

TESTIMONY SUPPORTING SB-1031: AN ACT ESTABLISHING A
FULL EMPLOYMENT TRUST FUND.

Labor and Public Employees Committee

February 20, 2024

Presented By: Kathleen Callahan, MSW

Dear Honorable Chairpersons Kushner and Sanchez, Ranking Members Sampson and Weir, Vice Chairs Cabrera and Wilson, and all other Members of the Labor and Public Employees Committee of the Connecticut General Assembly:

My name is Kathleen Callahan, a resident of Stratford, and the Director of Policy and Civic Engagement for the Connecticut Cradle to Career Coalition, which includes Bridgeport Prospers, Danbury Collective, Norwalk ACTS, Stamford Cradle to Career, and Waterbury Bridge to Success. I am testifying on behalf of the Coalition, and we call upon the Committee to support *SB-1031: An Act Establishing a Full Employment Trust Fund*.

Our advocacy focuses on economic, educational, and health equity, addressing systemic barriers that impact children, youth, families, and communities. We push for policies that enhance opportunities for generational success and wealth and promote skills-based hiring and training initiatives, consistently promoting policy solutions that consider, if not address, youth disconnection.

The state is actively considering its role in addressing youth disconnection due in no small part to a late 2023 report commissioned by Dalio Education,¹ a proposal by the Campaign for Working Connecticut², and the recent follow-up report from the Connecticut Conference of Municipalities.³ There was a Joint Informational Forum hosted by the Education Committee and the Committee on Children last week and this week the Education Committee unanimously approved a concept bill, *An Act Concerning Disconnected Youth*, for a public hearing.

Reflecting on the current employment and job training landscape in Connecticut, we request that the Full Employment Trust Fund includes the needs of our youth. Education and employment play pivotal roles in an individual's economic and social mobility and there are proposed workforce training actions in CCM's *Young People First* report to engage young

¹ Boston Consulting Group. (2023). *Connecticut's Unspoken Crisis*. Retrieved from https://www.dalioeducation.org/Customer-Content/www/CMS/files/231011_Report_Final_vDigital_LowRes.pdf.

² Campaign for Working Connecticut. (2023). *Connecticut's Pathways to the Future*. Retrieved from <https://www.ctunitedway.org/wp-content/uploads/2023/04/CWCT-Opportunity-Youth-proposal-Final-April-2023.pdf>.

³ Connecticut Conference of Municipalities (2024, October 9). *Young People First: A Bold Plan to Address Connecticut's Statewide Crisis*. Retrieved from <https://cloudshare.ccm-ct.org/index.php/s/5QkbG9HUFiOhm58>.

adults currently experiencing disconnection—whether due to school or employment separation or incarceration—along with ideas for potential funding streams.

The following points view unemployment and job creation through the lens of adults; when reading them, I ask you to consider the additional impact for youth who are no longer in school, will not graduate, are not employed, may be experiencing disconnection, and/or have or are currently involved with the criminal legal system:

- Racial inequity of unemployment exists, with rates for Black workers historically and consistently twice that of white workers, regardless of education attainment. This is specifically disturbing when white workers with less education are employed when higher educated Black workers – in desired fields – are not.⁴
- Beyond an individual's prospects in the labor market, research details lifelong consequences of unemployment or underemployment, including but not limited to, increased rates of physical and mental illness, substance misuse, domestic violence, failed relationships, and suicide and attempted suicide.⁵

In one of his final official acts, Former President Biden established a national monument for Frances Perkins, FDR's Secretary of Labor, saying that Perkins is "one of America's greatest labor leaders, and that's not hyperbole."⁶ He added that Perkins actions followed her belief that "if you're working a full-time job, you shouldn't have to live in poverty."

On February 25, 1935, 90 years ago almost to the day, she gave a radio address to the country about the Administration's draft Economic Security Bill:

*"Recognizing unemployment as the greatest of all hazards, the committee gave primary emphasis to provisions for unemployment – employment assurance.... **Employment assurance**, the stimulation of private employment and the provision of public employment for those able-bodied workers whom private industry cannot yet absorb is to be **solely a responsibility of the Federal Government and its major contribution in providing safeguards against unemployment.**"⁷*

⁴ Paul, M., Darity, W., Hamilton, D., & Zaw, K. (2018). *A Path to Ending Poverty by Way of Ending Unemployment: A Federal Job Guarantee*. The Russell Sage Foundation Journal of the Social Sciences, 4 (3) 44-63. Retrieved from <https://socialequity.duke.edu/wp-content/uploads/2019/10/A-Path-to-Ending-Poverty.pdf>.

⁵ Paul, M., Darity, W., Hamilton, D., & Zaw, K. (2018). *A Path to Ending Poverty by Way of Ending Unemployment: A Federal Job Guarantee*. The Russell Sage Foundation Journal of the Social Sciences, 4 (3) 44-63. Retrieved from <https://socialequity.duke.edu/wp-content/uploads/2019/10/A-Path-to-Ending-Poverty.pdf>.

⁶ Megerian, C., Madhani, A., & Superville, D. (2024, December 16). *Biden establishes a national monument for Frances Perkins, the 1st female Cabinet secretary*. Retrieved from <https://apnews.com/article/biden-national-monument-frances-perkins-labor-3b58f0c1bae51fe26017acb3688eb505>.

⁷ <https://socialwelfare.library.vcu.edu/social-security/social-security-a-radio-address-by-frances-perkins-1935/>

SB-1031 would create the workforce we need in Connecticut today and raise wages throughout the state, similar to New Deal programs did during the Great Depression. Job creation helps jobless people and industry in need of workers, of course. It also helps community: individuals and families have the possibility of reducing debt, saving, and investing; small businesses have more customers; start-up companies have more investors; workers have bargaining power to demand fair wages; consumers have power to demand lower prices; and **every individual, family and community has the value and dignity that comes with having a job with the means to plan for the future.**

In closing, different iterations of this bill have been before the Labor Committee for the past few years and the Coalition urges you to pass SB-1031 out of Committee and allow the full Senate to debate on the state's role in employment assurance, including our younger workforce.

With respect and gratitude for your service and consideration,

Kathleen Callahan
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