

Connecticut Working Families Organization 30 Arbor Street, Hartford, CT 06106 Workingfamilies.org/Connecticut (860) 523-1699

Testimony in Support of:

- S.B. No. 1 (COMM) AN ACT CONCERNING EARNED FAMILY AND MEDICAL LEAVE.
 - 2. S.B. No. 15 AN ACT CONCERNING FAIR AND EQUAL PAY FOR EQUAL WORK.
- 3. H.B. No. 5043 AN ACT PROMOTING A FAIR, CIVIL AND HARASSMENT-FREE WORKPLACE.
 - 4. H.B. No. 5044 AN ACT CONCERNING FAIR TREATMENT OF SICK WORKERS.
- 5. H.B. No. 5386 (RAISED) AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS.
 - 6. H.B. No. 5387 (RAISED) AN ACT CONCERNING PAID FAMILY MEDICAL LEAVE.
 - 7. H.B. No. 5388 (RAISED) AN ACT CONCERNING A FAIR MINIMUM WAGE.

March 8, 2018

Testimony from Carlos Moreno, Connecticut state director of the Working Families Organization.

Senator Gomes, Senator Miner, Representative Porter, and the members of the Labor Committee:

Thank you for holding this hearing today and for giving us the opportunity to speak in favor of several bills. The CT Working Families Organization is a growing progressive political organization that fights for an economy that works for all of us, and a democracy in which every voice matters. We believe that our children's life chances must not be determined at birth, and that America must be a nation that allows all its people to thrive.

Our economy is not working for too many Connecticut workers. Pay is unjustifiably low and workers are insecure. Women and workers of color are hit especially hard by gaps in our policies and the unfair practices of some employers. We would like to submit testimony in support of the following bills, in no particular order:

S.B. 15 AN ACT CONCERNING FAIR AND EQUAL PAY FOR EQUAL WORK and H.B. 5386 (RAISED) AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS.

This is pretty basic common sense. In Connecticut Women are paid on average 83¢ to every dollar paid to their white male counterpart for the same work. It gets worse – African American woman are paid only 59¢ and Latinas are paid an astounding 48¢. Annually, Connecticut women who work full time lost approximately \$5.5 billion in pay¹, which could be supporting their families and being spent in our local economy. Paying two people different amounts for the same work in unjustifiable - plain and simple.

Last year, the legislature passed a pay equity bill that did not include a key provision - the ability for job applicants to keep their previous salary histories private. Without this provision, the law is akin to a paper tiger. Revealing your salary history during the interview process puts job applicants at a considerable disadvantage when negotiating the best salaries, especially for women. We live in a society that champions a good deal. Let's make that possible for working women and families, not just employers.

S.B. 1 AN ACT CONCERNING EARNED FAMILY AND MEDICAL LEAVE and H.B. 5387 AN ACT CONCERNING PAID FAMILY AND MEDICAL LEAVE.

Paid family and medical leave is long overdue in this country and in this state. First, to segue from the legislation for pay equity above, we have to address the need for paid leave in any serious, comprehensive agenda to close the pay gap. Women lose 4% of their earning potential with every child that they have because they are fired from their jobs, punished for taking time off, or unable to advance because they leave the workforce and need to start over.²

But equality for women is just one reason on a long list why paid family leave is needed to move Connecticut forward. Too many families are just a couple paychecks away from being unable to pay their bills — a sudden medical crisis or a new child puts most families in the impossible position of having to chose between taking care of themselves and being able to pay their bills.

It is a myth that we are not already paying for this problem. People already have heart attacks and broken bones, children are already being born and adopted. When these things happen families piece together any leave they do have, but they often come up short. They become financially insecure and cannot contribute to the local economy with disposable income. They rely on safety net programs, which our state and federal governments need to pay for. If only they had income replacement and a protected job, they would be financially secure and able to spend on local businesses.

I would also like to address the myth that this policy would come at too high a cost to tax-payers. It would not. As proposed, the program would be funded through employee premiums of approx. 0.5% of weekly earnings³. The program requires start up costs that would be funded by bond allocations and reimbursed to the General Fund within the first year of collection. More importantly, the cost of doing nothing (when families lose their jobs or can't pay their bills) is too high a cost for the state to bear.

¹ http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2016-ct-wage-gap.pdf

² http://content.thirdway.org/publications/853/NEXT_-_Fatherhood_Motherhood.pdf

³ https://fmli.files.wordpress.com/2014/09/implementation-study.pdf

This policy passed in Washington State last year with bipartisan and business support. New York passed paid leave in 2016. Rhode Island and New Jersey have successful paid leave programs. Massachusetts, New Hampshire and Maine are close and might pass legislation this year. To remain competitive in our region, Connecticut must be next. Our state is currently an outlier. It used to be a leader.

