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PCSW

Permanent Commission on the Status of Women

The State's leading force for women's equality

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**Testimony of
Teresa C. Younger
Executive Director
The Permanent Commission on the Status of Women
Before the
Labor and Public Employees Committee
Tuesday, February 24, 2009**

In Support of:

S.B. 362, AAC Equal Pay for Equal Work

H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees

Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony in support of S.B. 362, AAC Equal Pay for Equal Work and H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees.

S.B. 362, AAC Equal Pay for Equal Work

PCSW has been working for the past 35 years to establish pay equity for women, and therefore we strongly support S.B. 362, AAC Equal Pay for Equal Work, which would strengthen State law by providing an enhanced State enforcement law for employees discriminated against on the basis of gender.

Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time made 59 cents for every dollar earned by men.¹ In 2007, women earned 77.8 cents for every dollar earned by men; in Connecticut it was 71 cents.² **That means that the wage gap has narrowed by less than half a cent per year.³**

¹ "The Wage Gap over Time: In Real Dollars Women See a Continuing Gap" National Committee on Pay Equity. Accessed December 9, 2008 <<http://www.pay-equity.org/info-time.html>>.

² Institute for Women's Policy Research. *The Gender Wage Gap*, 2007.

³ National Committee on Pay Equity.

Women of color earned significantly less, with African-American women earning 70 cents and Hispanic women earning 62 cents for every dollar men earned.⁴

The Wage Project estimates that over a lifetime (47 years of full-time work) the wage gap amounts to a loss in wages for a woman of \$700,000 for a high school graduate, \$1.2 million for a college graduate, and \$2 million for a professional school graduate.⁵

The number of working women has risen from 18.4 million in 1950,⁶ to 67.8 million in 2007,⁷ and is anticipated to grow to 76 million by 2014.⁸ In Connecticut, women make up 51.3% of the state's labor force,⁹ 66.5% of private not-for-profit wage and salary workers,¹⁰ and 63.5% of local government workers.¹¹

Today most mothers participate in the labor force. There is a pay gap for women due in part to their caregiving responsibilities over the lifecycle, since women take an average of thirteen years out of the workforce for family caregiving.¹² Studies show that working mothers suffer a wage penalty for parenting. For women under the age of 35, the wage gap between mothers and non-mothers is larger than the gap between men and women.¹³ Mothers are 44% less likely to be hired than non-mothers for the same job given the same resume and experience. Additionally, mothers are offered an average of \$11,000 less than non-mothers with equal qualifications.¹⁴ Single mothers are affected the greatest, making only between 56 cents and 66 cents to every man's dollar.¹⁵

However, the wage gap is not solely due to women's caregiving responsibilities; even when women work in the same occupations as men for the same amount of time, they still do not earn equal pay. In 2007, certain professions showed a significant wage gap:¹⁶

⁴ Ibid.

⁵ Ibid.

⁶ U.S. Department of Labor, Bureau of Labor Statistics. "Perspectives on Working Women: A Databook," Bulletin 2080, 1980.

⁷ U.S. Department of Labor, Bureau of Labor Statistics. *Employment and Earnings, Annual Averages*, Table 11 "Employed persons by detailed occupation, sex, race and Hispanic or Latino ethnicity," 2006.

⁸ Mtira Toosi. "Labor Force Projections to 2014: Retiring Boomers", *Monthly Labor Review Online*. U.S. Department of Labor, Bureau of Labor Statistics, November 2005, Vol. 128, No. 11.

⁹ U.S. Census Bureau, American Fact Finder, *Connecticut Selected Economic Characteristics: 2005-2007*.

¹⁰ U.S. Census Bureau, American Fact Finder, *Connecticut Class of Worker by Sex and Earnings in the Past 12 Months (2007 Inflation-Adjusted Dollars) for the Civilian Employed Population 16 Years and Over: 2005-2007*.

¹¹ Ibid.

¹² Jeffrey R. Lewis, and Cindy Hounsell, eds, *What Women Need to Know About Retirement*. Heinz Family Philanthropies and the Women's Institute for a Secure Retirement.

