

HOUSE OF REPRESENTATIVES  
COMMONWEALTH OF PENNSYLVANIA

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Transition from Unemployment to Work

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House Labor and Industry Committee

Irvis Office Building  
Room 515  
Harrisburg, Pennsylvania

Monday, May 24, 2021 - 10:30 a.m.

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COMMITTEE MEMBERS PRESENT:

Honorable Jim Cox, Majority Chairman  
Honorable Eric Davanzo  
Honorable Torren Ecker  
Honorable Barbara Gleim  
Honorable James Gregory  
Honorable Rich Irvin  
Honorable Mike Jones (virtual)  
Honorable Dawn Keefer  
Honorable Ryan Mackenzie (virtual)  
Honorable David Maloney (virtual)  
Honorable Lori Mizgorski  
Honorable Eric Nelson  
Honorable David Rowe  
Honorable Gerald Mullery, Minority Chairman  
Honorable Morgan Cephas  
Honorable David Delloso  
Honorable Sara Innamorato  
Honorable Leanne Krueger  
Honorable Jeanne McNeill  
Honorable Jennnifer O'Mara  
Honorable Nick Pisciotto  
Honorable Pam Snyder

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1 STAFF PRESENT:

2

3 John Scarpato  
4 Majority Executive Director

4

5 Jennifer Dodge  
6 Majority Legislative Administrative Assistant II

6

7 Jonas Ricci  
8 Majority Research Analyst

8

9 McClain Fultz  
10 Majority Research Analyst

10

11 Haley Salera  
12 Minority Executive Director

12

13 Evan Franzese-Peterson  
14 Minority Research Analyst

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1 MAJORITY CHAIRMAN COX: Hello. I'd like  
2 to welcome everyone to this hearing of the House  
3 Labor and Industry Committee. I'd like to remind  
4 everyone that the meeting is being recorded, so I'd  
5 ask that all members and guests please silence your  
6 phones and electronic devices.

7 I'd also ask, that since we've got a few  
8 extra people in the room today, if we could keep  
9 all chairs and bodies away from the outside two  
10 doors, the ones that have the exit signs posted  
11 over them. Please do not block those doors in any  
12 way. Just a reminder for being able to exit the  
13 room, also enter the room. So, keep it to that.

14 May I ask the secretary to please call  
15 the roll.

16 (Roll call off the record).

17 MAJORITY CHAIRMAN COX: Thank you.

18 I call this hearing as part of our  
19 Committee's continuing oversight over the situation  
20 that's been developing with the UC system during  
21 the pandemic. The focus of this hearing will be  
22 transition from unemployment benefits back to work.  
23 The Department has also recently implemented its  
24 customer service initiative so they're rolling out  
25 their modernized benefit system on June 8th, and we

1 want to hear brief updates on both of those issues.

2 I've introduced a couple of bills.  
3 Other members of the Committee are looking at  
4 different aspects of the unemployment compensation  
5 system as well. We're not going to discuss all  
6 those individual bills today, but they're on the  
7 horizon. They're being discussed, and we're  
8 hopeful that they will continue to be discussed.

9 The Commonwealth is ready to get back to  
10 work, and we're seeing that from our employers.  
11 We're hearing about it over and over again. We're  
12 going to hear from one of the industries today on  
13 some challenges that they're facing.

14 Today we're going to start with the  
15 Department of Labor and Industry. We're asking for  
16 an update be provided on the efforts to transition  
17 unemployment claimants back to work. Again, as I  
18 mentioned, we're gonna ask them to update us on the  
19 customer service initiative they have and whatever  
20 they can tell us about recent updates to the  
21 benefit modernization project, where they're at,  
22 whether they're on track, et cetera.

23 So with us, joining us virtually today,  
24 we have the Acting Secretary of Labor and Industry,  
25 Jennifer Berrier. We have Deputy Secretary for

1 Unemployment Compensation programs, William Trusky,  
2 and Deputy Secretary for Workforce Development,  
3 Sheila Ireland. I'd like to thank you all for  
4 being here.

5 And this is the awkward part of the  
6 testimony where I ask you to stand and raise your  
7 right hand to be sworn in.

8 (All testifiers sworn en masse by  
9 Chairman Cox.)

10 MAJORITY CHAIRMAN COX: All right.  
11 Thank you.

12 So, I've asked the Department to begin  
13 with a 10-minute opening statement. And then we  
14 have remainder of our time period for segment --  
15 that segment for questions from our Committee  
16 members. So when you're ready, Secretary Berrier,  
17 please begin.

18 ACTING SECRETARY BERRIER: Thank you  
19 very much.

20 Good morning, Chairman Cox, Chairman  
21 Mullery, and members of the House Labor and  
22 Industry Committee. Thank you for the opportunity  
23 to participate in today's hearing on the transition  
24 from unemployment to work, which happens to be a  
25 very timely topic.

1                   With me today I have Unemployment  
2                   Compensation Deputy Secretary William Trusky who  
3                   will be assisting with any unemployment questions.  
4                   And I have also, newer to my team and also newer to  
5                   testifying before the Committee, Sheila Ireland,  
6                   who is the Deputy Secretary for Workforce  
7                   Development who will be fielding any of those  
8                   questions.

9                   But before the question period, I do  
10                  have some brief oral remarks. First, I think the  
11                  topic of the hour, for at least the Department, is  
12                  the UC Modernization Project. We are still  
13                  projected to formally launch the new system, which  
14                  we fondly refer to as GUS, on June 8th. Our Legacy  
15                  Mainframe will be taken offline prior to that date  
16                  to permit data to be transferred from the Legacy  
17                  Mainframe to GUS.

18                 So, the ability to file a new claim with  
19                 the Department will be offline from 10 p.m. on May  
20                 30th through June 7th. The ability to file a  
21                 continuing claim will be offline from June 3rd to  
22                 June 7th. This means -- And this is actually good  
23                 news. This means that most claimants will not see  
24                 a delay in their benefits. We have been able to  
25                 finagle it so that individuals will be able to file

1 their weekly benefits prior to that offline period  
2 and they will not receive a delay. So that's good  
3 news.

4 Also good news is, the UC Call Centers  
5 will remain open the entire time during this  
6 transition. And this includes the additional  
7 resources which we have been able to put on our  
8 phones this month as part of our UC customer  
9 service initiative. I believe by the end of the  
10 month we anticipate fully having 500 additional new  
11 resources on the phone, as well as, we've recently  
12 brought on board, I believe, 68 additional  
13 interview -- intake interviewers.

14 So, the Department has been really  
15 gearing up and has so far done a really good job  
16 with its customer service initiative. We are  
17 seeing an improvement in our call times and the  
18 amount of people we are able to respond to. So,  
19 hopefully, you've noticed that you haven't been  
20 getting as many calls to your legislative offices.

21 The Department also has been really busy  
22 implementing its communication plans for the  
23 modernization project, which includes continuous  
24 messaging claimants and employers via e-mail,  
25 website postings, press releases, media briefings

1 and social media postings.

2 We have scheduled 25 public workshops,  
3 workshops for legislative staff, and workshops for  
4 the stakeholder community. We have posted the  
5 workshop recordings on our website, along with  
6 Video How-To Guides, written user guides, and  
7 extensive FAQs. We are airing on the side of  
8 caution by providing a wealth of information in  
9 many different formats to get the word out.

10 Moving on from the UC system itself, a  
11 lot of attention in the past few months has turned  
12 to the labor market and the post-pandemic recovery.  
13 I've heard from many employers and their advocates  
14 across the Commonwealth that workers are in short  
15 supply. And these antidotes are very insightful,  
16 and we keep them in mind by, we continue to  
17 evaluate the data and make evidence-based  
18 decisions.

19 Overall, the unemployment rate in  
20 Pennsylvania has remained relatively steady,  
21 fluctuating between 7.3 to 7.4 percent since  
22 January. The April Jobs Report given by the Bureau  
23 of Labor Statistics was under-whelming to say the  
24 least.

25 Across the nation 266,000 jobs were

1 added to the economy, but this included 331,000 in  
2 the leisure and hospitality sector. This actually  
3 means that the economy lost jobs in other sectors,  
4 including 18,000 manufacturing jobs. In  
5 Pennsylvania we lost 2,000 non-farm jobs and  
6 unemployment increased by 4,400. We, too, also saw  
7 gains in the leisure and hospitality sector, which  
8 was, frankly, not surprising.

9           You know, I know that there is  
10 widespread speculation that workers have not  
11 returned to the labor force because unemployment  
12 benefits are too generous. I think that's a  
13 popular narrative that's going around right now.  
14 But I think what really gets overlooked is that the  
15 average claimant receives \$640 a week. This  
16 includes the 300-dollar F-PUC money. This \$640 a  
17 week is actually 54 percent of the average weekly  
18 wage in Pennsylvania.

19           Now, there may be some industries that  
20 are experiencing tightening of their respective  
21 labor market, including the leisure and hospitality  
22 industry. But what we are noticing is that, these  
23 are typically low-wage sectors. And what we are  
24 seeing now are increasing wages to attract workers.

