



**SB20-207: Concerning Unemployment Insurance**

**Sponsors: Sens. Hansen and Winter**

**CFI position: SUPPORT**

Thank you Mr. Chair, members of the committee, for the opportunity to submit written testimony in support of SB20-207.

My name is Kathy White and I am representing the Colorado Fiscal Institute. CFI is a nonprofit organization that advocates for sound tax, budget and economic policies that promote equity and widespread economic prosperity.

As the COVID crisis hit Colorado, forcing hundreds of thousands of Coloradans out of work in a matter of weeks, no program has been more critical in slowing the economic damage and supporting workers and their families in every part of the state than the unemployment insurance (UI) system. Unemployment insurance has, for nearly a century, been the country's first line of defense in times of economic recessions, natural disasters, and as we know now, global pandemics. Unemployment insurance provides modest wage replacement to workers who lose their jobs through no fault of their own, enabling them to continue paying for basic needs until they can return to suitable work. By allowing people to continue paying for the basics – food, rent – and boosting consumption, UI helps break the negative cycle of unemployment and economic decline. A strong UI system is essential to bolstering the economy during times of shock.

A strong UI system will be equally important for a healthy economic recovery. SB20-207 provides modest changes to Colorado's UI system that will accommodate the unique challenges we face today as a result of COVID19, build on the federal pandemic UI programs, and foster a more robust recovery. SB20-207 is the COVID19 session hat trick, providing wins for employers, workers and the state.

- The expansion of the workshare program, which allows employers to bring back workers at reduced capacity, earn income and still receive partial unemployment, will provide more tools in the toolbox for employers seeking to phase in operations safely over the next year. They can retain their trained and qualified staff while gradually adapting to the changing COVID19 environment. Workers can safely work reduced schedules for their prior employer without fear of not being able to pay their bills. UI benefits paid under the workshare program are fully funded by federal dollars.
- The change to the earnings disregard, or how much a worker can earn through work and still receive partial UI, will help workers such as hospitality workers, who may be forced to earn less during the reopening period.

- The clarification on whether an individual qualifies for UI or has legitimately refused to return to work or accept new work, will create bright lines for employers and allow workers to balance the demands of family, health and work. The eligibility requirements are based on health and safety guidelines that are tailored to the unique circumstances related to COVID19, such as not having adequate or safe childcare or caring for a vulnerable person and represent an essential modernization of UI practice.
- The study on how to create a UI program for self-employed workers, independent contractors, gig workers builds on the federal government's recognition that these actors are an essential and growing part of the economy, as evidenced by the creating of a UI-like benefit for them during the pandemic (Pandemic Unemployment Assistance). The UI system functions best *as an automatic economic stabilizer or safety net for the economy* when all workers, in every part of the country, are covered. This provision will provide a data-driven process for how to plan for the next century of economic change.
- Finally, the state benefits from the modernizations in SB20-207 because unemployment insurance benefits are what is known as *earned benefits*, and are considered taxable income. As such, the millions of dollars in federal and state unemployment insurance benefits that are being paid to workers in every part of the state generate state income taxes as well as other state local taxes that unemployed people pay as they continue to buy groceries and gas and the basics of living.

The improvements in SB20-207 are timely, modest and critical for a strong recovery for Colorado. These changes will most help resort counties that rely on tourism which have been hit with double digit unemployment, like Pitkin with 23% unemployment, and industries, like the restaurants and hotels which are posting nearly 150,000 job losses. A strong UI system that is adapted to the current landscape will help Colorado businesses, workers and the state drive a piton into the economic mountain we all must climb.

Please support SB20-207.

Thank you.

Colorado Jobs With Justice supports SB 20-207: Strengthening Unemployment Insurance (UI).

Colorado Jobs With Justice is a long-term, formal coalition of labor, community, faith, and student and youth organizations that come together to advance worker's rights and social justice through building sustained relationships and taking direct action to create concrete change in the lives of working families. As working families we need to strengthen our unemployment insurance.

As we have experienced recently, in response to the COVID-19 pandemic, 450,000 Coloradans filed for unemployment. Many people lost their source of income as well as their benefits and it is important that people are able to stay employed in a time of crisis. Our members are actively seeking employment in safe conditions to them because they wish to work and are scared of losing their benefits. In addition, many of our members are also misclassified on construction jobs and cannot receive UI benefits and do not have a source of income for rent, bills, or food. SB 20-207 would allow our members to be employed with the company they have been working with, not fear losing their benefits, and provide financial support to misclassified workers.

Many of our members are essential workers, they are construction workers, grocery store workers, healthcare workers, janitors, postal service workers, and have continued to work during the pandemic. Many of them feared for their health and their families but could not afford to lose their income or benefits. When workers start returning back to work we will face more situations where workers will need to take care of a family member, child, or care for themselves if they are "vulnerable individuals." SB 20-207 will ensure a worker is able to take care of themselves or their families in a state of a public health emergency.

SB 20-207 will help strengthen Colorado's Unemployment Insurance so workers are able to maintain employment and their benefits. It also allows for previously excluded workers to be able to seek unemployment. Please vote YES on Senate Bill 20-207. Thank you for your time.

In solidarity,  
Colorado Jobs With Justice  
Pamela Resendiz Trujano  
Executive Director

Hello members of the committee. Thank you for taking the opportunity to hear testimony on this important piece of legislation.

My name is Isis Usborne, I'm an economic justice community organizer with Colorado People's Alliance, and I want to encourage everyone here to support SB20-207.

Before I became a full-time organizer with COPA, I was working as a host, busser, and food runner in a popular Capitol Hill restaurant. Were I still employed there, I would be in the same boat as many of my friends and contemporaries - short on income and facing the impossible decision to return to a high-risk work environment during a global pandemic.