If Connecticut does not take action to create our own paid family and medical leave program, we will lose even more workers and families to our neighboring states who provide this security. We will also put our small businesses at a regional disadvantage since they will still not be able to offer paid leave to their workers without an additional cost. We are losing residents too quickly to concede this advantage to our neighbors.

I urge the Committee and Connecticut lawmakers to support S.B. 1 and H.B. 5387 this session to help Connecticut remain economically competitive and give working families in our state the support they deserve.

H.B. 5388 (RAISED) AN ACT CONCERNING A FAIR MINIMUM WAGE.

Last fall, Connecticut Voices for Children published the State of Working Connecticut 2017⁴, a study which illustrates trends in Connecticut's workforce's financial stability. They describe the Job Swap, in which formerly middle class positions have come back as low-wage service sector jobs. Almost half of all jobs created since the start of the economic recovery have been in low-wage industries, like retail and fast food service, which pay less, and lack the benefits, predictability and flexibility of jobs past. Since 2001, the share of private-sector jobs in low-wage industries has increased by 20 percent, while the share of private-sector jobs in high-wage industries has decreased by 13 percent. Nearly half of new private sector jobs since 2010 are in low-wage industries. The median and bottom 10 percent of wage-earners have seen their wages decline by more than 2 percent since 2002, while the top 10 percent have experienced growth of more than 11 percent.

All this means that our economy needs to raise standards if we expect enough of our adult workers to support themselves through employment. The average minimum wage worker is now 36, with all the typical financial responsibilities that come at that age. A single adult earning \$10.10 per hour would need to work 75 hours per week to make a living wage. Even if a worker can get that many hours, or work two minimum wage jobs, that would just be enough to make ends meet and includes little left over for emergency situations. People should not have to live in poverty if they are working 40, 50, 60 or 70 hours a week.

Our economy has changed, and we need to change with it. Please pass H.B. 5388.

H.B. 5044 AN ACT CONCERNING FAIR TREATMENT OF SICK WORKERS.

When Connecticut's Paid Sick leave law passed in 2011, it brought this security to tens of thousands of hourly workers. The problem is that there are currently over 885,000 hourly

⁴ http://www.ctvoices.org/sites/default/files/State%20of%20Working%20Connecticut%202017%20Final.pdf

workers in our state. Hundreds of thousands of people are still not covered by the law and are still at risk of losing their jobs, losing their incomes and are forced to choose between their health and a pay check.

There are two major flaws with Connecticut's current paid sick days standard:

- 1. The business size is far too high at 50 employees. Too many employees are carved out about half of all hourly employees who need coverage. The second highest business threshold is 11 employees in our neighboring state of Massachusetts. All other laws in the country apply to smaller businesses.
- 2. The list of job classifications in the 2013 paid sick leave law is arbitrary, exclusionary, and insufficient. No other paid sick days law in the country does this. Most extend universal coverage.

Here is a list of jurisdictions who have passed paid sick days laws or referenda since we did in Connecticut seven years ago, and who all have the low employee thresholds and universal coverage that H.B. 5044 would bring:

- Seattle, Washington
- New York City, New York
- Portland, Oregon
- Jersey City, New Jersey
- State of California
- State of Massachusetts
- Oakland, California
- Newark, New Jersey
- East Orange, New Jersey
- Irvington, New Jersey
- Passaic, New Jersey
- Paterson, New Jersey
- Montclair, New Jersey
- Trenton, New Jersey
- State of Oregon
- Emeryville, California
- Montgomery County, Maryland
- Bloomfield, New Jersey
- Elizabeth, New Jersey
- New Brunswick, New Jersey
- Philadelphia, Pennsylvania

- Pittsburgh, Pennsylvania
- Tacoma, Washington
- State of Vermont
- Los Angeles, California
- Santa Monica, California
- Plainfield, New Jersey
- Spokane, Washington
- Minneapolis, Minnesota
- San Diego, California
- Chicago, Illinois
- Berkley, California
- St. Paul, Minnesota
- Morristown, NI
- Cook County, Illinois
- State of Washington
- State of Arizona
- State of Maryland
- Austin, Texas
- State of Rhode Island

Lastly, under the current law, a manufacturer with separate facilities may have to provide paid sick leave at its administrative location but not at its manufacturing plants. It's hard to justify why office workers should be afforded paid sick leave while people working in plants, who are at higher risk of injury on the job, should not.

We urge the Committee to pass H.B. 5044.

H.B. 5043 AN ACT PROMOTING A FAIR, CIVIL AND HARASSMENT-FREE WORKPLACE.

Sexual harassment at work goes overwhelmingly unreported. And the mental anguish that stems from it is unacceptable. This is good legislation that would create a more respectful and productive work environment. We urge the committee to support this overdue, but also timely legislation.

Thank you for the opportunity to testify in support of all these important bills. They demonstrate that our state truly values its workforce and considers their health and contributions an important driver of the state's economic health.

Respectfully,

Carlos Moreno State Director CT Working Families Organization