25           However, what we also might be

1 witnessing is what some experts have called a great  
2 reassessment of work in America. Workers are  
3 reevaluating their priorities and relationship to  
4 work.

5           This is an unprecedented time in our  
6 labor market, where the competition for entry-level  
7 talent has provided workers with the agency an  
8 opportunity to shift their careers to new pathways.  
9 Workers have a choice to look for a job that not  
10 only provides a good wage, but also provides  
11 flexibility to care for their children, benefits,  
12 and more opportunities to advance.

13           At the Department, we are listening to  
14 both workers and employers and working to bridge  
15 that divide by delivering a workforce development  
16 service that can help connect workers to work of  
17 their choice, and business services that help  
18 employers to find talent. I encourage private and  
19 public sectors to see this as an opportunity to  
20 create a new normal, and align hiring practices  
21 with training and investing in human capital.

22           Lastly, keeping within my time, I'd like  
23 to touch upon work search and work registration,  
24 which are currently suspended by the Governor's  
25 COVID-19 emergency declaration. This past week,

1 U.S. Department of Labor Secretary Marty Walsh  
2 reminded all states that suspensions of work search  
3 and work registration, as permitted by EUISAA,  
4 that's not indefinite, and I wholeheartedly agree.  
5 And I'm really happy to announce, actually, that  
6 just an hour ago I was given the green light to  
7 announce that work search will be turned on on  
8 July 18th, which means that UC claimants will have  
9 to search for work the previous week, which would  
10 be the week of July 11th.

11 We've timed this so that this will not  
12 interfere with going live with our new GUS system.  
13 We are hopeful that when we are able to flip that  
14 switch within the GUS system, that we will have a  
15 lot of the glitches worked out, you know. So this  
16 would be very good timing for the Department.

17 We have staff right now preparing for  
18 the historic flow of workers who will be looking  
19 for services to help find them find employment.  
20 And we are also diligently working to ensure that  
21 when these requirements are re-implemented, they do  
22 not introduce chaos and confusion into the system,  
23 which is why we are working to phase in work  
24 registration in September, which actually makes  
25 sense for us administratively.

1           Meanwhile, aside from work search and  
2 work registration, we continue to focus on RESEA  
3 efforts and other programs that we have underway to  
4 connect individuals with training and employment.

5           So, at this time I will cease my  
6 remarks, and thank you for your time. And we are  
7 happy to answer any questions.

8           MAJORITY CHAIRMAN COX: Thank you very  
9 much. At this time I'm going to open up for  
10 questions from any of our members. I have  
11 Representative Ecker.

12           REPRESENTATIVE ECKER: Thank you, Mr.  
13 Chairman.

14           And thank you, Secretary, for being  
15 here. As always, I appreciate your continuing to  
16 come and update us on what's going on with  
17 unemployment at L&I.

18           Turning to some of the jobs numbers that  
19 you were talking to, are you -- is L&I looking at  
20 this from a statewide perspective, or have you  
21 looked regional? Have you regionalized this?  
22 Because I can tell you this, in south central  
23 Pennsylvania, there are a ton of job opportunities  
24 that seem to be opening. I'm not just talking the  
25 hospitality area. I'm talking about manufacturing,

1 you know, skilled jobs; many, many, many types of  
2 opportunities out there; health care.

3 I guess I'm just concerned that, maybe  
4 certain parts of the state there might be a  
5 reluctance to go back to work. But, I can tell  
6 you, in our part of the state the folks really seem  
7 to want to get back to work.

8 So, my question to you is, is this -- Do  
9 you look at regional numbers at all when you look  
10 at these statistics?

11 ACTING SECRETARY BERRIER: No. And,  
12 Representative, I'm really glad you raised that  
13 point because I think it just further shows that,  
14 you know, Pennsylvania is such a diverse state, and  
15 that what's happening necessarily in your district  
16 may not be happening somewhere else.

17 So, we do continue to look at different  
18 regions. We look at the state as a whole.  
19 However, I'm going to defer to our Deputy Secretary  
20 of Workforce Development, because I think she's in  
21 a really good position to answer that question.

22 DEPUTY SECRETARY IRELAND: Yeah, I'd be  
23 happy to answer.

24 So yes, we do look at the data  
25 regionally, and we publish it on a monthly basis on

1 the Center for Workforce Information and Analysis  
2 website. So, as of the last time I checked, the  
3 data was up for April 2021. And you're absolutely  
4 right, it does vary across the state.

5 And I think those county profiles, in  
6 some way, give some insight into what some of the  
7 barriers may be. Because when you look at the  
8 county profiles, it will tell you the unemployment  
9 for the county, the demographics of that  
10 unemployment according to age and sex.

11 It will also tell you the top industries  
12 in that county, and it will tell you what  
13 percentage of unemployment compensation  
14 beneficiaries are in each particular industry. So  
15 you have a better understanding of who's been  
16 displaced and why.

17 REPRESENTATIVE ECKER: Just a brief  
18 follow-up, if I can.

19 To that end, since we do have some  
20 regionalization here, it seems like there are some  
21 numbers, is there any -- is there anything that the  
22 Department or working with the Administration, you  
23 folks have looked to incentivize folks to go back  
24 to work, especially in those areas where the rate  
25 of positivity is way, way low? I mean, we closed

1 things down on a regional basis. Why couldn't we  
2 -- I mean, we -- I'm just spitballing here.

3 There's regions of the state where I  
4 think folks do want to get back to work, and would  
5 get back to work if they had an incentive. And I  
6 know some other states have done that.

7 Have you guys explored any of those  
8 opportunities with the Department?

9 DEPUTY SECRETARY IRELAND: So, is the  
10 question regionally? Are we trying to incentivize  
11 specific industries to have people return to work?

12 REPRESENTATIVE ECKER: Yeah, maybe I  
13 shouldn't ask it like that. Just in general, has  
14 the Department had conversations to incentivize  
15 folks that are fully vaccinated or are ready to go  
16 back to work, but for being on unemployment? Is  
17 there any discussions to incentivize folks to go  
18 look for work or even to take some jobs, as other  
19 states have done?

20 ACTING SECRETARY BERRIER: Sheila, I'll  
21 actually -- I'll actually handle this one.

22 You know, it's really interesting.  
23 We've actually been looking and speaking with other  
24 states who are offering financial incentives to  
25 have individuals return to the workforce.

1                   However, I think where we really  
2 struggle is that, we have a group of individuals of  
3 lower wage essential workers who have worked during  
4 this entire pandemic. And, you know, these  
5 individuals have been, you know, having the  
6 face-to-face interaction with folks the entire  
7 time, and we're not giving them anything to reward  
8 them for their -- for their job well done.

9                   So, it just -- It's trying to strike  
10 that right balance between paying people to go back  
11 to work, but yet, not acknowledging the great work  
12 that's been done by our essential workers during  
13 this entire pandemic.

14                   REPRESENTATIVE ECKER: Thanks for that  
15 response, Madam Secretary. And, perhaps, maybe  
16 just requiring them to search for work sooner would  
17 alleviate that problem as well. So, thank you for  
18 your testimony.

19                   MAJORITY CHAIRMAN COX: Thank you,  
20 Representative Ecker.

21                   Next we have questions from  
22 Representative Krueger.

23                   REPRESENTATIVE KRUEGER: Thank you,  
24 Mr. Chairman.

25                   And thank you, Madam Secretary, for

1     testifying before us today. I have a question for  
2     you because of an uptick in calls and e-mails to my  
3     legislative office from the folks who I serve.

4             Since mid-March of this year, we've  
5     gotten dozens of calls and e-mails from folks who  
6     are eligible claimants, who reached out after their  
7     payments stopped because their benefit-ending year  
8     date, otherwise known as the BYE date has passed.  
9     In spite of them following instructions on the UC  
10    website which says that they do not need to reapply  
11    for benefits, my understanding is, the federal  
12    package extended them until later this year.

13            The issue has only been resolved after  
14    my staff had reached out to your staff via the  
15    legislative system, which has resulted in claimants  
16    waiting weeks to receive these payments, which we  
17    believe should never have stopped.

18            So, can you tell us what steps are being  
19    taken to resolve this issue, and how are you going  
20    to address it during the transition to the Ben Mod  
21    system? Again, we've seen an increase in these  
22    calls. It seems like it's an issue that's really  
23    becoming more acute.

24            Thank you, Madam Secretary.

25            ACTING SECRETARY BERRIER: Phil, I'll

1 defer to you. I think this is just another good  
2 reason why it's really important for us to  
3 transition off the Mainframe, which is difficult to  
4 make these changes to. I'll let you address this  
5 question.

6 DEPUTY SECRETARY TRUSKY: You're exactly  
7 right, Madam Secretary. Changes like this,  
8 Representative Kruger, will be a lot easier in the  
9 new system.

10 You know, unfortunately, like  
11 unemployment, there's no -- with most unemployment  
12 there's no one answer. We'd have to look at each  
13 individual claim to see the reason why the claim  
14 was stopped and they're not getting paid.

