



Testimony of Eric Gjede
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Before the Labor & Public Employees Committee
Hartford, CT
March 11, 2021

**Testifying in opposition to
SB 1002: AN ACT CONCERNING LABOR ISSUES RELATED TO COVID-19, PERSONAL PROTECTIVE EQUIPMENT
AND OTHER STAFFING MATTERS**

Good afternoon Senator Kushner, Representative Porter, Senator Sampson, Representative Arora and members of the Labor & Public Employees Committee. My name is Eric Gjede and I am the vice president of government affairs for CBIA, the Connecticut Business & Industry Association. CBIA is Connecticut's largest business organization, with thousands of member companies, small and large, representing a diverse range of industries from across the state. Ninety-five percent of our member companies are small businesses with less than 100 employees.

CBIA opposes SB 1002 as it contains a variety of new workers' compensation, unemployment compensation, and leave mandates at a time when businesses, particularly small businesses, can least afford to incur additional costs or increased premiums. For example:

Section 1: allows claimants to bring suit regardless of whether they suffered a workers' compensation injury. The result will be an increase in the number of frivolous claims placed upon the workers compensation marketplace, driving up costs for claimants and employers alike.

Section 2: requires employers and insurers to adhere to a new "notice of controversy" and allows individuals who are not party to the claim to request hearings. More hearings will result in longer times for adjudication and delays in payment of claimants. This proposal is overly burdensome and will result in direct costs to parties to the claim, employers, insurers, and the workers' compensation marketplace.

Section 3: creates a presumption that an employee who contracts COVID-19 during the period of the public health and civil preparedness emergency will be presumed to have contracted it in the workplace, regardless of where the employee actually contracted COVID-19. Thus, the illness is deemed an occupational disease and compensable injury. The workers' compensation program is designed to make whole those who have been injured at work. It was not designed to consider injuries sustained outside the workplace. This would be a dangerous precedent to set and would result in unsustainable costs that will undercut the financial viability of the workers' compensation program.

Section 7: requires employers to contact former employees laid off or terminated during the public health crisis regarding any open positions within the company and then rehire those individuals in order based on length of service. Connecticut businesses need to be efficient to remain competitive, even in the best of times. While most businesses are rehiring as many former employees as possible, employment decisions should not be made exclusively based on length of service. Such a restriction requires employers to ignore more important

employment attributes, including productivity, skill set, past attendance, and disciplinary history. We oppose section 7 just as we opposed a similar provision in SB 658.

Section 21: requires employers to provide up to 80 hours of paid sick leave to each employee to care for their own or any number of extended family members' illness. This sick leave can be used retroactively or up to four weeks after the expiration of the Governor's emergency declaration. Unlike the paid sick leave provided by the federal Families First Coronavirus Response Act in 2020, HB 6595 does not offer employers a corresponding payroll tax credit to fund this leave. As a result, Connecticut businesses would be incurring the cost of this new labor mandate at a time they can least afford it. We oppose this section just as we opposed a similar provision in HB 6537.

CBIA supports section 26 related to an employer's unemployment account chargeability as a result of an employee's total or partial unemployment attributable to COVID-19.

Section 28: provides supplemental benefits to individuals receiving less than \$100 a week in unemployment benefits so they may potentially qualify for additional federal stimulus benefits if enacted at some point in the future. While we understand the rationale of increasing the amount of federal dollars in our state's economy, we are more concerned about the solvency of the state's unemployment trust fund. Connecticut has already extensively borrowed from the federal government to ensure all benefits are paid to those who became unemployed through no fault of their own. The business community is solely responsible for repaying this debt. We cannot afford to be burdened with the cost of providing benefits beyond those earned by the individual.

For these reasons, we urge you to oppose SB 1002.