To: Members of the House Labor and Commerce Committee

From: Joelle Hall, President of the Alaska AFL-CIO

Date: March 31, 2021

Subject: House Bill 151 - UNEMPLOYMENT BENEFITS FOR COVID-19

The Alaska AFL-CIO supports HB 151 on the following grounds:

Protecting Alaska's workers and the economy: Alaska's State Statute 23.20.10 states it perfectly: "Economic insecurity due to involuntary unemployment is a serious menace to the health, morals, and welfare of the people of the state. Involuntary unemployment is, therefore, a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden and to maintain purchasing power as a factor in stabilizing the economy of the state." This applies now more than ever as Alaska faces an ongoing pandemic. Alaskans who are temporarily out of the workforce should not be financially decimated by a global health crisis that they cannot control. Ensuring that unemployed individuals have a safety net as we navigate this crisis will support our economy's recovery while allowing Alaskans to continue to provide for their families.

Leveraging federal dollars: This legislation waives the one-week waiting period for UI eligibility and allows Alaska to receive American Rescue Plan funds to the tune of 2.4 million dollars, which will compensate the State of Alaska for payments made in the first week of unemployment. These federal funds are crucial in the face of Alaska's budget situation and deficit spending, and the more money we bring into our state, the better for all parties.

Respect for the dignity of work: Alaskans who have lost their job during the pandemic want to return to work. They want to earn an honest living and provide for their families. By waving the work search requirements for those uniquely impacted by the pandemic, this bill respects workers who must shoulder the burden of caring for a sick loved one or childcare due to remote learning as a result of the pandemic. The reality is that many businesses and industries are simply not hiring as a result of the pandemic. There is less and less money flowing into our local economy. It is also important to note that many workers who have been laid off have worked in their respective industries for years. Job retraining to pivot to another line of work is not viable during a global pandemic.

Looking out for our most vulnerable: This legislation will benefit the most vulnerable members of our society, namely children and people with disabilities. This bill will provide greater targeted relief to the two aforementioned groups. Nearly one-third of unemployment claims last month were for families with dependents. And while things are improving for our state, claims filed just last month were 208% higher compared to last year.



2121 Spar Ave., Anchorage, AK 99501 T| 907.272.3663 • F| 907.277.7368 www.foodbankofalaska.org



April 1, 2021

Dear Members of the Legislature:

On behalf of Food Bank of Alaska, I would like to express support for HB151, which provides important and targeted unemployment benefit relief to many of the struggling families we see on a daily basis.

During the pandemic, hunger has increased dramatically. Map the Meal Gap, which is a research project of Feeding America, estimates that food insecurity in Alaska has increased 32% in 2020. Looking at children specifically, hunger has increased 44%. The Kulsilvak Census Area has emerged as the **most** food insecure region of the country for kids during the pandemic. Southeast Alaska, which typically experiences lower levels of food insecurity, has seen a huge jump in child food insecurity. Skagway, for example, has seen an estimated 72% increase in child food insecurity during the pandemic.

To meet these needs, Food Bank of Alaska and our over 150 agency partners statewide have worked incredibly hard to source and distribute more food than ever before. Food Bank distributed 43% more pounds of food in the last six months of 2020, compared with the same time frame in 2019. We are still experiencing heightened levels of need, and we have seen record numbers within multiple programs in just the last few months. We anticipate that we will continue to see elevated numbers for quite some time, even as things related to the pandemic improve, as the economic impacts will linger.

Hunger does not exist in a vacuum, and a lack of food is a direct result of a lack of resources. Unemployment insurance has been a critical resource for so many Alaskans during this pandemic. Families have been hit hard during this pandemic, as many have struggled with the loss of income and a lack of childcare options. This bill strengthens this resource in important and targeted ways. While we have many reasons to feel optimistic about the future, economic recovery is not going to happen with the flip of a switch and will likely be experienced unevenly by different groups of people. The better we can support Alaskans as we move towards recovery, the faster the recovery will be, and the shorter our lines at the food bank will be.

Thank you,

Cara Durr Director of Public Engagement <u>cdurr@foodbankofalaska.org</u> 907-222-3113



