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March 6, 2021

Chair Representative Mohamud Noor 379 State Office Building St. Paul, MN 55155

RE: Social Security Offset Provisions in the Workforce and Business Development Finance and Policy Omnibus Bill (HF 1342; Article 6; Section 3; Subdv 4A)

Dear Representative Noor,

On behalf of our 650,000 members and all older Minnesotans, AARP Minnesota thanks you for your leadership in repealing the Social Security offset to Minnesota's Unemployment Insurance law in the House Omnibus Workforce Bill (HF 2127). This law has unfairly penalized unemployed workers who rely on Social Security (SS) and by repealing this law and fully funding it, many older workers will be helped during this pandemic crisis.

The economic fallout from the COVID pandemic has been devastating for so many Minnesotans who have seen significant reductions in their UI benefits. It has been particularly harsh for older low-income workers who have had their state UI benefits zeroed out as a result of this law, and denied all federal pandemic assistance as well.

Minnesota is the only state in the nation that significantly reduces or denies altogether Unemployment Insurance (UI) benefits for certain workers receiving SS benefits (MN Statute 268.085 Subd. 4). In addition, the law is expansive as it applies to workers who have not even filed for or started collecting their benefits.

Despite its critical importance, Social Security's earned benefits are modest, meaning many people work and receive Social Security at the same time. In fact, older workers are the fastest growing segment of workers, making these benefits even more critical.

Moreover, job loss disruptions can have lasting effects, especially for older workers who face additional barriers such as ageism as well as continued health vulnerabilities due to Covid-19, delaying the return to work that they want and need. Many never recover financially.

AARP believes all workers who have funds paid into the UI system on their behalf, if eligible, should have a right to these benefits regardless of age or retirement benefits.

In light of this crisis, we thank you again for taking swift action to repeal Minnesota's Social Security offset law and apply it retroactively to help older workers.

Sincerely,

Will Phillips

AARP MN, State Director