¹³ Shelley J. Correll et al., "Getting a Job: Is There a Motherhood Penalty?" *American Journal of Sociology*, 112:5, March 2007.

¹⁴ <<http://www.momsrising.org/manifesto/chapter7>>.

¹⁵ <http://www.mothersmovement.org/features/krf_interview/next_for_women_2.htm>.

¹⁶ National Committee on Pay Equity.

- Female physicians and surgeons earned a whopping 41% less than their male counterparts.
- Females in professional and related occupations earned over 27% less than their male counterparts.
- Female college and university teachers earned over 25% less than those who were male.
- Female lawyers earned 23% less than male lawyers.
- Females in sales and office occupations earned 23% less than similarly employed men.
- Female elementary and middle school teachers earned nearly 10% less than similarly employed men, despite comprising 82% of the field.
- Female registered nurses earned more than 10% less than their male colleagues, although 90% of nurses are women.

Work and wage policies have not expanded to adapt to the existing and future workforce. You have an opportunity through this bill, to right an inequity that has gone on for far too long.

H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees

PCSW encourages passage of H.B. 6187 which would require employers of 50 or more employees to provide paid sick leave to their employees for the an employee's or an employee's child's sickness, and to handle sexual assault or family violence issues.

Here are three quick facts on paid sick leave:

- 40% of Connecticut employees have no paid sick days.¹⁷
- 77% of low-wage earners lack paid sick days.¹⁸
- 78% of employees working in food service and accommodations lack paid sick days.¹⁹

These three facts significantly impact the lives of women in the State of Connecticut.

40% of Connecticut employees have no paid sick days.

Women represent 51.3% of Connecticut's labor force.²⁰ Of the female population ages 20 to 64, 75.6% (1,063,307) are in the labor force, of which 66% have children under the age of 6 years old.²¹

¹⁷ Vicky Lovell. *Everyone Gets Sick, Not Everyone Has Time to Get Better*. National Partnership for Women and Families. April 2008.

¹⁸ Vicky Lovell. *Time to be Sick: Why Everyone Suffers When Workers Don't Have Paid Sick Leave*. Institute for Women's Policy Research, May 2004.

¹⁹ Vicky Lovell. *Everyone Gets Sick, Not Everyone Has Time to Get Better*. National Partnership for Women and Families. April 2008.

²⁰ U.S. Census Bureau, American Fact Finder. *Connecticut Selected Economic Characteristics: 2005-2007*.

²¹ U.S. Census Bureau, American Fact Finder. *Connecticut Employment Status: 2005-2007*.

77% of low-wage earners lack paid sick days.

According to the Family Economic Self-sufficiency Standard (FESS), 20% of Connecticut working families do not have enough income to meet their basic costs of living.²² Of the 20%, female head of households represent 29% vs. 14% of male head of households.²³

78% of employees working in food service and accommodations lack paid sick days.

Nationally, only 14% of hospitality and food service employees, 43% of retail employees, and 61% of healthcare employees have paid sick leave.²⁴ In Connecticut, these industries are dominated by women, as women represent 51.8% of sales and related occupations, 78.1% of personal care and service occupations, and 81.2% of healthcare support occupations.²⁵

In 2006, the PCSW commissioned a poll, conducted by the University of Connecticut's Center for Survey Research & Analysis, and found that more than half of Connecticut workers (56%) worry about losing pay or their job if they are sick; and, 36% worry about having trouble at work because of taking time off to care for a family member.²⁶

Employees with no paid sick leave must decide whether to go to work ill or take unauthorized time off without pay, which may result in the termination of their job. Lack of paid sick leave is a problem not only for employees, but also for their co-workers, employers and families. Employees who go to work ill are not only unable to perform at their usual level of productivity, but they also risk spreading their illness to co-workers. A recent Cornell study estimates that this situation costs our national economy \$180 billion annually in lost productivity which exceeds the cost of absenteeism and medical and disability benefits.²⁷

Paid sick leave is an essential health care policy for all businesses. Employers' efficiency is raised when healthy workers are able to perform at their highest levels of productivity. This is not only the right thing to do, it is the financially sensible route: with the current state of economic turmoil, the business community cannot afford to risk lower productivity.