15 People have struggled with the benefit  
16 year-end date. I will acknowledge that. However,  
17 it's generally a case-by-case basis as I have seen  
18 from people asking me for help on these types of  
19 claims.

20 REPRESENTATIVE KRUEGER: So we're just a  
21 few weeks away from the new system. How will this  
22 be handled in the new system, and will these folks  
23 get caught in red tape again?

24 DEPUTY SECRETARY TRUSKY: They shouldn't  
25 because -- The anticipation is for them not to get

1 caught in any red tape. Again, they'll be able, as  
2 testing has gone, it's been positive as folks  
3 transitioning to different programs and/or  
4 different claims. However, if we do have issues,  
5 we have a team ready to address those quickly as  
6 possible.

7 REPRESENTATIVE KRUEGER: And what is the  
8 mechanism to flag them?

9 DEPUTY SECRETARY TRUSKY: Like anything,  
10 we'd have to -- I mean, we have, again, a  
11 trouble-shooting team that's going to be at L&I  
12 once we do go live. Like anything else, if you  
13 have constituents that have issues, please go  
14 through the legislative process.

15 As I understand it in talking to our  
16 ledge director last week, we were turning around  
17 ledge claims in about a day to two days right now.

18 REPRESENTATIVE KRUEGER: Okay. And  
19 again, it's taking weeks for them to get paid once  
20 we flag the claims. So even if you're looking at  
21 it, these are folks who spend down their savings.  
22 They're eligible claimants. They've been paying  
23 into the system, and I hope the new system fixes  
24 this.

25 Thank you, Madam Secretary.

1           DEPUTY SECRETARY TRUSKY: Representative  
2 Krueger, in the new system, those claims should be  
3 paid a lot quicker.

4           REPRESENTATIVE KRUEGER: Thank you.

5           DEPUTY SECRETARY TRUSKY: You're  
6 welcome.

7           MAJORITY CHAIRMAN COX: I'm going to ask  
8 that the members of the audience please remain  
9 quiet.

10           We're going to continue with our  
11 questions now. Representative Gleim.

12           REPRESENTATIVE GLEIM: Thank you, Madam  
13 Secretary, and Chairman also.

14           I have a real quick question. Are the  
15 CareerLink centers across the -- across  
16 Pennsylvania open for business, including in-person  
17 services?

18           ACTING SECRETARY BERRIER: Thank you,  
19 Representative. I'll let Deputy Secretary Ireland  
20 address that question.

21           DEPUTY SECRETARY IRELAND: Pennsylvania  
22 is one of the first states in the nation to open  
23 the CareerLink centers of the 62 that we have.  
24 Thirty are open for appointment only. Twenty-two  
25 are currently open for walk-in, and the rest are

1 providing virtual services.

2 REPRESENTATIVE GLEIM: Okay, thank you.

3 I had several constituents that have  
4 come into my office, in particular, whether they  
5 have the benefit year-end date issue or whether the  
6 Department made a mistake in an overpayment and  
7 they want payment back. And they had originally  
8 gone to CareerLink, and the CareerLink is sending  
9 them to me.

10 I guess, you know, having our offices  
11 then contact you instead of something direct right  
12 from CareerLink to you. And so, I was just  
13 wondering, is there some type of a system you guys  
14 are going to set up through the CareerLink with  
15 people coming in with unemployment comp issues?

16 DEPUTY SECRETARY IRELAND: I think  
17 that's an answer for --

18 ACTING SECRETARY BERRIER: Yeah.

19 DEPUTY SECRETARY IRELAND: -- Jen or  
20 Bill.

21 ACTING SECRETARY BERRIER: Thank you,  
22 Representative. You know, that actually should not  
23 be happening. Nobody should be referring UC  
24 questions to your office. So, I'm sorry and my  
25 apologies that that is happening. We've told

1 individuals how they need to reach out to us if  
2 they have UC questions.

3           Unfortunately, the CareerLinks aren't  
4 all Labor and Industry staff. There's also other  
5 staff working the CareerLinks that are not our  
6 folks. So, my apologies. But, I'll defer to Bill  
7 on what we plan to do as far as our interaction  
8 with the CareerLinks and UC.

9           DEPUTY SECRETARY TRUSKY: Thank you,  
10 Madam Secretary.

11           Again, apologies, Representative.  
12 Nobody -- As Jen said, nobody should be referring  
13 claimants to your office. But I will make sure  
14 that's addressed with our workforce partners.

15           As far as, when you go into a CareerLink  
16 after we go live, we will have a system in place  
17 similar to what our folks are now doing on the  
18 phone. We brought in -- We'll -- As next week we  
19 should have 500 people on our phones. And the  
20 CareerLink staff that will normally answer  
21 unemployment questions will have access to that  
22 system, and then our staff will follow up.

23           REPRESENTATIVE GLEIM: Okay. Thank you  
24 very much.

25           DEPUTY SECRETARY TRUSKY: You're

1 welcome.

2 MAJORITY CHAIRMAN COX: Thank you.

3 Next we have questions from  
4 Representative Innamorato.

5 REPRESENTATIVE INNAMORATO: Thank you,  
6 Mr. Chairman.

7 And first, thank you, Secretary, for  
8 being here and for having a nuanced perspective on  
9 what's going on with the job numbers.

10 My line of questioning is going to be  
11 similar to what I asked the last time the Labor and  
12 Industry Committee was in front of you, which is  
13 about the pending nonmonetary determinations.

14 So I'm looking at addendum 2 in your  
15 testimony, and I'm seeing that if I add up the  
16 pending nonmonetary determinations for UC and PUA,  
17 we have about 315,000 that are waiting, and this  
18 has gone up every time that you have been in front  
19 of the Committee.

20 So, I'm hoping that you could give me  
21 some more context on who these individuals are. I  
22 know some of them personally. Some of them are  
23 here in the room today with us. But I'm hoping you  
24 can give us a perspective on who these hundreds of  
25 thousands of Pennsylvanians are who are waiting for

1 benefits, and what's the plan to get through this  
2 backlog and make sure that we aren't adding more  
3 people to this number as we roll out a new system.

4 ACTING SECRETARY BERRIER: No. Thank  
5 you, Representative. I, unfortunately, cannot see  
6 who's in the room. I thank the UC claimants who  
7 are attending today.

8 You know, the nonmonetary adjudications,  
9 it's not a one size fits all, or there's not one  
10 set of people that fall into that category. You  
11 could have an issue pop up after months and months  
12 of collecting, such as a refusal of suitable work  
13 or something along those lines. So there's many  
14 issues that could be created that would -- would  
15 cause -- that would flag a claim to be pending some  
16 sort of adjudication of an issue.

17 So, you know, we are actually -- we are  
18 actually producing really good numbers and issuing  
19 adjudications. Unfortunately, just with the size  
20 and the volume of unemployment claims that the  
21 Department is seeing, you know, we are continuing  
22 to get more adjudications.

23 You know, we are very hopeful. We've  
24 brought additional resources on board. We continue  
25 to post for positions that fill -- fill for those

1 jobs as well. I know that with the new system  
2 there will efficiencies created with completing  
3 these adjudications. So, hopefully, our staff will  
4 be able to complete them more quickly and  
5 efficiently.

6 We will continue to hire, continue to  
7 work individuals out of class. You know, right now  
8 we are working as quickly and hard as we can to get  
9 that number down, and we see -- You know, just when  
10 it ticks down, it ticks back up again. Like I  
11 said, these issues can be flagged for any reason  
12 during the life of an unemployment claim.

13 Bill, is there anything additionally  
14 you'd like to add?

15 DEPUTY SECRETARY TRUSKY: The only thing  
16 I'd like to add is, comparing to PUA -- PUA to UC,  
17 completely different animals, different reasons  
18 that folks are needing their claim to be  
19 adjudicated.

20 Right now we're seeing just over 18  
21 percent of our claims in PUA be real claims.  
22 Unfortunately, that's causing a backlog, and our  
23 folks are having to focus on a large number of  
24 fraudulent claims which are getting in the way of  
25 helping people who truly deserve benefits.

1 MAJORITY CHAIRMAN COX: Our next line of  
2 questioning will come from Representative Nelson.

3 REPRESENTATIVE NELSON: Thank you, Mr.  
4 Chairman.

5 It's great that Ben Mod is going to be  
6 coming on. Madam Secretary, I know we've had a  
7 number of hearings. And it's also, you know,  
8 appreciated that the work search requirements are  
9 coming online. I think you said about July 18th.  
10 Much preferred to be sooner than that.

11 But, the individuals in the system now,  
12 I know one of the great things about the Capitol  
13 being open is that, citizens are allowed to come  
14 and attend the hearing. Our office still has -- We  
15 have been seeing individuals processed through, but  
16 that backlog is still enormous, and individuals  
17 have still been waiting months and months to be  
18 able to receive those dollars.

19 What we see at our level when we can  
20 look into the system, sometimes it's just an  
21 inaccurate data connection. There's a glitch in  
22 the information.

