



INDIANA
COMMUNITY ACTION
POVERTY INSTITUTE
Research and Public Policy

Testimony before the Senate Committee on Pensions and Labor

January 6, 2026

Good morning, Chairwoman Rogers & Members of the Committee,

My name is Lauren Murfree, and I am a policy analyst with the Indiana Community Action Poverty Institute. I am speaking today to express our support for Senate Bill 162. We are encouraged to see legislators work to improve unemployment benefits for Hoosiers because of the challenging experiences Hoosiers have shared with us about periods of job loss and hope to see continued progress on this front.

Loss of employment – especially when it is unexpected - does not have one singular moment of impact but has a prolonged domino effect on all aspects of Hoosiers' lives. As one Hoosier shared with us, losing their job led to them getting *“behind on all our bills, almost got evicted, had to deal with utilities getting shut off, [and] trying to figure out how to even get food.”*

Our current unemployment benefits make it difficult for many Hoosiers to maintain the foundations, such as housing, food, and basic needs, required to successfully obtain additional skills to be competitive in our current job market, as well as provide space for the subsequent time needed to find a position. Allowing accrued PTO and sick time to not count against someone's unemployment benefits provides breathing room for those who experience a job loss, and we hope you'll continue to consider other steps, such as raising the max benefit level.

In Indiana, the current maximum benefit is \$390 per week, or roughly \$1,600 per month, which makes it difficult for an unemployed person to ensure their basic needs are met, as presently these benefits cover very few foundational needs. For instance, for the fair market rate according to HUD, 2026 numbers for St. Joseph County, which includes the South Bend and Mishawaka metro area fair market rates, for a one-bedroom unit, it is \$1,105 monthly. In Elkhart County, the fair market rate for the same-sized unit is at \$992 a month.

Additionally, due to our lower unemployment benefits, Hoosiers may lose the ability to make payments on core transportation needs to even obtain a job opportunity, as shared by an institute advisory council member who had to turn down a job offer because his car was repossessed during a spell of unemployment. Hoosiers are hardworking and dedicated employees, yet because of the lack of resources provided to them during these critical periods, they can struggle to access jobs that fairly compensate them.

A robust unemployment system will continue to be critical as AI and automation shift employment patterns. To ensure we have a strong state, we need to ensure Hoosiers can access supports such as unemployment insurance in times of need and not be pressured to obtain lower wage positions out of desperation, but are able use it as an opportunity to upskill.

We are hopeful that Senate Bill 162 is a step in the right direction towards helping hardworking Hoosiers in our state and that you will continue to build a stronger and more resilient Indiana workforce through unemployment insurance reforms.

Thank you for letting me speak today on this bill and for your consideration.