²² Diana M. Pearce, Ph.D. *Overlooked and Undercounted: Where Connecticut Stands*. Prepared for the Permanent Commission on the Status of Women, June 2007.

²³Ibid.

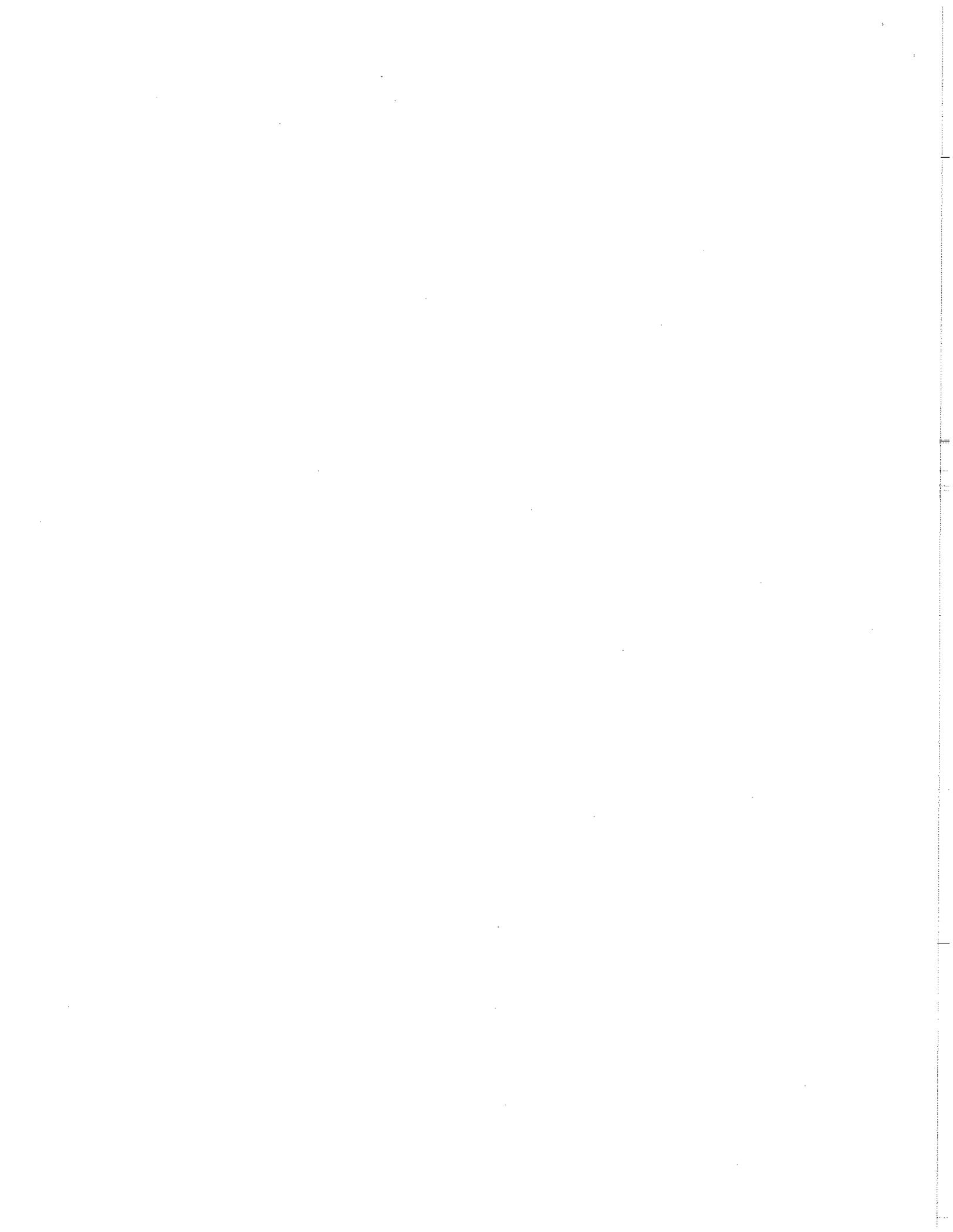
²⁴ CT ACORN. *Paid Sick Days: Healthy Workers, Healthy Families* Fact Sheet, 2008.

