



*Written Testimony from the Oklahoma Policy Institute
U.S. House Ways and Means Committee Field Hearing
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In What Ways Can the Federal Government Make the Economy Work For Oklahomans?

The Oklahoma Policy Institute works to provide research, analysis, and advocacy on a wide array of policy issues aimed at increasing access to economic opportunity for low- and moderate-income Oklahomans, as well as adequate and equitable funding of shared public services. Because the issues that create and exacerbate economic insecurity are complex and intersectional, so too are the policy solutions that can deliver targeted relief and support to the Oklahomans who most need it. This testimony outlines how Oklahoma families are faring, actions the federal government can take to help them, and what resources Oklahomans most particularly need support.

Oklahoma's economic conditions

Oklahomans want to work. The importance of work and labor is ingrained into our state's DNA — look no further than our state motto, *Labor omnia vincit* ("work conquers all"). However, many Oklahomans face the stark reality that outcomes from their labor are outweighed by the economic and social costs for holding jobs that fail to provide a living wage. Oklahomans working jobs at or near minimum wage find little advantage gained when that employment lacks meaningful paths for advancement, requires paying exorbitant amounts for child care, requires reliable transportation that is unavailable to them, or doesn't pay enough for safe housing.

While the COVID-19 pandemic laid bare economic inequities for people working in low-paying, frontline jobs, these problems have long persisted for many Oklahoma residents. The state's poverty rate has consistently ranked among the nation's highest. Even in 2019 before the pandemic, more than 1 in 7 Oklahomans (15.2 percent) lived below the federal poverty line, which was \$26,200 for a family of four.¹ The poverty rate was even higher for our state's children, where about 1 in 5 Oklahoma children (19.6 percent) lived in poverty.² Expanded federal support temporarily helped lift hundreds of thousands of Oklahomans above the poverty line, especially through the expanded Child Tax Credit, Child and Dependent Care Credit, and Earned Income Tax Credit. Targeted federal investments provide much needed relief for Oklahomans who are living and working on the economic margins.

¹ Phillips, Josie, "Census data show Oklahoma still lags nation in poverty rate," (Oklahoma Policy Institute, 2020), accessed 27 February 2020 at <https://okpolicy.org/census-data-shows-oklahoma-still-lags-nation-in-poverty-rate/>

² Putnam, Carly, "Latest poverty, health insurance data show that Oklahoma still has work to do," (Oklahoma Policy Institute, 2022), accessed 27 February 2023 at <https://okpolicy.org/latest-poverty-health-insurance-data-show-that-oklahoma-still-has-work-to-do/>

Minimum wage

Oklahoma is one of 20 states that uses the federal minimum wage, which sets our wage floor for most workers at \$7.25 per hour. More than half of Oklahoma's minimum-wage workers are adults who are 25 years old or older.³ Although four of six bordering states — Missouri, Arkansas, New Mexico, and Colorado — have minimum wages higher than the federal minimum wage, an array of political forces in Oklahoma likely means any minimum wage increase in the state will happen through an increase of the federal minimum wage.⁴

A living wage for a childless adult in Oklahoma is \$15.49 per hour — more than double the minimum wage — and living wage requirements increase dramatically with children.⁵ The Tulsa Area United Way estimates that half of the residents living in their area don't earn a living wage.⁶ A low minimum wage is especially detrimental to women because they represent 63 percent of minimum wage workers. Black and Latinx workers are also disadvantaged by a low minimum wage. A Black worker is 50 percent more likely, and a Latinx worker 40 percent more likely, than a white worker to make minimum wage or less.⁷

A minimum wage increase would benefit more than just minimum wage workers. Relatively few workers actually earn minimum wage, but a substantial share of workers are classified as “near minimum wage” earners, making more than the minimum wage but less than \$10.88, or 150 percent of the minimum wage. These two groups (minimum wage workers and near-minimum wage workers) make up nearly 1 in 3 workers. An increase in the minimum wage would benefit all of them — not just the small group making exactly the minimum wage — through a ripple effect. As minimum wage workers get a raise, the groups just above them are likely to receive a raise as well to maintain the existing wage distribution and prevent those near-minimum wage workers from leaving.⁸