23 Under the Ben Mod, will individuals be  
24 able to make adjustments to clarify some of those?  
25 I mean, a lot of times it's clerical issues. Can

1 you touch on how the new system can help? Because  
2 I know we've requested in the past legislative  
3 offices have that role. How will Ben Mod allow  
4 people to help themselves?

5 ACTING SECRETARY BERRIER: No. Thank  
6 you, Representative. And you're right. The  
7 current Legacy Mainframe system does not allow you  
8 to make adjustments or make updates to your  
9 personal information or information that you've  
10 provided. It's very clunky.

11 This new system, the GUS system, will  
12 allow you to update your personal information in  
13 real time. It's a much more user-friendly system,  
14 more intuitive. It's just going to be all around a  
15 better process, a better customer service  
16 experience for the UC claimant.

17 REPRESENTATIVE NELSON: So if we go back  
18 a couple of months, I think the target was 500 new  
19 claims processors to help all of those tens of  
20 thousands of people that are waiting to get  
21 through. How has -- How many of those hires --

22 In your testimony you had mentioned a  
23 number of new people, but it sounded like those  
24 were, like, career transition folks. The claims  
25 processors, how many of those have we been able to

1 bring on?

2 ACTING SECRETARY BERRIER: Bill, I'm  
3 going to let you talk about the numbers.

4 DEPUTY SECRETARY TRUSKY: Representative  
5 Nelson, the 500 relates to the customer service  
6 transformation that we were doing. That's folks on  
7 the phone. What they're doing is taking messages;  
8 essentially, putting it into a system similar to  
9 the one that's being used in the legislative  
10 office, and then our folks respond. We've been  
11 doing this for a couple weeks now. Every day we  
12 keep getting better and better, and we continue to  
13 clean out that cue daily from our folks, our  
14 contract folks that are currently on the phone.

15 You know, as far as our intake  
16 interviewers, we just had a class, I think of 68  
17 starting today. So, we have hundreds and hundreds  
18 of intake, triple I's, intermittent intake  
19 interviewers, who have come on board since last  
20 March. So, as the Secretary has said, we continue  
21 to staff up. We have 80-plus examiners that we  
22 brought on board the last couple months.

23 So, yeah, the 500 that we mentioned and  
24 we announced a couple hearings ago, by next week we  
25 should have a couple -- 500 folks on the phone at

1 one time. So, our folks have responded quite well,  
2 as they have the last 15 months, and I'd be remiss  
3 if I didn't thank all of our folks in unemployment  
4 who have gone above and beyond. So, I appreciate  
5 all the work the staff has done, and I'd put us up  
6 against any state in the country as far as what  
7 we've processed. So, thank you.

8 REPRESENTATIVE NELSON: Yeah, I know --  
9 Also, Representative Gleim had mentioned  
10 about that unemployment number -- or her office  
11 number as the call. I know in the Greensburg  
12 unemployment office, on the inside of the door it  
13 was taped, call Representative Nelson's office, and  
14 my number was listed; not necessarily somebody  
15 within the Department itself.

16 I haven't checked this last month, so  
17 maybe with people coming back on and in. But that  
18 office was not only closed, but they were referring  
19 any citizen that came to Greensburg to our office.

20 DEPUTY SECRETARY TRUSKY: We'll make  
21 sure our staff has a talk with the workforce folks.  
22 And I believe Miss Amann is testifying after us,  
23 and she can help with that as well. So, thank you.

24 REPRESENTATIVE NELSON: Thanks. The  
25 Chairman said he would break my other hand if I

1 keep on with questions. So, thank you very much.

2 Thank you, Mr. Chairman.

3 MAJORITY CHAIRMAN COX: I did not say  
4 that directly to you, Representative Nelson.

5 At this time we have questions from  
6 Representative O'Mara.

7 REPRESENTATIVE O'MARA: Thank you,  
8 Chairman.

9 And thank you to the Secretary and other  
10 folks from L&I for being here.

11 I first want to just echo the same  
12 sentiments of my colleagues, Representatives  
13 Krueger and Innamorato. I have constituents who  
14 have been waiting for an appeal decision since  
15 December of 2020, and we're heading into the  
16 summer, so we are very concerned about people  
17 getting lost in the system.

18 But I also want to talk a little bit and  
19 ask questions about women in the workforce in  
20 particular, because, I'm very concerned with the  
21 narrative that people are choosing to not go back  
22 to work when, in fact, I think there are a lot more  
23 hurdles, specifically that women are facing when  
24 deciding to go back to work.

25 According to the April Jobs Report, all

1 net job growth went to men, and women's employment  
2 continued to fall. The number of women employed or  
3 looking for work fell by 64,000 women. And we know  
4 that this is happening for a number of reasons,  
5 including hurdles with child care.

6 And one thing I think we should consider  
7 is how difficult it is to work from home and try to  
8 actually maintain working from home while also  
9 being a teacher for your children who are now at  
10 home, and managing all the other issues that you  
11 have to deal with.

12 We know that there has been an increase  
13 in unpaid hours. Women were working from home and  
14 often working longer than their mandatory work  
15 hours because they're committed to their job, but  
16 they're not being paid for that.

17 So my question is, do you -- what do you  
18 think is the primary hurdle facing women, and how  
19 can businesses who are struggling to find workers  
20 attract and re-employ the women absent from the  
21 labor workforce since February of 2020?

22 Thank you.

23 ACTING SECRETARY BERRIER: Thank you,  
24 Representative, for your question and for the  
25 information.

1           A lot of the information that we've been  
2 reading is that, approximately 3 million women  
3 nationally have left the workforce as a result of  
4 the COVID-19 pandemic. I think a lot of this  
5 speculation is that women are the caretakers for  
6 their family, whether they're taking care of  
7 children or elderly parents. You know, there are  
8 various reasons, and there are certainly some  
9 barriers to employment, you know, because of those  
10 reasons.

11           I know that -- Sheila, I would like for  
12 you to weigh in because I know that you have an  
13 interesting perspective on this as well.

14           DEPUTY SECRETARY IRELAND: Yeah, it's  
15 one of my favorite topics.

16           When we look at the reasons for why  
17 women are not returning to the workforce as rapidly  
18 as we had anticipated as we come to the close of  
19 the pandemic, Representative, I think you put some  
20 very important points on the board in terms of  
21 child care and access to schooling, but there's  
22 also a persistent inequity.

23           I mean, there's no question that we had  
24 tried to close the pay gap for decades and it has  
25 not been there. And as people made considerations

1 about their return to work when women are still  
2 making some around, last time I checked, \$0.78 for  
3 every dollar that men make, they are more  
4 disincentivized to choose work that does not allow  
5 them the flexibility to be able to take care of  
6 their children, their household, or whatever it is  
7 they're responsible for in their role as the  
8 primary caregiver.

9 I think you see this tendency to have  
10 the rebound and male-dominated occupations, and  
11 also the sort of work that women find themselves  
12 in, particularly women of color. Frontline service  
13 directed occupations whose wages are somewhere  
14 between 50 and 75 percent of the national average  
15 does not incentivize people to return to work.

16 So, are there things we can do? Oh,  
17 absolutely, right? Absolutely there are ways we  
18 should be thinking around what the minimum wage  
19 looks like; how we are supporting women in the  
20 workplace specifically; what are the development  
21 and professional development opportunities so that  
22 we can expand? How are we retraining, re-educating  
23 folks for the workforce of the future? And then  
24 particular, are we paying attention to how we are  
25 leaving women behind in occupations that require

1 technology, machine learning, AI, as the basis of  
2 their occupation. There's a lot of work we have to  
3 do, no question about it.

4 REPRESENTATIVE O'MARA: Thank you. And I agree. I  
5 have a bill to bring equal pay to Pennsylvania  
6 waiting, and I believe this Committee. So, thank  
7 you for mentioning that.

8 And thank you for the time, Mr.  
9 Chairman.

10 MAJORITY CHAIRMAN COX: Next we have  
11 Representative Davanzo.

12 And I would like to remind Committee  
13 members, we're gonna try to wrap up this segment  
14 within the next 10 or so minutes, so... But there  
15 is still a few people left to ask questions, we can  
16 narrowly focus and limit the narrative on the front  
17 end, perhaps.

18 REPRESENTATIVE DAVANZO: I'll be as  
19 quick as I can. Thank you, Mr. Chairman.

20 As we speak here this morning, I keep  
21 hearing the fact of minimum wage, minimum wage.  
22 But I just want to be certain. Minimum wage didn't  
23 create this dilemma we're in. Unilateral decisions  
24 by our Governor not coming to us and working with  
25 us is what started this. And everyone here holding

1 these signs up, we're on your side. We're trying  
2 to get you guys that money. But --

3 (Disturbance in the hearing room).

4 REPRESENTATIVE DAVANZO: I don't  
5 disagree, as we talk here, we should all have a job  
6 of our choice, okay? I'm not saying that we  
7 shouldn't. But I'm also -- When I graduated high  
8 school, I had a job at 5.25 an hour. I didn't like  
9 that job. I kept moving up as time went on here.

