

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: SB-417

AN ACT CONCERNING AMNESTY FOR NONFRAUDULENT UNEMPLOYMENT

Title: OVERPAYMENTS.

Vote Date: 3/24/2022

Vote Action: Joint Favorable Substitute

PH Date: 3/15/2022

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Labor and Public Employees Committee

REASONS FOR BILL:

The purpose of S.B. 417 is to ensure that individuals who received accidental and non-fraudulent unemployment overpayments receive necessary assistance to correct the error through reimbursement. Any person who received overpayment who did not knowingly misrepresent or not disclose information will be eligible to get that money back through the Labor Department.

SUBSTITUTE LANGUAGE:

The substitute language for this bill defines "affected claimant" to describe a person who received a greater number of benefits than was due and "assistance" means money payable from the pandemic unemployment nonfraudulent overpayment account. The substitute language establishes the Pandemic Unemployment Nonfraudulent Overpayment program and describes its role in this legislation. The substitute language describes the process to apply for assistance, and where the funds come from.

RESPONSE FROM ADMINISTRATION/AGENCY:

Connecticut Department of Labor, Legal Director, Heidi Lane, is concerned about the bill. The Governor's budget does not include the funding required by this bill. The parameters for determining eligibility for reimbursement are ambiguous and would need to be better detailed. Funds from the federal unemployment grant may not be used for a solely state initiative, and therefore the agency will need funding for technology and staff.

NATURE AND SOURCES OF SUPPORT:

Connecticut AFL-CIO, President, Ed Hawthorne, supports this bill because during the pandemic, most applicants were applying for the first time and human error played a large role in many cases. Applicants are expected to repay thousands of dollars they likely don't have. Hawthorne believes this bill is a compassionate and common-sense measure.

North Atlantic States Carpenters Labor-Management Program, Deputy Director, Jim Lohr, supports this bill. One of his members is currently working with the DOL regarding a nonfraudulent unemployment payment case for over 5,000 dollars. Passage of this bill would help him and many others in similar positions through no fault of their own.

Connecticut Legal Services, Legislative Policy Advocate, Sara Parker McKernan, supports this bill because Legal Services Programs were inundated with questions from clients about what to do in response to letters saying they owed insurmountable amounts of money, and establishing a general fund account to reimburse those who have been denied a waiver or have made payments towards the overpayment amount would make a huge difference for individuals who have found themselves faced with the burden of paying back benefit amounts they were initially determined to be eligible for.

SEIU Member, Stacey Zimmerman, supports the bill to give workers peace of mind during financially unstable times.

NATURE AND SOURCES OF OPPOSITION:

None stated.

Reported by: Molly Lukiwsky

Date: 4/4/2022