³ Cullison, Courtney, “The State of Work in Oklahoma: Valuing Work,” (Oklahoma Policy Institute, 2020), accessed 28 February 2023 at <https://okpolicy.wpenginepowered.com/wp-content/uploads/OKPolicy-Paper-Pt2-Valuing-Work-Draft-Final-February-2020.pdf>

⁴ “State Minimum Wages,” (National Conference of State Legislatures, 2022), accessed 1 March 2023 at <https://www.ncsl.org/labor-and-employment/state-minimum-wages>

⁵ Glasmeier, Amy K., “Living Wage Calculator,” (Massachusetts Institute of Technology, 2020), accessed 1 March 2023 at <https://livingwage.mit.edu/states/40>

⁶ “United Way and You: Partnering for Shared Community Support,” (Tulsa Area United Way, 2022), accessed 28 February 2023 at <https://www.tauw.org/wp-content/uploads/2022/11/Living-wage-infographic-with-TAUW-Contact-Info.pdf>

⁷ Cullison, Courtney, “The State of Work in Oklahoma: Valuing Work,” (Oklahoma Policy Institute, 2020), accessed 28 February 2023 at <https://okpolicy.wpenginepowered.com/wp-content/uploads/OKPolicy-Paper-Pt2-Valuing-Work-Draft-Final-February-2020.pdf> (Note: Data is not available for other racial groups, including American Indians and Alaskan Natives. Only White, Black, and Asian are included in the publicly reported Current Population Survey earnings data)

⁸ Cullison, Courtney, “The State of Work in Oklahoma: Valuing Work,” (Oklahoma Policy Institute, 2020), accessed 28 February 2023 at <https://okpolicy.wpenginepowered.com/wp-content/uploads/OKPolicy-Paper-Pt2-Valuing-Work-Draft-Final-February-2020.pdf#page=6>

Paid family and medical leave

All workers should be able to care for a loved one or take time off for a new child without losing pay or putting their job at risk. But that's the situation for most Oklahomans. For the 1 in 5 workers who have access to paid leave, they are disproportionately higher income earners. Of the lowest 10 percent of earners, just 1 in 20 have paid leave.⁹

The federal Family and Medical Leave Act (FMLA) provides access to unpaid leave. Only some workers are covered by FMLA, and not all covered employees can afford to use their unpaid leave. Almost half of the employees who need to take family or medical leave do not take advantage of the FMLA because they cannot afford to forgo their wages.¹⁰

Paid family leave benefits children by helping them develop proper cognitive, social, and emotional development. Children whose parents used paid parental leave are less likely to die as infants, become overweight in elementary school, or develop ADHD or hearing-related problems. Paid family leave policies also improve adults' physical and mental health. Mothers who use paid family leave are less likely to experience postpartum depression and more likely to report better health and higher confidence in their ability to care for their child. Oklahoma's families need support in order to thrive and guaranteeing paid family and medical leave is a proven way to uplift families' physical and mental health.¹¹

Paid family and medical leave has demonstrated benefits to our economy. The presence of paid family and medical leave policies improves women's labor force participation rates, boosts productivity, and decreases the use of public assistance.¹² Almost two-thirds of families nationally have two working parents, and more than 1 in 3 Oklahoman children live in single-parent households.¹³ Refusing to give parents the needed flexibility to care for their children — especially during a pivotal developmental stage — places an unsustainable strain on our low- and middle-income families.