10 The idea of collecting unemployment till  
11 that dream job comes along, to me is absurd. I  
12 don't know how we do it from here.

13 So, one of the questions that I have is,  
14 we spoke about an incentive to get workers back to  
15 work, and we have said we couldn't do it because  
16 there were lower paid employees who would feel left  
17 out on it.

18 But couldn't we make them a hazard pay?  
19 Couldn't we do something like we did early on for  
20 these people that have worked all the way through  
21 this pandemic? Is there a way we could do an even-  
22 playing field to get people back to work, and the  
23 people who have been working, you know, let's do  
24 something for them as well.

25 (Applause).

1 MAJORITY CHAIRMAN COX: Next we have  
2 Representative Pisciotano.

3 REPRESENTATIVE PISCIOTTANO: Thank you,  
4 Mr. Chairman. I have a question for Mr. Trusky on  
5 the phone -- Trusky on the phone, please.

6 In your previous testimony you mentioned  
7 that 82 percent of PUA is considered fraud right  
8 now. That's what you guys are tracking towards; is  
9 that correct?

10 DEPUTY SECRETARY TRUSKY: Yes, sir.

11 REPRESENTATIVE PISCIOTTANO: Okay. So  
12 even with 18 percent as valid claims, that's still  
13 about 688 people per legislative house district  
14 across Pennsylvania that's waiting on PUA; is that  
15 right?

16 DEPUTY SECRETARY TRUSKY: I haven't done  
17 that math, sir.

18 REPRESENTATIVE PISCIOTTANO: Okay. But  
19 we're saying about 20 percent of all claimants for  
20 PUA are legitimate claimants that are still in the  
21 backlog, correct?

22 DEPUTY SECRETARY TRUSKY: No, not  
23 necessarily. I think we're comparing apples to  
24 oranges there. You know, I'd have to look at  
25 exactly the reason people are waiting to have their

1 PUA claims approved. I don't think all of those --

2 REPRESENTATIVE PISCIOTTANO: Just to  
3 clarify -- Sorry. I cut you off.

4 You stated that, historically, about 82  
5 percent of the PUA claims have been found or  
6 determined to be fraudulent; is that right?

7 DEPUTY SECRETARY TRUSKY: Yes, sir.

8 REPRESENTATIVE PISCIOTTANO: So that  
9 would lead us to believe that 18 percent are  
10 non-fraudulent and, roughly speaking, legitimate,  
11 right?

12 DEPUTY SECRETARY TRUSKY: Yes.

13 REPRESENTATIVE PISCIOTTANO: Okay.

14 Well, I did the quick math. That's 688  
15 people per legislative district across  
16 Pennsylvania.

17 So, my question for you, sir, is, after  
18 the Ben Mod implementation, does the Department  
19 have an idea on how long it's gonna take them to  
20 get through that backlog? That's 700 people in all  
21 203 legislative districts across the country -- or  
22 across the state. We need to have a plan on when  
23 that number is going to get to zero.

24 I know that we believe that Ben Mod will  
25 help us get there. But does the Department have a

1 rough idea on how long it's gonna take after the  
2 Ben Mod implementation to get that number to zero  
3 or close to zero?

4 DEPUTY SECRETARY TRUSKY:

5 Representative, just to be clear, the PUA system  
6 and the modernized system are two completely  
7 separate systems. PUA is a stand-alone system. I  
8 don't believe we plan to integrate that into the  
9 new system.

10 As new staff come on board, we continue  
11 to shift resources. We don't have a date certain  
12 on when we'll get through those determinations.  
13 But, we are constantly looking at how to shift  
14 resources to address the backlogs both in PUA and  
15 traditional unemployment.

16 REPRESENTATIVE PISCIOTTANO: Right.  
17 Just a quick follow-up, Mr. Chairman.

18 I understand that the Ben Mod isn't  
19 going to touch the PUA system because they're  
20 separate. But, in previous hearings we talked  
21 about how you need additional resources on the Ben  
22 Mod side of things that may slow down things on  
23 PUA.

24 So, if we're still talking about that  
25 700 per legislative district, I think the

1 Department should have a plan on how long it's  
2 going to take them to get through PUA, as well as  
3 how long it's gonna take to get through the backlog  
4 of UC. But because of the finite resources of the  
5 Department that are gonna be eaten up by Ben Mod  
6 implementation, there should be a roadmap for PUA  
7 as well, given the large number of claims we have  
8 across Pennsylvania that aren't necessarily going  
9 down at this point.

10 So, I'd encourage --

11 (Applause).

12 REPRESENTATIVE PISCIOTTANO: I'd  
13 encourage the Department to please take a look at  
14 doing that, so that, at least we can let people  
15 know what the time horizons are for some of their  
16 backlog PUA and UC claims.

17 (Applause).

18 MAJORITY CHAIRMAN COX: Next we have a  
19 question from Representative Irvin.

20 REPRESENTATIVE IRVIN: Thank you, Mr.  
21 Chairman.

22 Thank you, Secretary Berrier, for your  
23 testimony today.

24 (Disturbance in the hearing room).

25 MAJORITY CHAIRMAN COX: I'm going to ask

1 the members of the audience --

2 (Disturbance in the hearing room).

3 MAJORITY CHAIRMAN COX: I'm going to ask  
4 security to help these individuals exit the room if  
5 they're not gonna be able to --

6 Representative Irvin, your question  
7 please.

8 REPRESENTATIVE IRVIN: Thank you.

9 Obviously, Secretary, there's some very  
10 passionate people here in the room. One of my  
11 questions --

12 (Disturbance in the hearing room).

13 MAJORITY CHAIRMAN COX: Representative  
14 Irvin, can you please hold off for a moment?

15 (Pause. Off the record).

16 MAJORITY CHAIRMAN COX: I would  
17 recommend that any individuals who feel like they  
18 have not been heard to contact, first, their  
19 Representative's office or their Senator's office,  
20 but, most importantly, the Governor's office where  
21 the agency who is in charge of this has been  
22 mishandling this on some level and been struggling  
23 with other things throughout the entire pandemic.

24 So, at this point, Representative Irvin,  
25 please ask your question. I apologize for the

1 delay there.

2 REPRESENTATIVE IRVIN: No problem. Real  
3 quick. I mean, I know our office, even compared to  
4 years in the past, we've had like five times the  
5 calls, and I'm sure that is the same as every  
6 Representative's office across the state right now.

7 But my question was, recently, the  
8 voters of Pennsylvania approved two constitutional  
9 amendments that would allow the legislature to  
10 actually limit the declaration of emergency by the  
11 Governor. And in your statement you had mentioned  
12 that the work search requirements right now are  
13 somewhat pendent, or are pendent on the Governor's  
14 state of emergency.

15 If the legislature would act to end that  
16 sooner than your July 18th time frame, how would  
17 that impact Labor and Industry and the unemployment  
18 compensation and the Ben Mod system?

19 ACTING SECRETARY BERRIER: You know, we  
20 are looking into that. We are evaluating that,  
21 Representative.

22 I think, you know, obviously, when we --  
23 when we turn on our new system, I mean, it's going  
24 to be all hands on deck to make sure that we're  
25 addressing any issues and making any optimizations

1 that come our way.

2 As far as being able to turn on work  
3 search and work registration right away, I don't  
4 know if we are able to even feasibly accomplish  
5 that. So, it might be impractical for us to even  
6 do that if that happens. But that's something we  
7 continue to look at.

8 REPRESENTATIVE IRVIN: My, sort of a  
9 follow-up question to that is, I'm not  
10 understanding. If this was not a pandemic year,  
11 and we were implementing Ben Mod, basically, we  
12 would be dealing with work search requirements as  
13 we implement the new system. So I don't really  
14 think that that's a very good excuse as far as why  
15 we couldn't turn the work search requirements on,  
16 you know, immediately.

17 Again, that's more of a statement. I  
18 don't need a response.

19 Then the last question, I know  
20 Representative Nelson sort of hit on it as well.  
21 And even at our last meeting, or hearing, one of  
22 the members had asked, you know, what percentage of  
23 your unemployment compensation workers are back  
24 working in a brick and mortar, you know, offices.

25 I think efficiently-wise, I mean, you're

1 looking at many of the people that were in here  
2 disrupting things today. I think, efficiently, you  
3 could work much better in the office than from  
4 home.

5 Did you, by chance, between now and the  
6 last meeting get a percentage off the top of your  
7 head, you know, of how many of our unemployment  
8 compensation state workers are actually back in the  
9 office brick and mortar?

10 DEPUTY SECRETARY TRUSKY: Secretary  
11 Berrier, I can answer. We have about 50 percent of  
12 our staff going into our call centers,  
13 Representative.

14 However, I will respectfully disagree  
15 that folks can't work as effectively and  
16 efficiently at home. We've seen it countless times  
17 with our folks that they are going above and  
18 beyond, and actually exceeding numbers that we had  
19 prior to working from home. So, thank you.

20 REPRESENTATIVE IRVIN: Thank you,  
21 Deputy. I appreciate that.

22 The last question then would be, do you  
23 have any plans with vaccinating, vaccinations being  
24 on the rise of bringing people back full time, or  
25 is this going to be a model that we are going to be

1 using moving forward?

