Labor and Public Employees Committee JOINT FAVORABLE REPORT

Bill No.: HB-5266

AN ACT AMENDING THE TIME TO PROTEST BENEFIT CHARGES ON AN

Title: EMPLOYER'S UNEMPLOYMENT INSURANCE QUARTERLY STATEMENT.

Vote Date: 3/7/2024

Vote Action: Joint Favorable

PH Date: 2/27/2024

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 Committee

REASONS FOR BILL:

This bill would lower the reporting deadline for unemployment insurance fraud and errors from 60 to 40 days. This change is intended to streamline the process, give the Department of Labor more time to reach quarterly deadlines, and remove potential burdens from employers if claims roll over.

RESPONSE FROM ADMINISTRATION/AGENCY:

Danté Bartolomeo, Commissioner, Connecticut Department of Labor: The Commissioner of the Department of Labor explains that this bill would reduce the time to report fraud or error of unemployment insurance benefits from 60 to 40 days. Each quarter a statement is produced that outlines the charges for each claimant which employers may protest. Moving up the deadline would allow the CTDOL a larger window to address the protest before the next quarter preventing employers from "carrying the burden of a claim into the next quarter". This would ultimately help streamline the process for both parties.

NATURE AND SOURCES OF SUPPORT:

None expressed

NATURE AND SOURCES OF OPPOSITION:

The Connecticut Conference of Municipalities: CCM opposes this bill stating that reducing the time period from 60 to 40 days would be too short a period for a municipality to collect information and protest.

Ashley Zane, Senior Public Policy Associate, The Connecticut Business and Industry Association: The CBIA opposes this bill stating that large employers who typically use third party vendors, have delays when validating the accuracy of reporting, which may take weeks depending on circumstance. This would create challenges for businesses to meet the reporting deadline and damage their ability to prevent fraud and errors.

Reported by: Noah Gulla Date: 3/13/2024