Given the political landscape in Oklahoma, our citizens would benefit from federal support/mandates to create options for paid family and medical leave programs. We are

⁹ Phillips, Josie, "Paid Family and Medical Leave is a crucial step towards modernizing our economy," (Oklahoma Policy Institute, 2021), accessed 28 February 2023 at <https://okpolicy.org/paid-family-and-medical-leave-is-a-crucial-step-towards-modernizing-our-economy/>

¹⁰ Phillips, Josie, "Paid Family and Medical Leave is a crucial step towards modernizing our economy," (Oklahoma Policy Institute, 2021), accessed 28 February 2023 at <https://okpolicy.org/paid-family-and-medical-leave-is-a-crucial-step-towards-modernizing-our-economy/>

¹¹ Phillips, Josie, "Paid Family and Medical Leave is a crucial step towards modernizing our economy," (Oklahoma Policy Institute, 2021), accessed 28 February 2023 at <https://okpolicy.org/paid-family-and-medical-leave-is-a-crucial-step-towards-modernizing-our-economy/>

¹² "The Economic Benefits of Paid Leave: Fact Sheet," (Joint Economic Committee), accessed 1 March 2023 at https://www.jec.senate.gov/public/_cache/files/646d2340-dcd4-4614-ada9-be5b1c3f445c/jec-fact-sheet---economic-benefits-of-paid-leave.pdf

¹³ "Oklahoma Indicators," (Annie E. Casey Foundation KIDS COUNT Data Center, 2022) accessed 1 March 2023 at <https://datacenter.kidscount.org/data#OK/2/0/char/0>

gratified by Oklahoma Representative Bice's leadership on the bipartisan task force exploring the issue, and look forward to the task force's work going forward.

Leveraging the federal tax code

The federal government can use income supports through the tax code to provide needed, targeted help to families. Income supports are a proven and efficient way to help families. The Child Tax Credit, and the Child and Dependent Care Credit, and the Earned Income Tax Credit all make our families more stable and allow them to invest in the future. They also make our tax system fairer by allocating tax dollars to people who most need the money and who research shows spend that money responsibly on family needs.

Child Tax Credit (CTC)

The temporary expansion of the federal Child Tax Credit (CTC) during the pandemic helped many Oklahoma families. Roughly 460,000 Oklahoma households — including about 816,000 children — were receiving the expanded Child Tax Credit at the time pandemic-related benefits ceased in December 2022. The credit had been increased from \$2,000 per child to \$3,600 per child, and made refundable. This dramatically expanded the share of households, especially low-income households, who were able to actually claim it because low-income families often earn too little to actually claim it.¹⁴ The credit was also made available in monthly payments, giving families the ability to better budget and pay expenses in real time.

Before the CTC expansion, a home-health aide with a second-grader and a toddler received only \$750 through the CTC, and that was a lump sum at tax time. With the expanded CTC, that parent received \$550 *per month*. This increase in support and its consistent delivery helped lift an additional 59,000 Oklahoma children above poverty.¹⁵ From the data, we know that 9 in 10 Oklahoma parents spent that money on “essential” purchases - food, utilities, clothing, rent, and transportation.

Because the expanded CTC was allowed to expire, 276,000 Oklahoma children are left out of the full credit.¹⁶ The maximum annual per-child credit dropped by \$1,600 for children five and younger, and \$1,000 for school-age children. For these families, this represents groceries, rent,

¹⁴ Gould, Elise, “Child Tax Credit expansions were instrumental in reducing poverty rates to historic lows in 2021,” (Economic Policy Institute, 2022), accessed 1 March 2023 at <https://www.epi.org/blog/child-tax-credit-expansions-were-instrumental-in-reducing-poverty-to-historic-lows-in-2021/>

¹⁵ Jacobi, Gabrielle, “Oklahoma families need economic support following the ending of the expanded Child Tax Credit,” (Oklahoma Policy Institute, 2022), accessed 28 February 2023 at <https://okpolicy.org/oklahoma-families-need-economic-support-following-the-ending-of-the-expanded-child-tax-credit/>