2 ACTING SECRETARY BERRIER:

3 Representative, I know there are discussions that  
4 are being had with the Office of Administration and  
5 SEIU and AFSCME. Since a lot of our employees are  
6 covered by collective bargaining agreements, you  
7 know, there could potentially be the offer to do  
8 some form of tele-work, but those plans are still  
9 in the works.

10 REPRESENTATIVE IRVIN: Thank you.

11 Thank you, Mr. Chairman.

12 MAJORITY CHAIRMAN COX: Representative  
13 Cephas.

14 REPRESENTATIVE CEPHAS: Thank you,  
15 Chairman.

16 And thank you all for coming to testify  
17 today. I mean, as we all know, this has been an  
18 extremely difficult time. You're essentially  
19 building and flying a plane at the same time.  
20 Luckily, we are seeing some light at the end of the  
21 tunnel. So thank you for your work, but also  
22 taking in critical feedback on how to adjust your  
23 system to best support our residents.

24 I first want to thank those individuals  
25 in the audience for coming to Harrisburg to

1 represent residents across Pennsylvania, again,  
2 that are experiencing significant challenges that  
3 aren't receiving any benefits from any of the  
4 programs in your current system that they  
5 themselves have paid into for some time.

6 But I also want to thank our staff who,  
7 essentially, are our frontline -- becoming our  
8 frontline workers that are dealing with the crisis  
9 of so many families head-on back in our offices.

10 So I have questions centered around two  
11 particular topics. One issue that had -- that hit  
12 my office on social media, actually. There was a  
13 claimant who had not heard back from your office as  
14 to whether or not they were eligible for one  
15 program. They only heard back because my office  
16 had to step in for about several weeks, only to  
17 find out that they were not eligible for that  
18 program and, essentially, had to switch over and  
19 start the process all over again.

20 Additionally, when it comes to the  
21 system that the Department established, the  
22 interface system with our staff, the claimant's  
23 issue was reported as resolved; whereas,  
24 essentially, it was not.

25 Can you talk through how the new

1 transition into this new program would help to  
2 create a more seamless process in claimants getting  
3 accurate responses as to whether or not they're  
4 eligible and getting into the right program, and  
5 cutting down on the timeline that they themselves  
6 have to wait to hear back from your Department?

7 ACTING SECRETARY BERRIER: Thank you,  
8 Representative. And I appreciate, you know, you  
9 acknowledging that.

10 This Department has been through a lot  
11 this past year, and we've been essentially building  
12 a plane while flying it. As you know, we have been  
13 asked to stand up five federal programs in addition  
14 to the unemployment program during a time when we  
15 were just getting crushed. We had received over 6  
16 million unemployment claims across all programs,  
17 which is more than all the claims we received  
18 during the time of the Great Recession.

19 This is an unprecedented crisis, and  
20 we've really been trying to do the best that we  
21 can. Our goal is to pay everyone who is eligible  
22 for unemployment or PUA benefits, and we will not  
23 rest until that happens.

24 As far as -- You know, each -- It's hard  
25 for me to comment on specific claims because each

1 claim is so nuanced. So I can't -- I have to  
2 refrain from doing that.

3 But as far as -- As far as, you know,  
4 switching back and forth between programs, the one  
5 benefit that we have as far as moving to this new  
6 benefits modernization program, it's essentially  
7 the same platform as our PUA program. So, they can  
8 talk much easier than the PUA platform talking to  
9 our Mainframe.

10 Bill, I'll let you add on any additional  
11 details to that.

12 DEPUTY SECRETARY TRUSKY: Correct, Madam  
13 Secretary. The new system, Representative, will  
14 get folks on the right program. And, eventually,  
15 if they should have been on PUA versus traditional  
16 unemployment, it will do that as well. Not  
17 immediately. However, it will make sure and put  
18 people on the right federal program that they're  
19 supposed to be.

20 And we do appreciate your feedback. You  
21 know, we're not perfect. We have hundreds and  
22 hundreds of new staff that we have to train.  
23 Because of feedback, we're able to address pain  
24 points and different sorts of claims and issues  
25 that arise. So, we do appreciate your feedback.

1 Thank you.

2 REPRESENTATIVE CEPHAS: Thank you.

3 My next line of questioning is to, I'm  
4 simply piggy-backing off of one of my colleagues  
5 who talked about the impact that COVID-19 and  
6 unemployment has had on women, in particular.  
7 There was an article recently in The Inquirer  
8 entitled Pennsylvania Women Who Leave Jobs to Care  
9 For Kids Are Being Wrongfully Denied Unemployment.

10 Can you talk through how your system is  
11 going to do a better job at tracking individuals  
12 that are leaving the workforce due to child care,  
13 but then also ensuring that there are no hiccups in  
14 the system when individuals -- I mean, 'cause  
15 again, it's not just women. But individuals that  
16 are primary caregivers are going to be,  
17 essentially, taking care of with unemployment as we  
18 go through this new -- this new transition.

19 ACTING SECRETARY BERRIER:

20 Representative, you know, that again is a very  
21 nuanced issue, especially when you're talking about  
22 unemployment compensation versus the PUA program  
23 and the various reasons why child care may become  
24 an issue. You may be eligible under a certain set  
25 of circumstances, but ineligible under another set

1 of circumstances.

2 So, we will continue to drill down to  
3 make sure that we're issuing the right response to  
4 these issues as they -- as they arrive to us. I  
5 mean, again, these issues are very complex and they  
6 require fact-finding. We have to make sure that  
7 whatever determination we're making is in line with  
8 federal law and state law and our regulations.

9 We get audited by the federal  
10 government, and they double check to make sure that  
11 we're issuing the right decisions. And if we're  
12 not, we get dinged for it.

13 So, within the past few years, we have  
14 received very good marks from federal DOL on our  
15 determinations that we've made on similar complex  
16 issues, and we will continue to do the same and  
17 look into these issues very carefully to ensure  
18 that we're arriving at the right outcome.

19 Thank you.

20 REPRESENTATIVE CEPHAS: Thank you for  
21 that.

22 But again, I just wanna make sure we do  
23 note that this pandemic, especially when it comes  
24 to lack of child care availability, women have  
25 bared the brunt of this issue throughout the

1 pandemic, which has cost jobs, which has cost,  
2 essentially, the ability to pay bills, run a  
3 household. So it's extremely critical that we  
4 address these issues.

5 I do understand that we're gonna get a  
6 lot of federal dollars related to child care in  
7 Pennsylvania. But again, given all the challenges  
8 and potential concerns about COVID, it still is  
9 gonna be an issue for women across Pennsylvania.

10 I just want to ensure that we're  
11 creating a seamless process for individuals that  
12 are waiting for unemployment that have this added  
13 -- this added burden to their ability to go back to  
14 work.

15 Thank you.

16 MAJORITY CHAIRMAN COX: And before we  
17 move on to our next panel, Representative Mullery.

18 MINORITY CHAIRMAN MULLERY: Thank you,  
19 Mr. Chairman.

20 Thank you, Acting Secretary. I'm going  
21 to try to give these questions to you in rapid  
22 succession, and I would ask for your shortest  
23 answer as possible.

24 We have a bill coming up tomorrow, House  
25 Bill 508. Are you familiar with it?

1           ACTING SECRETARY BERRIER: Yes.

2           MINORITY CHAIRMAN MULLERY: Okay. Can  
3 you quantify how many total claimants would be  
4 impacted if that bill were enacted?

5           ACTING SECRETARY BERRIER: All of our UC  
6 claimants, because it would -- it's my  
7 understanding it would take away any of the federal  
8 programming. So, even the unemployment  
9 compensation individuals who receive the F-PUC  
10 money would be affected.

11          MINORITY CHAIRMAN MULLERY: So more than  
12 a million currently?

13          ACTING SECRETARY BERRIER: Yes.

14          MINORITY CHAIRMAN MULLERY: Am I correct  
15 in saying, if that bill were enacted, any claimant  
16 currently on the PEUC extension or PUA would have  
17 their benefits immediately reduced to zero?

18          ACTING SECRETARY BERRIER: Correct, and  
19 that would be probably approximately 750,000  
20 people, I believe.

21          MINORITY CHAIRMAN MULLERY: Has the  
22 Department done any analysis to determine what  
23 impact that would have on our economy?

24          ACTING SECRETARY BERRIER: Right now we  
25 are currently analyzing that bill. My

1 understanding it was introduced last Thursday. So  
2 we are currently looking at it to see what impact  
3 that would have.

4 MINORITY CHAIRMAN MULLERY: Thank you.  
5 I have no further questions. Just one last remark,  
6 and it's on the agenda, actually.

7 I don't like the cartoon. I'm going to  
8 bring it up now just because I don't like it. I  
9 think if you want that cartoon to be more realistic  
10 it should say that they're offering 7.25 an hour  
11 for a part-time job with no benefits, and  
12 experience necessary.

