



TO: The Honorable Members of the PA House of Representatives

FROM: Alex Halper, Director, Government Affairs

DATE: June 15, 2021

RE: Support H.B. 1387 Uninsured Employers' Guaranty Fund bill

On behalf of the PA Chamber I urge support for H.B. 1837, to improve administration of the Uninsured Employers' Guaranty Fund. We understand the House may consider the bill today.

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 paid taxes and have no documentation to substantiate 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 into a system of "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 this bill. Please contact Alex Halper at ahalper@pachamber.org or 717-645-8730 with questions or to discuss.