¹⁶ Marr, Chuck, et al., “Year-End Tax Policy Priority: Expand the Child Tax Credit for the 19 Million Children Who Receive Less Than the Full Credit,” (The Center on Budget and Policy Priorities, 2022), accessed 2 March 2023 at <https://www.cbpp.org/research/federal-tax/year-end-tax-policy-priority-expand-the-child-tax-credit-for-the-19-million>

gas, and a car payment.¹⁷ Child poverty was cut nearly in half, to a historic low in 2021 — and 70 percent of the reduction was as a result of the enhanced CTC.¹⁸

These needs have long existed in Oklahoma. In 2018, 1 in 4 jobs in Oklahoma were in an occupation with a median wage below the poverty guideline for a family of four. Our poverty rates have barely budged over the last decade. The expansion of the CTC was an unequivocal policy success, and failure to make it permanent not only arbitrarily ended needed aid to Oklahoma families. It showed that their government knew how to help them and simply chose not to.

Child and Dependent Care Tax Credit (CDCTC)

As with the Child Tax Credit, the temporary pandemic-related expansion of the Child and Dependent Care Tax Credit (CDCTC) helped working families secure child care to continue their employment. This has become especially valuable as working families are facing rapidly rising child care costs coupled with the decreasing availability of quality care. The average benefit from the expanded CDCTC was more than three times larger than in prior years. In 2021, Oklahoma families with incomes below \$125,000 got back up to half of what they spent on child care that year while working or studying—saving up to \$4,000 for one child or \$8,000 for two or more children under age 13.¹⁹

The temporary increase provided enormous value to families and reinforced that the current credit is inadequate; the pandemic-related increases also showed a path to fix them including refundability, indexing to inflation, increasing the amount of eligible expenses, and establishing a maximum credit rate and phaseout threshold.²⁰

Earned Income Tax Credit (EITC)

The Earned Income Tax Credit (EITC) is broadly considered the most effective means-tested federal antipoverty program, and its temporary increase briefly made it far more effective. Simply put, the EITC rewards work for low-income families, particularly families with children, with additional income.²¹ The EITC also helps offset low-income workers' federal income tax liability. Because the credit is refundable, filers receive any balance beyond what they owe in

¹⁷ Jacobi, Gabrielle, "Oklahoma families need economic support following the ending of the expanded Child Tax Credit," (Oklahoma Policy Institute, 2022), accessed 28 February 2023 at <https://okpolicy.org/oklahoma-families-need-economic-support-following-the-ending-of-the-expanded-child-tax-credit/>

¹⁸ Gould, Elise, "Child Tax Credit expansions were instrumental in reducing poverty rates to historic lows in 2021," (Economic Policy Institute, 2022), accessed 1 March 2023 at <https://www.epi.org/blog/child-tax-credit-expansions-were-instrumental-in-reducing-poverty-to-historic-lows-in-2021/>

¹⁹ "State-by-State Analysis on American Rescue Plan: Child Tax Credit goes to 866,000 Children in Oklahoma and EITC Expansion Benefits 236,000 More Workers," (The White House, 2022) accessed 1 March 2023 at <https://www.whitehouse.gov/wp-content/uploads/2022/03/Oklahoma-Tax-Credit-1-pager-3.8.pdf>

²⁰ Guarino, Amanda, "Understanding the Difference Between the Child Tax Credit and the Child Care Tax Credit — and Why We Need Both," (The First Five Years Fund, 2021), accessed 1 March 2023 at <https://www.ffyf.org/understanding-the-difference-between-the-child-tax-credit-and-the-child-care-tax-credit/>

²¹ "How does the earned income tax credit affect poor families?" (Tax Policy Center, 2020) accessed 28 February 2023 at <https://www.taxpolicycenter.org/briefing-book/how-does-earned-income-tax-credit-affect-poor-families>

taxes as a cash transfer. While the EITC has been very effective for low- and moderate-income workers with children, childless workers have been largely prevented from accessing it, and as a result have essentially been taxed into poverty.²² The temporary increase tripled the EITC for childless adults to a maximum of \$1,500 and waived the usual age limits, and as a result reached an estimated 229,000 childless workers in Oklahoma.²³ However, when that expansion was not made permanent, that help collapsed. The expansion should be restored.