13 There's a time for humor. There are  
14 topics for humor, as we saw by the people that came  
15 in and out of this proceeding today. Now is not  
16 the time, and this certainly isn't the topic.

17 I would ask that -- While I appreciate  
18 the Bill Clinton reference the last time, and I  
19 understand there was a slight dig there because it  
20 was perceived that it came from a Democratic  
21 President of our past, but let's keep it  
22 professional here. I just want it known that I had  
23 nothing to do with the creation of this agenda, nor  
24 did any of my Democratic colleagues.

25 Thank you. And thank you, Madam

1 Secretary.

2 MAJORITY CHAIRMAN COX: As the Minority  
3 Chairman, I wouldn't expect people would have  
4 thought you would have anything to do with that.

5 One comment about House Bill 508. We're  
6 not talking about an immediate flipping of the  
7 switch here. There's notice that must be given.  
8 It's not an overnight flipping of the switch.  
9 Again, the thrust behind the bills that are running  
10 out of this Committee in recent days is to get  
11 Pennsylvanians back to work.

12 Secretary Berrier, I have nothing but  
13 good to say about the way you have handle things  
14 since you came into the position. Any remarks I  
15 might make regarding the handling during the  
16 pandemic are not directed at you individually. I  
17 sometimes wonder if things might have been handled  
18 differently and perhaps better had you been the  
19 Secretary during the pandemic.

20 But, I do want to thank you for your  
21 willingness to come before this Committee and offer  
22 your opinions, offer your expertise. We do value  
23 that. So I appreciate that. Likewise, Mr. Trusky,  
24 the expertise that you have offered, and Ms.  
25 Ireland, we thank you for that, and we appreciate

1 your testimony. I hope you do have a good day.

2 Thank you.

3 Next we're going to move on to our  
4 second panel. We have additional discussion. This  
5 is to focus on transition from unemployment back to  
6 work.

7 With us today we have the President and  
8 CEO of the PA Motor Truck Association, Rebecca  
9 Oyler. We also have the Executive Director of the  
10 PA Workforce Development Association, Carrie Amann.  
11 Am I saying your name correctly?

12 (No audible response).

13 MAJORITY CHAIRMAN COX: Fantastic.

14 I'd like to thank you both for being  
15 here. I'd like you both to stand and raise your  
16 right hand and be sworn in.

17 (Both testifiers were sworn en masse by  
18 Chairman Cox).

19 MAJORITY CHAIRMAN COX: Thank you.

20 We have asked each of these witnesses to  
21 begin with a 5-minute opening statement, and then  
22 the remainder will be open for questions from our  
23 Committee members. We will be coming up on the  
24 12 o'clock session start time fairly soon. So I'm  
25 going to start with Miss Oyler and get things

1 going. Thank you for being here.

2 MS. OYLER: Thank you, Chairman Cox.  
3 Good morning, Chairman Mullery. Thank you for  
4 having us here, and thanks to all the members of  
5 the Committee.

6 My name is Rebecca Oyler. I am  
7 President and CEO of the Pennsylvania Motor Truck  
8 Association. We represent industry comprised of  
9 over 37,000 trucking companies in the Commonwealth,  
10 the majority, of which, are small locally-owned  
11 businesses operating fewer than six trucks.

12 Our industry is critical to many others.  
13 Manufacturing, agriculture, food and fuel  
14 distribution, health care, waste removal, and  
15 essential consumer goods distribution depend on  
16 trucking. Just-in-time manufacturing and inventory  
17 rely on the predictable transport of goods to keep  
18 supply chains intact. So, without trucks, many  
19 segments of our economy would grind to a halt.

20 Trucking is essential to our everyday  
21 lives. But without drivers and other  
22 transportation and logistics workers, the industry  
23 cannot keep up with the demands placed on it. In  
24 fact, a driver shortage is already impacting the  
25 ability of our industry to keep up. The shortage

1 of truck drivers was a challenge to the industry  
2 even before the pandemic.

3 Last year the American Transportation  
4 Research Institute found that the driver shortage  
5 was number 1 on the list of critical industries --  
6 critical issues for the industry for the fourth  
7 year in a row. But, the pandemic made a bad  
8 situation even worse.

9 First, with an average age of 55, many  
10 truck drivers at high risk for COVID-19 stopped  
11 driving and took early retirement.

12 Second, restrictions slowed the training  
13 and testing of new drivers, and the situation was  
14 exacerbated by the closure of DMV offices, making  
15 it harder to get a license.

16 As freight demand has returned to  
17 pre-pandemic levels, the shortage of truck drivers  
18 has become critical. Recent news reports  
19 highlighted the lack of tanker truck drivers as  
20 part of the explanation for fuel shortages in  
21 certain areas after the Colonial Pipeline shutdown.

22 Typically, about 10 percent of tanker  
23 trucks sit idle due to lack of qualified drivers.  
24 But recently, during the pipeline shutdown, about  
25 20 to 25 percent of truckers -- tankers were

1 parked. These are trucks that, if they had a  
2 driver, could have been delivering fuel to maintain  
3 supplies.

4           Across the nation, the trucking industry  
5 needs an additional 60,900 drivers immediately,  
6 with the shortage only expected to grow. There are  
7 short- and long-term remedies to discuss. The  
8 long-term situation -- long-term solutions involve  
9 attracting young people to the transportation  
10 industry, and I thank you for the discussion about  
11 women today. We are also trying to attract women,  
12 more women to our industry. And addressing some  
13 specific policy challenges our industry faces, but  
14 these go way beyond the scope of this hearing, so  
15 I'm gonna focus on the short-term solutions to the  
16 crisis that we see.

17           First, trucking companies are competing  
18 directly with the government for workers, and  
19 ending this unfair market advantage is essential.  
20 While enhanced unemployment benefits were a  
21 lifeline and have been critical to helping many  
22 people weather the pandemic storm, they have, in  
23 part, become a barrier to getting the economy back  
24 on track.

25           One PMTA member recently relayed his

1 frustration to me, and I think this illustrates  
2 what many companies are facing. His small  
3 family-owned company operates heavy equipment,  
4 supporting construction, maintenance, and repair.  
5 His business is growing and his services are in  
6 high demand. As a result, he has eight open  
7 positions for CDL operators. One recent day he  
8 offered jobs to seven drivers, and each one  
9 declined the offer, specifically because they told  
10 him they were making almost as much on  
11 unemployment.

12 The jobs the company had offered them  
13 all paid more than \$20 an hour, provided flexible  
14 hours, offered health care and other benefits, and  
15 allowed employees to be home every day. The  
16 company, although successful, was unable to offer  
17 more and still balance the books. As a result of  
18 the lack of available drivers, it is forced to  
19 decline work and is unable to grow.

20 Some have suggested that the jobs being  
21 offered to workers moving beyond unemployment are  
22 poorly paying service sector jobs with no benefits.  
23 For the trucking industry, this could not be  
24 further from the truth. The average truck driver  
25 in central Pennsylvania makes over \$48,000 a year,

1 with many making much more; plus, benefits like  
2 health insurance, a retirement plan, and paid time  
3 off. Many are union jobs. The driver shortage has  
4 meant that companies are offering higher pay,  
5 generous signing bonuses, and other expanded  
6 benefit packages.

7           While it may seem counterintuitive that  
8 employment benefits could compete with such good  
9 well-paying jobs that don't require a college  
10 degree, a quick calculation reveals that these  
11 workers are only making rational choices. Assuming  
12 that a CDL driver is collecting a maximum benefit  
13 of \$572 a week, plus, the additional 300 per week  
14 federal unemployment supplement, this equates to  
15 over \$45,000 a year.

16           Considering that the average salary for  
17 truck drivers in our area is just over forty-eight,  
18 it's easy to see why a rational individual would  
19 choose to pass up a job in the industry while they  
20 continue to be eligible for supplemental  
21 unemployment.

22           There are steps they can take that would  
23 help industries like ours fill open positions by  
24 offering good family-sustaining wages and get many  
25 of our workers back on the job.

1           First, I would like to recognize  
2           Secretary Berrier's statement about reinstating  
3           the work search requirement, this will be very  
4           helpful, and we really appreciate this.  
5           Thirty-five other states have already taken this  
6           step, and we're happy that Pennsylvania will be the  
7           next.

8           Encouraging workers to seek out good  
9           paying jobs will help the economy grow and  
10          encourage workers to maintain their skills and  
11          advance their careers. Putting the work search  
12          requirement back into effect sooner rather than  
13          later would be best.

14          Pennsylvania should also consider  
15          discontinuing or phasing out the federal  
16          supplemental unemployment benefits currently  
17          offered like many states have already done. Doing  
18          so should encourage workers to get back on the job,  
19          spurring businesses and jump-starting our economy  
20          on the road to recovery.

21          Recognizing the constraints placed on  
22          the economic recovery of these programs, at least  
23          21 states have already decided to curtail federal  
24          supplemental unemployment, beginning with foregoing  
25          the extra \$300 a week on top of regular

1 unemployment benefits. Some states have also  
2 decided to stop participating in the PUA, which  
3 provides unemployment benefits to individuals  
4 typically not eligible, and to the PEUC which  
5 extends unemployment benefits once they have been  
6 exhausted.

