

AMERICAN PAYROLL ASSOCIATION

May 18, 2021

Representative Mary Mushinsky
Legislative Office Building
Room 4038
Hartford, CT 06106-1591
Mary.Mushinsky@cga.ct.gov

Representative Robin Comey
Legislative Office Building
Room 4000
Hartford, CT 06106-1591
Robin.Comey@cga.ct.gov

Re: Connecticut S.B. 881, An Act Concerning Workforce Development

Dear Representatives Mushinsky and Comey:

The American Payroll Association (APA)¹ appreciates the opportunity to comment on implementing Connecticut S.B. 881, An Act Concerning Workforce Development. Specifically, Section 8, substituting for Section 31-225(j) on employer quarterly reporting information:

Such employee's gender identity, age, race, ethnicity, veteran status, disability status, highest education level completed, home address, address of primary work site, occupational code under the standard occupational classification of the [BLS], hours worked, days worked, salary or hourly wage, employment start date in the current job title and, if applicable, employment end date.

The volume and types of information required in the proposed employer quarterly reporting should be reconsidered. APA strongly opposes adding this burden to quarterly reporting because:

1. The information is already reported to the Connecticut Department of Labor.

Reporting of the proposed data points is problematic for payroll departments to implement. Formatting the data differently for individual state and local jurisdictions is time consuming and expensive. Most employers report data to the Connecticut Department of Labor in the format required by the Equal Employment Opportunity Commission through a process managed by human resource operations and systems and not payroll processes. The time that would be required to

¹ Established in 1982, APA is a not-for-profit association serving the interests of more than 20,000 payroll professionals nationwide. APA's primary mission is to educate its members and the payroll industry about best practices associated with paying America's workers while complying with applicable federal, state, and local laws and regulations. APA members are directly responsible for calculating wages and unemployment taxes for their employers.

report the extensive amount of information in S.B. 881 is duplicative, burdensome, and expensive to implement.

2. The requested information via the quarterly state unemployment insurance report is not wage related.

The requested information is not directly related to paid wages and is more aligned with information Connecticut's Office of Workforce Strategy should be collecting during an intake interview with potential clients. For example, employees do not always want to provide information on gender identity, highest education completed, veteran status, and disability status and this information may not be needed by employers. Attempts by employers to collect certain employee data could be considered invasive and discriminatory.

The quarterly state unemployment insurance remittance should be concerned only with an employee's social security number and the amount of wages paid to the employee during the quarter.

3. Small businesses will be overburdened by the reporting requirements.

The level of reporting in S.B. 881 will be overly burdensome on small businesses. While those with less than 99 employees do not begin reporting the requested information quarterly until 2025, many small businesses do not have the capability of collecting such a large data set. The time required to collect, retain, and report the requested data will cause serious strain on available small business resources. Small businesses do not normally have systems in place to automate this level of employee data collection. Manual processing will detract from core business functions. Retaining confidential employee data would also strain small business owners as many do not have enough confidential, lockable, storage space available.

The APA urges the Connecticut legislature to rethink the proposed data collection and reporting in S.B. 881. To reach APA, please contact me at 202-669-4001 or ajacobsohn@americanpayroll.org. Thank you.

Sincerely,



Alice P. Jacobsohn, Esq.
Director, Government Relations

For Unemployment Insurance Workgroup Leaders:
UI Chairs Brent Gow, CPP, and Rebecca Harshberger, CPP
UI State Chairs Owhen Astorga, Mindy Mayo, CPP, and Marcela McCarthy, CPP
UI Connecticut Leads Rebecca Coker, CPP, and Scott Schapiro, CPP