



TO: The Honorable Members of the PA House Labor and Industry Committee

FROM: Alex Halper, Director, Government Affairs

DATE: May 25, 2021

RE: Support bills in Committee

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The PA Chamber urges support for the following bills scheduled for committee consideration today.

**H.B. 508:** This bill would phaseout Pennsylvania’s participation in federal unemployment compensation enhancement programs and implement a Back-to-Work bonus to encourage employment. Employers are reporting significant workforce shortages, which threatens to further disrupt economic recovery. Many reference the \$300 weekly federal enhancements as a disincentive to work since many claimants are making as much or more in benefits as they were in wages. This legislation would encourage employment and economic recovery.

**H.B. 922:** A long-standing principle of workers' compensation has been reimbursement to employers for certain expenses if a third party is found liable for the injury. “Subrogation” holds negligent third-parties accountable, mitigates the impact on non-negligent employers and prevents double recovery by claimants. The PA Supreme Court’s 2018 *Whitmoyer* decision significantly disrupted this process based on a technicality, leading to higher costs on employers. This legislation makes the technical change necessary to address the Court's concern.

**H.B. 1387:** The Uninsured Employers’ Guaranty Fund is an employer-funded program to pay wage-loss and medical benefits for workers hurt on the job whose employers do not have workers’ compensation coverage. Past audits have found that many claimants have not filed a tax return and cannot prove the wages they claim to have earned. UEGF was intended to protect workers from negligent or unscrupulous employers; unfortunately, it has been manipulated over the years to become “free” workers’ comp for the underground economy. This bill strikes a balance: proof of wages would be required to qualify for wage benefits but medical costs would still be covered.

We urge you to support these bills. Please contact Alex Halper at [ahalper@pachamber.org](mailto:ahalper@pachamber.org) or 717-645-8730 with questions or to discuss.