Oklahoma has a state EITC. Like the federal credit, it has not been allowed to live up to its full potential. Oklahoma's EITC is one of the smallest state EITCs in the nation at just five percent of the federal credit. Furthermore, the Oklahoma legislature chose to decouple it from the federal credit, meaning that its value is frozen at five percent of the federal credit circa tax year 2020. By contrast, Kansas's EITC is set at 17 percent of the federal credit and New Mexico's and Colorado's are both set at 10 percent of the federal credit.²⁴ One of the pending proposals in the state legislature during the 2023 session could create an EITC-like subsidy specifically for youth aging out of foster care until they turn 26 and qualify for the federal EITC.

In addition to expanding the federal EITC, the federal government can make it easier for workers to claim it. It's no secret that America's tax code is complicated, and corporations that profit off of tax preparation want to keep it that way. The complexity of the EITC rules makes it easy for taxpayers, and even paid tax preparers, to make a mistake on tax returns. About a quarter of returns claiming the EITC contain an error in calculating the credit, meaning that a family should have gotten a bigger or smaller credit, or the wrong taxpayer claimed the qualifying child (as can often happen when two parents share custody). Due in part to this high volume of errors, the IRS reviews EITC tax returns at a higher rate than it does the returns of middle to high-income taxpayers. In fact, a family making \$20,000 a year is more likely to be audited than a family making \$400,000 a year.²⁵ In addition to decreasing errors and audits, this simplification would ideally allow the IRS's Volunteer Income Tax Assistance (VITA) and their clients to claim their refunds earlier. While corporate tax preparers can issue refunds when taxes are filed (and take a cut of the refund in profit), people who file with VITA and similar services have to wait six to eight weeks for refunds to process.²⁶ For low-income filers with mounting bills, that can be a long time to wait.

²² Marr, Chuck et al., "Congress Should Adopt American Families Plan's Permanent Expansions of Child Tax Credit and EITC, Make Additional Provisions Permanent," (Center on Budget and Policy Priorities, 2021), accessed 28 February 2023 at <https://www.cbpp.org/research/federal-tax/congress-should-adopt-american-families-plans-permanent-expansions-of-child>

²³ "Looking ahead: How the American Rescue Plan affects 2021 taxes, part 1," (Internal Revenue Service, 2021) accessed 1 March 2023 at <https://www.irs.gov/newsroom/looking-ahead-how-the-american-rescue-plan-affects-2021-taxes-part-1>

²⁴ "States and Local Governments with Earned Income Tax Credit," (Internal Revenue Service, 2022), accessed 27 February 2023 at <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/states-and-local-governments-with-earned-income-tax-credit>

²⁵ Cullison, Courtney. "The EITC is an effective poverty-fighting tool, and Congress should make it more effective," (Oklahoma Policy Institute, 2019), accessed 1 March 2023 at <https://okpolicy.org/the-eitc-is-an-effective-poverty-fighting-tool-and-congress-should-make-it-more-effective/>

²⁶ "Expediting a Refund," (Internal Revenue Service, 2022), accessed 1 March 2023 at <https://www.taxpayeradvocate.irs.gov/get-help/refunds/expediting-a-refund/>

In addition, the federal government should expand the EITC for childless workers. The federal income tax system shouldn't tax workers into poverty, but in the case of childless workers, it does. For working families with children, the EITC is a powerful wage subsidy: it and the CTC offset their payroll tax liabilities and additionally supplement their earnings.²⁷ By contrast, childless workers do not qualify for the CTC, and receive only minimal benefit from the EITC. Furthermore, workers ages 19-24 do not qualify for the EITC, and it phases out after age 64. Low-wage childless workers, including those under 25 and those over 64, perform essential labor, and should not be punished for it.

