



Greater Hartford Legal Aid



Connecticut  
Legal Services



NEW HAVEN  
LEGAL  
ASSISTANCE  
ASSOCIATION, INC.

**Testimony before the Labor Committee in Support of:**

**SB 417, AAC Amnesty for Non-Fraudulent Unemployment Overpayments,  
SB 418, AAC Wage Theft,  
HB 5439, AAC Wage Theft Responsibility**

**March 15, 2022**

Good morning, Senator Kushner, Representative Porter and distinguished members of the Labor Committee. Thank you for the opportunity to register support for SB 417, SB 418 and HB 5439. My name is Sara Parker McKernan and I am a Legislative/Policy Advocate, for CT's Legal Services Programs which include New Haven Legal Assistance, Greater Hartford Legal Aid and CT Legal Services. The Legal Services Programs provide free legal services to low income individuals in civil matters throughout the state. We have been particularly involved in developing policy to support low wage workers and their families.

**SB 417, AAC Amnesty for Non-Fraudulent Unemployment Overpayments**, is an important response to the predicament that many CT residents and particularly the low-income clients that we serve, found themselves in after collecting much-needed and DOL granted, unemployment benefits during the pandemic. The Legal Services Programs were inundated with questions from clients and potential clients about what to do in response to letters saying they owed what was often viewed as an insurmountable amount of money, to the state.

Legal Services began conversations with DOL as we became concerned that instructions for action were not sufficient, understandable or easily accessible on the DOL website or within the notices that had been sent. We developed flyers and outreach material and worked with DOL to increase the accessibility of this information but many individuals had missed the opportunity for action or had been denied.

We commend the intent of SB 417 to establish a general fund account to reimburse those who have been denied a waiver of the UI overpayment or have made payments towards the overpayment amount. We also support the language essentially extending the timeframe for requesting an appeal or waiver. This proposal will make a huge difference for individuals who

have found themselves, through no fault of their own, faced with the burden of paying back benefit amounts for which they were initially determined to be eligible.

**SB 418, AAC Wage Theft and HB 5439, AAC Wage Theft Responsibility**, both deal with the troubling and rampant issues of wage theft. Wage theft goes well beyond the construction industry contracts that are highlighted by this language.

We welcome the opportunity these bills provide to send employers the message that wage theft will not be tolerated. Landscaping, childcare and domestic work are examples of low-wage jobs that employ hundreds of thousands of vulnerable workers who are often victims of wage theft. But workers are not the only victims. Businesses that comply with wage laws face unfair competition from low-bidding rivals. The state also loses tax revenue. In short, this is a major economic problem with real – and very negative – economic ramifications for Connecticut and its citizens. These bills convey the message that cheating employees of hard-earned wages will not pay while also mandating accountability and providing enforcement mechanisms for wage theft prevention.