

# Labor and Public Employees Committee

## JOINT FAVORABLE REPORT

**Bill No.:** SB-942

**Title:** AN ACT CONCERNING THE ON-TIME PAYMENT OF WAGES.

**Vote Date:** 3/18/2021

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/4/2021

**File No.:** 219

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### SPONSORS OF BILL:

Labor and Public Employees Committee

### REASONS FOR BILL:

The bill sets out the requirements for financial intermediaries that provide wage services to employers who are fully or mostly funded by state funds to meet the employer's obligation to pay wages in a timely manner. Delay of wages can range from 7 to 21 days. This fact can often disrupt the lives of workers who need to continue to maintain their financial lives despite the delay in payment. The bill would set requirements and ensure clear and timely communication from fiscal intermediaries with its workers in regard to payroll.

### SUBSTITUTE LANGUAGE:

None stated

### RESPONSE FROM ADMINISTRATION/AGENCY:

None Stated

### NATURE AND SOURCES OF SUPPORT:

CT Department of Social Services Supports this bill agreeing in policymakers aims in ensuring that people who provide state-funded services are paid timely and accurately by fiscal intermediaries. Expressed concerns on FI's being deemed as employers adding this status could lead to potential registration fees.

SEIU 119 NE, Consumer-Employer, Karen Douwou does not express support nor opposition but has provided her experience as a consumer employer and the difficulties their PCA's have gone through in receiving their pay on time.

Connecticut AFL-CIO, President, Sal Luciano supports the bill stating in creating financial penalties for failure to comply would result in the creation of incentives for fiscal intermediaries to meet their workers contract terms.

SEIU 1199 NE, vice president, Diedre Murch supports the bill stating that in their experience in working with PCA's a delay in wages have been prevalent, negatively affecting the lives of these workers.

United Auto Workers Region 9A, John Murphy supports the bill stating that even through the pandemic personal care attendants faced issues in payroll delays, and these trends have only worsened. They highlight the theme of equity and fairness of this bill in adding that most PCA's are people of color, and this will be ensuring that they are paid on time.

The following people support this bill stating that this would maintain fiscal intermediaries accountable in providing pay wages in a timely manner:

- CSEA SEIU Local 200, President, Stephen Anderson
- SEIU 1199 NE, Consumer-Employer, Alan Coker
- SEIU 1199 NE, Consumer-Employer, Louise Consiglio
- SEIU 1199 NE, PCA, Danielle Delmonaco
- SEIU 1199 NE, PCA, Lynette Dockery
- SEIU 1199 NE, PCA, Brandy Doubleday
- SEIU 119 NE, Consumer, Katherine Jones-Newton
- SEIU 1199 NE, PCA, Anthony Ligon
- SEIU 1199 NE, PCA, María Lopez
- SEIU 1199 NE, PCA, Georgina Nieves-Aponte
- SEIU 1199 NE, Consumer Employer, Sharon Thorstenson
- SEIU 1199 NE, PCA, Kay Wright
- SEIU 1199 NE, PCA, Kara O'Dwyer
- SEIU 1199 NE, PCA, Shomit Sengupta

- SEIU 1199 NE, PCA, Maria Soto
- SEIU 1199 NE, Consumer, Lynne Zimmer

## **NATURE AND SOURCES OF OPPOSITION:**

North Branford, Resident, Alex & Same Bode opposes this bill stating in giving fiscal intermediaries the role of employer would jeopardize the future of self-directed programs. As consumer employers they rarely had payroll problems and adds that a more equitable solution is for state agencies to communicate with consumers employers.

CT Legal Rights Project, Executive director, Kathleen Flaherty opposes the bill stating that the language of the bill counters the idea that fiscal intermediaries are not PCA's employers. They suggest issues with delayed paid are often results of issue with timesheets and external errors, not in part of actions taken by fiscal intermediaries.

National Payroll Reporting Consortium, President, Pete Isberg does not explicitly state support nor opposition but raises concern of language of the bill and suggest amending the bill to clarify that it only covers failure to timely pay wages. Also expressed concern on sections 31-71a to 31-71i and adds it's unclear for the intent of the bill.

Office of Policy and Management, Secretary, Melissa McCaw opposes the bill and expresses concerns that the bill will potentially put the state out of compliance with federal Medicaid rules. Also adding it would result in the required recoupment of Medicaid funds from PCA erroneously paid to avoid fines. And lastly expressing the bill can jeopardize the sustainability of Medicaid self-directed programs by result of Fiscal intermediaries deciding to no longer operate in Connecticut.

Connecticut, Resident, Samantha Neville Opposes the bill stating it may jeopardize the functionality of the program. Making it difficult for those who are disabled or differently abled to receive consistent services. Includes their experience as a PCA adding she has not had any problems in being paid on time.

CT Department of developmental services, Commissioner, Jordan Scheff does not express support nor opposition but expresses concerns in subsection (a) of the bill, adding that in deeming fiscal intermediaries as the employer this would jeopardize federal Medicare funding that provide reimbursement to the state for self-directed services.

Allied Community Resources, CEO, Executive director, Carol Bohnet & Don Waddell opposes bill stating it would erode the rights of the program's consumers to self-direct their services as household employers. They add the efforts taken in their part to reduce errors to minimize the effects of delayed processing of timecards. Also expressed concern in deeming fiscal intermediaries as the employer.

The following people did not express support nor opposition but provide their experiences of having had little to no issues in receiving their wages from fiscal intermediaries:

- Connecticut, Resident, Candace Ballantoni

- Connecticut, Resident Melanie DeCaprio
- Connecticut, Resident, Tara Dering
- Connecticut, Resident, Elannah Devin
- Connecticut, Resident, Ashley DiDatsio
- Connecticut, Resident, Lauren MacKay-Munro
- Connecticut, Resident, Devin Manning
- Connecticut, Resident, Katie O'Connor
- Plantsville, Resident, Sheila Mulvey
- Connecticut, Resident, Robin Schreck

**Reported by: Jazaira Perez-Acevedo**

**Date: 04/12/2021**