Additional supports for families

Outside of revising the tax code to be more equitable for low- and moderate-income residents, there are other actions the federal government can take to help Oklahoma families better participate in their economies. Federal investments in Supplemental Nutrition Assistance Program (SNAP) and Medicaid during the pandemic were crucial in helping Oklahoma families during this time of need, but both sets of pandemic-related supports are expiring in spring 2023. More than 700,000 Oklahoma families receive SNAP benefits, and the emergency SNAP assistance provided additional benefits ranging from about depending on family size.²⁸ Similarly, the pandemic rules for continuous Medicaid coverage are expiring in April 2023 that could result in up to 300,000 Oklahomans losing health care coverage.²⁹ Adopting these pandemic-related measures as a matter of course moving forward would provide targeted relief to low-income workers.

Child care

Thousands of families cannot afford or otherwise can't access safe, affordable child care or housing. This means that workers are unable to fully contribute to the economy, and more importantly, parents cannot fully set their children up to thrive. For Oklahoma families, child care is very often out of reach. Two-thirds of children birth to five years old have all available caregivers in the workforce, meaning that their families need child care. But more than half of all Oklahomans, including 68 percent of rural Oklahomans, are in a child care desert, meaning

²⁷ Marr, Chuck et al., "Strengthening the EITC for Childless Workers Would Promote Work and Reduce Poverty," (Center on Budget and Policy Priorities, 2016), accessed 28 February 2023 at <https://www.cbpp.org/research/federal-tax/strengthening-the-eitc-for-childless-workers-would-promote-work-and-reduce>

²⁸ Sweeney, Catherine, "Another pandemic relief policy is ending, making groceries even more expensive for low-income Oklahomans," (StateImpact Oklahoma, 2023), accessed 1 March 2023 at <https://stateimpact.npr.org/oklahoma/2023/02/16/another-pandemic-relief-policy-is-ending-making-groceries-even-more-expensive-for-low-income-oklahomans/>

²⁹ Corbett, Kevin, "Appropriations and Budget - Oklahoma Health Care Authority Performance Review," (Oklahoma State Legislature, 2023) accessed 2 March 2023 at <https://sg001-harmony.sliq.net/00283/harmony/en/PowerBrowser/PowerBrowserV2/20230125/-1/53343?startposition=20230125134653&mediaEndTime=20230125134732&viewMode=2&globalStreamId=3>

there are either no providers within their ZIP code or too few slots.³⁰ In recent years, the number of child care facilities in the state has fallen by two-thirds, from 6,000 to an estimated 2,300.³¹

The child care crisis isn't an Oklahoma-specific issue — it's a nationwide one. Congress has tools at its disposal to address this need, including financial support for child care providers in recognition of their vital importance to the nation's workforce and cash assistance to low- and moderate-income families to help them contribute to their local economy.

Housing stability

The issue of housing has been top of mind for most Americans in recent years as home prices have skyrocketed, interest rates have climbed, rents are continuing to increase, and the demand for affordable housing is outstripping supply. But as with other issues addressed here, housing has long been an issue in the state even prior to the pandemic. A 2016 study found Oklahoma's two largest metropolitan areas were among the nation's top 20 for eviction rates.³² The pandemic made this bad situation worse. By mid-2021, more than one in three Oklahomans lived in households facing likely eviction or foreclosure during the previous nine months.³³