²⁵ Connecticut Department of Labor. *Connecticut Occupational Statistics of the Civilian Labor Force* based on 2000 Census.

²⁶ University of Connecticut Center for Survey Research and Analysis. *Making Ends Meet: A Worry for the Majority of Connecticut Residents*. Prepared for the Permanent Commission on the Status of Women, October 2006.

²⁷ Ron Goetzal, et al. *Health Absence, Disability, and Presenteeism Cost Estimates of Certain Physical and Mental Health Conditions Affecting U.S. Employers*. *Journal of Occupational and Environmental Medicine*, April 2004.

We appreciate your attention to these matters, and look forward to working with you on these issues.





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Chairman Ryan, Chairwoman Prague, Ranking member Noujaim, Ranking member Guglielmo and other distinguished members of the Labor and Public Employees Committee, thank you for giving me the opportunity to testify in support of HB 5521, AN ACT ELIMINATING CREDIT REPORTS AS A BASIS FOR EMPLOYMENT DECISIONS.

For the record, I am Matthew Lesser, Representative of the 100th District.

The use of credit histories for employment decisions is a critical problem facing many Connecticut families. As it stands, even if you are otherwise qualified, you can be denied a job in the State of Connecticut, simply because a credit rating agency says that you are a credit risk.

This bill would have no effect on the right of employers to use criminal background checks on employees or prospective employees, which will continue to be permitted. Nor would it prevent credit checks when the credit history of the applicant is substantially job related, when it is otherwise required by law or when an employer has specific reason to believe an employee may have violated the law.

This bill has precedent. The State of Washington passed a nearly identical law in 2007. Five other states have passed restrictions on the use of credit reports for employment decisions. A front page article last week in USA Today reported more states are considering restrictions this year.

There are many reasons why it makes sense to restrict the use of credit histories for employment decisions. They are an invasion of an employee's right to privacy. Credit reports are notoriously inaccurate. They have little or no predictive value for employers, and they have been shown to reflect significant racial and ethnic biases. I will focus on one additional reason: They hurt families in this economy.

Perhaps at one point, credit histories told you something about a job applicant. Maybe they told you if an applicant was responsible or mature. Maybe they could predict if applicants were likely to steal from the register, to pay off their debts. Even if you assume that either or both were true, despite a lack of any evidence suggesting any correlation between credit history and job performance, they certainly are not now.

Today, with our constituents losing their jobs, with families losing their homes to foreclosure, with uninsured and underinsured people unable to pay off major medical expenses, and with nearly 40% of all electric bills owed to the United Illuminating Company in arrears, bad credit is no longer limited to the poor or the untrustworthy. Bad credit afflicts a wide swath of our society and many in the middle class.

The use of credit histories for employment decisions is a barrier to economic recovery. It prevents people who are victims of this economy from being able to get jobs and pay off their debts. It bars good workers, who were laid off from their jobs and fell behind in their bills, from getting back on their feet.

This is a mounting problem.

In 1996, the Society for Human Resource Management surveyed their members and found that 16% of employers were looking at applicants' credit histories. By 2004, the same survey reported that the number had increased to 35%. The background check industry is increasingly marketing credit history checks as a routine part of the employment screening process.

And, except for the few companies who profit off this practice, there is no obvious benefit for employers and great harm to those seeking employment.

By reporting on this bill favorably you have the opportunity to make a real difference in real lives. I thank you for raising this bill as a committee, and for providing me with the opportunity to testify on its behalf.



