



February 7, 2022

Senate Jobs and Economic Growth Finance and Policy Committee
Minnesota Senate Bldg., Room G-23 Capitol
95 University Avenue W.
St. Paul, MN 55155

Dear Chair Pratt and Members of the Senate Jobs and Economic Growth Finance and Policy Committee:

Thank you for giving Legal Aid the opportunity to testify on SF2677 regarding the Unemployment Insurance Trust Fund. Legal Aid represents thousands of Minnesotans with low-incomes statewide in civil legal matters, and specifically, low-wage workers who are disproportionately women, people of color, speak English as a second language, and often work through chronic illness and disability. Many of these workers were considered essential workers during the pandemic, workers worthy of hero status and bonus pay.

Legal Aid appreciates the role small and independent businesses, and nonprofits, play in the State's economic and social landscape. We also acknowledge the extraordinary pressures placed on many of them during the pandemic. As such, Legal Aid supports targeted assistance to small and independent businesses and nonprofit employers who have been hard hit during the pandemic.

But the pandemic has also played havoc with the lives and livelihoods of workers, and especially our clients, who have struggled to weather the COVID-induced economic storm. Many are front-line workers who deserve equal attention from the Legislature.

As you consider providing assistance to businesses, it is imperative that, simultaneously, you consider providing simultaneous relief to workers, particularly those workers who will continue to lose hours through no fault of their own and will struggle to access UI benefits moving forward.

As we have repeatedly pointed out over the years, the UI System was never designed for and does not work as well for a modern economy increasingly dependent on temporary, short-term, and non-salaried work.

For now, at a minimum, to ensure a fair balance between meeting the needs of BOTH businesses AND workers in the UI package the Legislature will enact this session, the following improvements and protections need to include:

- An increase to the time a worker has to appeal a denial of UI benefits, particularly where these denials are wrongful;
- Repeal of the unduly excessive UI penalties for those Minnesotans who make mistakes on UI applications or while accessing UI benefits;
- Alignment of Minnesota with 13 other states in providing a small dependent allowance in the weekly UI benefit, acknowledging how important parents are in the State's workforce;
- Extension of UI benefits to bus drivers, teacher assistants and other hourly school workers who are not allowed to apply for UI benefits during the summer.

We further support all efforts around paid family and medical leave – which would certainly help workers at lower wages stay connected to employment and avoid quitting to care for new babies, ill children, or aging parents.

Legal Aid respectfully and strongly urges inclusion of these worker provisions in the job package of assistance that will be provided this year. We look forward to discussions with you on specific language and we are happy to answer any questions about these recommendations.

Thank you.

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