Emergency rent assistance helped keep Oklahomans in their homes during the pandemic. But as rent assistance ended, it left too many Oklahomans unable to afford modest housing. More than 1 in 5 Oklahomans working a single, full-time job cannot afford a modest one-bedroom rental at fair market rent, while 2 in 5 cannot afford a two-bedroom rental. For a single caregiver, working full-time often doesn't pay enough to provide a home for their family. Workers employed in more than half of the state's most common professions don't make enough to afford a modest home or apartment. An Oklahoma worker needs to make \$16.61 per hour to afford a two-bedroom rental home. However, on average, 17 of the 30 most common professions in Oklahoma — including teacher assistants, home health aides, and customer service representatives — pay less than that.³⁴

The rental crisis predominantly impacts people of color, as in Oklahoma more than 500,000 people rent their home³⁵, making up 34 percent of Oklahomans. Renters are overwhelmingly people of color. National figures from 2019 show 58 percent and 53 percent of Black and Latinx

³⁰ Jacobi, Gabrielle. "COVID-19 worsened an existing crisis for child care in Oklahoma," (Oklahoma Policy Institute, 2022), accessed 1 March 2023

³¹ Hertneky, Dana. "DAYCARE DESERT: CHILDCARE CRISIS IN OKLAHOMA," (NewOn6, 2022), accessed 1 March 2023 at <https://www.newson6.com/story/62451dacbdb8be071cc446e0/daycare-desert:-childcare-crisis-in-oklahoma>

³² "Top Evicting Large Cities in the United States," (Eviction Lab), accessed 1 March 2023 at [ps://evictionlab.org/rankings/#/evictions?r=United%20States&a=0&d=evictionRate&lang=en](https://evictionlab.org/rankings/#/evictions?r=United%20States&a=0&d=evictionRate&lang=en)

³³ Rose, Ahniwake, "Policy Matters: The human costs of eviction," (The Journal Record, 2021), accessed 1 March 2023 at <https://journalrecord.com/2021/07/07/policy-matters-the-human-costs-of-eviction/>

³⁴ "Out of Reach: Oklahoma," (National Low Income Housing Coalition), accessed 1 March 2023 at <https://nlihc.org/oor/state/ok>

³⁵ "Occupied housing units," (United States Census Bureau), accessed 28 February 2023 and archived at https://www.dropbox.com/s/4e34jwkswnli2ho/ACS%202019%205_year%20renters%20by%20county.xlsx?dl=0

households were renters³⁶, compared to only 31 percent of white households. This imbalance stems from structural racism³⁷ and a history of racist housing policies.

Working adults will continue to struggle to provide a stable home for their families unless there is a substantial influx of affordable housing, an increase in wages, or additional targeted housing supports for low-income workers.³⁸

Unemployment Insurance

Unemployment insurance has proven to be a crucial support for working families during the difficult economic conditions of the pandemic's earliest days. Oklahoma saw more unemployment claims in March 2020 than it did in all of 2009, the year during the Great Recession where Oklahoma saw the largest number of new unemployment claims.³⁹ In the midst of truly unprecedented job loss and turmoil, unemployment insurance helped thousands of Oklahomans make ends meet.

There were fraudulent unemployment claims made during that period, including a handful involving the Oklahoma Policy Institute. However, those claims were investigated and determined not eligible for payment. In other words, attempted fraudsters were not successful and the state's unemployment insurance system did exactly what it was supposed to.

Mental health access

Our state is not immune from the nation's growing mental health crisis, as pre-pandemic studies found that Oklahomans living with mental illness and addiction die nearly three decades earlier than other residents. A Tulsa regional mental health report showed 1 in 7 Tulsans has a mental illness, and 1 in 3 Oklahoma children encounters two or more adverse childhood experiences such as abuse or neglect.⁴⁰ The pandemic only exacerbated mental health issues here and around the nation.⁴¹ Beyond quality of life, mental health has become a key workforce issue as new findings in Oklahoma show commercial insurers are offering critically little access to the state's mental health providers, corroborating earlier reports that major parity violations

³⁶ "Who are the renters in America?," (USAFacts, 2021), accessed 1 March 2023 at <https://usafacts.org/articles/who-is-renting-in-america-cares-act/>