Greater Hartford Legal Aid

**Testimony of Alexis N. Highsmith, Greater Hartford Legal Aid, Inc.
In Support of SB 733, AAC Creating a Civil Action for a Consumer Reporting
Agency Reporting A Prospective Employee's Erased Criminal History
February 24, 2009**

Good afternoon members of the committee. My name is Alexis Highsmith. I am an attorney at Greater Hartford Legal Aid. I am here to testify in support of SB 733. This bill creates a civil action for employees and potential employees who are victims of inaccurately reported criminal histories by consumer reporting agencies. Connecticut's Legal Services Programs support this bill but with suggested amendments that we have discussed and agreed to with Senator Looney who proposed this concept. I am also here to support HB 5521, which prohibits employers from using credit reports as a basis for employment decisions. I will first address SB 733.

In my work at Legal Aid, I represent clients applying for pardons from the Board of Pardons and Paroles. These are people who have stayed out of trouble and made positive contributions to their families and communities for many years. My clients encounter barriers to employment, housing, and other benefits because of their criminal records. The pardons process is daunting. The written application is overwhelming and the hearing is intimidating. Getting through this process and receiving a pardon is quite an accomplishment. A pardon proves they have been rehabilitated under the law and is supposed to mean that their criminal record is erased and no longer subject to disclosure.

Two years ago, the legislature mandated that consumer reporting agencies must use the most accurate and updated information available when disclosing criminal records to prospective employers (CGS §§ 31-51i(h)(2)(B); 54-142(e)). Since the passage of the initial legislation in 2007, policy makers and advocates have worked with the consumer reporting agencies to insure that the implementation of these new requirements are not unduly burdensome for the CRAs. Unfortunately, some of the companies have still not fully complied with the law and have disclosed to prospective employers conviction information that has been erased.

Legal Services has seen numerous cases where clients have been denied employment because their supposedly erased records have shown up on their criminal background checks. We have learned that many of the larger CRAs contract with smaller agencies to gather information on criminal histories. These subcontractors are not necessarily following the requirements of the law which call for any entity that is disclosing "criminal matters of public record" to purchase updated information from the Judicial Department monthly and to use this information to update and permanently delete any erased records. We have also seen these same violations amongst smaller independent credit agencies.

Just last week, a Legal Aid client was denied a job as a certified nurse assistant based on a background report generated by a consumer reporting agency that showed her old convictions even though she had been granted a full pardon in July 2008. The legislature cannot accomplish its goal of promoting the employability of rehabilitated individuals unless there are enforcement mechanisms built into the language that prohibits disclosure of erased records. Individuals must have a remedy available to them for situations where a consumer reporting agency provides inaccurate information to a potential employer.

In its current draft, SB 733 gives a job applicant a private right of action against a consumer reporting agency if it discloses inaccurate information. While this is a positive step, it does not fully advance the legislature's intended goals. We propose that additional language allow a party the right to sue an employer who is in violation of the protections outlined in the erasure statute. I have attached proposed language to amend this bill accordingly. By including employers in this language, the legislature can completely recognize the employment rights of people with erased records. An employer must also honor an applicant's rehabilitation.

I am also here in support of HB 5521, which would prohibit employers from utilizing credit reports as a basis for employment decisions. Employers currently have unfettered discretion to deny a job applicant employment because of their poor credit history. The use of credit reports has an adverse impact on poor people, who have lower credit scores. However, a poor credit score is not indicative of a poor or unsatisfactory employee.

I ask that you support SB 733 and HB 5521, as it is strong public policy to foster employment rights of individuals with erased records and those with poor credit histories.

Thank you for your support of SB 733 and HB 5521.

Alexis N. Highsmith

PROPOSED LANGUAGE

An Act Concerning the Use of Criminal Conviction Information.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2009) Any aggrieved person may enforce the provisions of section 31-51i and section 54-142e of the general statutes as revised to 1/1/09, by means of a civil action. Any employer, employer's agent, representative or designee or consumer reporting agency or its agent, representative or designee that violates any provision of section 31-51i or section 54-142e of the general statutes as revised to 1/1/09, or who aids in the violation of any provision of said sections shall be liable to the person aggrieved for special and general damages, together with attorney's fees and costs.