As soon as this pandemic hit, restaurants, hotels, bars, and coffee shops were the first to let go of the people who constituted their labor. Some had even been acting before the state was officially shut down to whittle down peoples' hours in an attempt to save money as the collective situation became more precarious. This obviously had a great impact on people's lives and finances, especially in the service industry, where much of their income is dependent on tips - AKA the kindness of strangers. Despite their hardship, workers persevered and attempted to file for unemployment insurance, as per the guidance of the Colorado Department of Labor and Employment.

Unemployment insurance has recently become one of the most important lifelines in the state, as is the case for many states across the country during this crisis. But that department's systems were not equipped to handle the sheer amount of people applying for benefits in recent months. They are beginning to update their systems now, but this alone has not been enough. Long wait times and impossible labyrinths of bureaucracy continue to be a problem for many workers today.

For many, UI is the only viable option for income right now. Others, have been able to return to work or will be doing so soon but at greatly reduced hours, and in the service industry in particular, the hours may be similar but the number of folks they will serve will be greatly reduced due to health and safety measures. This is why increasing the income disregard as is proposed in SB 207 is so important. This change will allow for workers to get back to work while earning less income but still have some supplemental income through UI.

Many other kinds of workers are still excluded from any type of support. Over 70,813 claims have been filed thus far for the Pandemic Unemployment Assistance for independent contractors, highlighting the need for this type of support to be continued after it is set to expire in the coming weeks. Having the CDLE study how we all can support this type of worker in the future is another helpful step proposed in SB 207.

Another issue faced by workers is ensuing that they are actually classified correctly to qualify for benefits they are due. SB 207 works to improve this by making long overdue updates to the definitions of employers and employees, putting UI in line with other areas of the law.

I ask that legislators act quickly, decisively, and in a bold way to do what is best for workers in Colorado by strengthening our unemployment insurance and voting yes on this bill.

Thank you for your time.

Isis Usborne, [isis@coloradopeoplesalliance.org](mailto:isis@coloradopeoplesalliance.org)

Sources for statistics used:

- <https://www.thedenverchannel.com/news/coronavirus/colorado-initial-unemployment-claims-drop-for-6th-straight-week-but-record-benefit-payments-continue>
- <https://coloradosun.com/2020/05/28/colorado-unemployment-calls-holds-wait-callbacks/>  
<https://www.thedenverchannel.com/news/coronavirus/nearly-500k-coloradans-filed-for-unemployment-since-late-march-but-initial-claims-continue-to-fall>

Hello and thank you for your time today. My name is Gayle Tenner. I am a 62-year-old who works through the Lyft app, driving people in and around Denver. I am testifying in support of SB20-207.

I value God, Jesus, and my family above all else; I love the New York Yankees, and I regularly feed homeless folks outside of shelters. Usually, I drive 6 days a week, sometimes pulling one shift in the morning followed by another in the evening after a negligible break between. Unfortunately, I recently suffered a fall which has put my pain into an even higher gear than before and prevents me from working for a while.

Even when I am working for Lyft though, I don't get paid much. Once, for a period of about 4 hours I made a little over \$44, for example, and that's including tips. On top of that, I pay for my own car maintenance. I tried renting a vehicle through Lyft's program, but a singular chip in the windshield was something I was liable for. That was a costly situation I found out about once the glass was cracked and I brought it into the Lyft headquarters. I was not informed of this policy before the fact - they told me about it only after I brought the vehicle in.

That car was further damaged by an accident I was in on the I-70, where I was hit by a van with passengers in her car. That event left me with long term spine damage that I am still dealing with - hence, the increased pain I am in today.

At one point after the accident, Lyft's attorney was actively ignoring my lawyer's calls for a period of many months. To add insult to literal injury, the company only covers up to a certain amount of my medical costs, even though my treatment is ongoing and, as I mentioned before, is affecting my ability to apply for other (better paying) jobs.

The accident is not the only danger I have faced while driving. One night, a passenger became infuriated when I refused to talk politics, and attacked me when I asserted that the ride was over and he needed to exit the vehicle. After throwing racial slurs at me, he tried to punch me, prompting me to kick him and spray pepper spray in his face. Lyft responded to the incident by chastising me for having "weapons" in my car, despite the fact that the police did not show up for another few hours in a different location.

Suffice it to say, it is becoming increasingly unbearable to keep up with the costs of driving for an app.

In the last few months, I have had to cover the costs of replacing all four of my tires for a total of \$485 - which equates to a little less than fourth of my rent as a single person living in a house. This is after I had already replaced the front tires multiple times in the previous four months.

I am a strong woman who is unafraid to speak up when I feel I am being mistreated. As a black woman, I have learned to survive in a world that discriminates against me, and I do not tuck my tail between my legs when the going gets rough. I am a fighter who believes that every person deserves to live, to be cared for adequately, to be treated with dignity and respect no matter

their circumstances. We need to fight for a system that center the needs of humans over the whims of markets and wealthy corporations.

Workers like me, app-based or 1099 workers are not typically eligible for supports that are available to other workers. Typically we cannot file for unemployment to help make up our wages when things get tough. Because of the COVID pandemic, Colorado was able to expand its unemployment programs to cover us, so workers like me can get the help we need. This fix, however, isn't permanent and I am worried about what might happen to my fellow drivers if this ends. Things in Colorado won't be returning to normal for quite some time. People won't be using Lyft like they were before. Drivers are still going to need support We need 1099 workers to be eligible for unemployment insurance always.

This bill is a solid step towards building a fair Colorado for all. Please support me and workers like me by voting yes on it.

Thank you so much for your time.

- Gayle Mildred Tenner, [mildredgayletenner@yahoo.com](mailto:mildredgayletenner@yahoo.com)