³⁷ LeBlanc, Atticus, "How Systemic Racism Exists In U.S. Housing Policies," (Forbes, 2020), accessed 1 March 2023 at <https://www.forbes.com/sites/forbesrealestatecouncil/2020/07/09/how-systemic-racism-exists-in-us-housing-policies/>

³⁸ Brown, Sabine, "Housing is unaffordable for Oklahoma's low-wage workers," (Oklahoma Policy Institute, 2023), accessed 1 March 2023 at <https://okpolicy.org/housing-is-unaffordable-for-oklahomas-low-wage-workers/>

³⁹ Cullison, Courtney, "Unemployment insurance keeps Oklahomans safe, supports the economy," (Oklahoma Policy Institute, 2020), accessed 1 March 2023 at <https://okpolicy.org/unemployment-insurance-keeps-oklahomans-safe-supports-the-economy/>

⁴⁰ Aron, Laudon et al., "Prevention, Treatment, and Recovery: Toward a 10-Year Plan for Improving Mental Health and Wellness in Tulsa," (Urban Institute, 2018), accessed 2 March 2023 at <https://www.urban.org/research/publication/prevention-treatment-and-recovery-toward-10-year-plan-improving-mental-health-and-wellness-tulsa>

⁴¹ "COVID-19 pandemic triggers 25% increase in prevalence of anxiety and depression worldwide," (World Health Organization, 2022), accessed 1 March 2023 at <https://www.who.int/news/item/02-03-2022-covid-19-pandemic-triggers-25-increase-in-prevalence-of-anxiety-and-depression-worldwide>

disadvantage mental health providers and services. This is a critical workforce issue since 44% of the state's population is on an employer sponsored plan.⁴²

Congress can provide additional tools for Oklahoma providers and strengthen mental health parity law by fully passing the Mental Health Matters Act⁴³; reforming Employee Retirement Income Security Act of 1974 (ERISA) to hold insurers liable for harm they cause⁴⁴; and addressing the ramifications of *Wit v United*, which found that United Behavioral Health had no obligation to use generally accepted standards of care when determining whether a claim is medically necessary.⁴⁵

Medicaid expansion

Medicaid expansion took effect in summer 2021, one year after passage of a successful ballot measure; it has proven an unequivocal success in Oklahoma. As of January 2023, 358,155 working-age adults were enrolled in Medicaid expansion, comprising more than 1 in 4 Medicaid enrollees in the state. It's not possible to separate the effects of expansion and the Public Health Emergency's continuous enrollment requirement. The end result of these two programs together meant that low-income Oklahomans and their children had reliable, affordable access to care when they needed it most. As a result of Medicaid expansion, a record share of Oklahoma children are insured, Oklahomans exiting incarceration have a pathway to health care, tribal health care systems are more financially secure, and enrollees may be less likely to be evicted.

⁴² "Accessing Behavioral Health Providers Through Private Insurance in Oklahoma," (February 2023), accessed 2 March 2023 at <https://okpolicy.org/wp-content/uploads/Healthy-Minds-network-adequacy-report.pdf>

⁴³ "We're one step closer to making mental health and addiction care more affordable," (The Kennedy Forum, 2022), accessed 1 March 2023 at <https://www.thekennedyforum.org/blog/were-one-step-closer-to-making-mental-health-and-addiction-care-more-affordable/>

⁴⁴ Shachar, Carmel, "The Preemption Clause That Swallowed Health Care: How ERISA Litigation Threatens State Health Policy Efforts," (Health Affairs, 2020), accessed 1 March 2023 at <https://www.healthaffairs.org/doi/10.1377/forefront.20201013.533063/>

⁴⁵ "Wit v. United Behavioral Health," (The Kennedy Center, 2023), accessed 1 March 2023 at <https://www.thekennedyforum.org/wit/>