7           Several states have also implemented  
8 back-to-work bonus, which we've discussed. Others  
9 have provided additional support for unemployed  
10 workers seeking to learn new skills. These are  
11 options Pennsylvania can consider.

12           Trucking is one of the most essential  
13 building blocks of Pennsylvania's economic  
14 recovery, but our industry is constrained by the  
15 limited number of workers who are willing to step  
16 up into many of the family-sustaining steady and  
17 rewarding careers trucking offers. Please consider  
18 revising Pennsylvania's unemployment provisions so  
19 that we can compete with each other to attract  
20 qualified workers and not with the government.

21           Thank you for your time. I'll be happy  
22 to answer questions.

23           MAJORITY CHAIRMAN COX: Next we're going  
24 to hear from Carrie Amann. At the conclusion of  
25 your testimony, I'll open it up to questions from

1 the members, and they can ask either of you on the  
2 panel. When you're ready, please begin.

3 MS. AMANN: Thank you. Good morning,  
4 everyone. Thank you, Chairman Cox, Chairman  
5 Mullery, and members of the House Labor and  
6 Industry Committee for giving me the opportunity to  
7 speak with you today.

8 I'm Carrie Amann. I'm Executive  
9 Director of the Pennsylvania Workforce Development  
10 Association. We are your go-to resource for  
11 everything in workforce development in  
12 Pennsylvania, and we represent local workforce  
13 development organizations and professionals in  
14 every county of the Commonwealth.  
15 Pennsylvania's workforce development system is and  
16 has been open for business throughout the pandemic.

17 Synergy, Inc., a powdered metal company  
18 in north central Pennsylvania, partners with its  
19 local PA CareerLink in Clearfield County. During  
20 the pandemic, Synergy remained open. It's 70  
21 employees working all shifts over seven days a week  
22 at the Jefferson County plant. Working with the PA  
23 CareerLink, Synergy was able to implement two paid  
24 work experience programs and one on-the-job  
25 training program. Supporting its increase, to hire

1 an additional 32 workers. While I don't claim to  
2 be a really good mathematician, I think that's  
3 about a 45 percent increase during the COVID-19  
4 pandemic that it was able to hire through the  
5 PA CareerLink system.

6 Working with PA CareerLink in Bucks  
7 County over southeast PA hired 65 employees and  
8 grew their average employee count nearly  
9 20 percent. Utilizing the incumbent worker  
10 training program--And that's our workforce  
11 development fancy term for existing workers--they  
12 were able to provide 14 workers with advanced  
13 state-approved registered apprenticeship training  
14 to advance their skill sets and knowledge, helping  
15 employees master their craft and receive a pay  
16 raise because of it.

17 Lamier Lindsay, a returning citizen and  
18 father of two girls, participated in the out-of-  
19 school youth program in Lehigh Valley. After  
20 completing his assessments and pre-training  
21 requirements, he was able to enroll in the  
22 Northampton County Community College's line working  
23 program that included a Class A commercial driver's  
24 license training.

25 Working with his career advisor in PA

1 CareerLink, Lamier was able to navigate the  
2 challenges of the pandemic shutdown's impact on the  
3 community college. He was able to actually  
4 purchase a vehicle, one of the transportation  
5 barriers that most job seekers, even existing  
6 workers often face. Ultimately, he graduated in  
7 November 2020 in the top of his class. And upon  
8 graduation, he was successfully hired through his  
9 local union hall working as a journeyman lineman  
10 earning 32.70 an hour.

11 PWDA members have a proven track record,  
12 and know what it takes to help Pennsylvanians get  
13 back to family-sustaining work. But I need to  
14 confess that we also often, little unknown to a lot  
15 of people is, we also have to serve the employers.  
16 We have to serve the employers and make sure that  
17 they have access to the skilled talent and  
18 resources that they need.

19 So, this work is not one-sided.  
20 Pennsylvania's local workforce system operates by  
21 being guided by local and private sector leaders,  
22 and we engage thousands of employers across the  
23 Commonwealth from critical industries to inform a  
24 regional and local services and investments. The  
25 job wanted signs, a shift in preference for types

1 of employment, the discussion around  
2 family-sustaining wages, and a concern for economic  
3 competitiveness may remain for much longer than the  
4 COVID-19 recovery.

5           The crux of this issue is that the  
6 pandemic has only exacerbated the labor decline and  
7 multiple issues we were experiencing before it  
8 happened. Our ability to rely on a workforce boom  
9 having more than enough bodies to fill job demand  
10 was disappearing well before March 2020. The  
11 urgent need for modernization of how employers  
12 recruit and retain employees, our education and  
13 training system unbundled and skill-up and engage  
14 adults, and how the workforce system re-employs  
15 were obvious before we knew what COVID-19 was.

16           I want to state a confusion and  
17 misconception about PA CareerLink. We are in the  
18 employment business. We are not the equivalent of  
19 the unemployment compensation call centers. And  
20 like you, we face a lot of the questions and  
21 concerns, and the phone calls and the knocking on  
22 the doors that your offices face. About 99 percent  
23 of our members reported that 99 percent of their  
24 calls during the pandemic experience they could not  
25 answer.

1 I do give kudos to the Department to  
2 stand up existing L&I workforce staff to provide  
3 this response, but those are staff that otherwise  
4 would be helping Pennsylvanians get back to work.

5 PA CareerLinks, again, are in the  
6 employment business. We need to support  
7 Pennsylvanians get back to work. We cannot fully  
8 job train ourselves into a recovery. We must  
9 deploy strategies that address the worker's ability  
10 to earn and learn, while providing support to  
11 eliminate practical barriers to obtain and keep a  
12 job.

13 Here at PWDA, we believe that a career  
14 pathway exists to every Pennsylvania employer, and  
15 the return to work is not one-sided. Your  
16 workforce system fits at this connection point  
17 between employers and its workforce.

18 Employers want skilled workers they can  
19 train; not just anybody to fill a job. So we must  
20 shift, and employers must shift and incorporate the  
21 skills-focus approach into its recruitment and  
22 retention strategies. We must invest and support  
23 life-long learning for incumbent workers, not just  
24 on the front or back end of our system.

25 We have to map out Pennsylvania's post-

1 secondary educational offerings. This is existing  
2 open data in one location. We have to allow  
3 individuals to clearly understand the skills they  
4 need with how to get them using Pennsylvania's  
5 skills for Pennsylvania jobs; invest in local  
6 workforce driven Business-Education Partnerships;  
7 strengthen and invest in industry partnerships to  
8 overcome common workforce issues.

9 We value strategies that support both  
10 the worker and the employer, and we have to tackle  
11 the disparity and inequality that is existing in  
12 certain subsector populations. We don't track that  
13 data in our workforce system, and we need to. This  
14 is not a one-size-fits-all approach.

15 Unemployment compensation is an  
16 eligibility-based benefit, made up of hard-working,  
17 construction, manufacturing, health care,  
18 hospitality workers and more. And workers value  
19 one good family-sustaining job over two or three.  
20 When employers engage and invest in developing  
21 their workforce, they get what they need.

22 And the pandemic has been hard, but the  
23 problem not being able to fill open jobs didn't  
24 start with the pandemic, and it won't end when it's  
25 over. We have a once-in-a-lifetime opportunity to

1 retool. If we work together, we'll build a  
2 stronger Pennsylvania.

3 Thank you.

4 MAJORITY CHAIRMAN COX: Thank you, Miss  
5 Amann.

6 Our first question comes from  
7 Representative Nelson.

8 REPRESENTATIVE NELSON: Thank you, Mr.  
9 Chair.

10 Thank you for your testimony, each of  
11 you. I really like the saying, work is not  
12 one-sided, Ms. Amann.

13 But, Miss Oyler, this issue with CDL  
14 drivers, not just machinists, welders, CDL drivers  
15 themselves, business after business have banners  
16 up. When you touched on a person is able to make  
17 \$45,000 for not working as part of the  
18 supplemental, and then, let's say \$48,000 if they  
19 are driving, 48-to-54 range, what would happen if  
20 we are able to eliminate that 300-dollar bonus each  
21 week for not working, in your opinion?

22 MS. OYLER: There we go. Thank you.  
23 Thank you for that question.

24 My understanding is that the extra \$300  
25 a week equates to about 15,000 extra dollars per

1 year. So, if we're talking about a 45,000-dollar  
2 supplemental benefit that would bring the benefit  
3 down to about 30,000 a year, and that would make  
4 our trucking companies -- the vast majority of our  
5 trucking companies' jobs very competitive for those  
6 workers.

7 So, I do believe that that would  
8 definitely increase the number of employees who  
9 would be willing to apply for those jobs and would  
10 help reduce the need for CDL drivers.

11 Like you said, we all, driving around  
12 listening to the radio every day, you hear  
13 advertisements for CDL drivers. Companies are  
14 really desperate. I just this morning heard a  
15 school bus advertisement. School bus drivers are  
16 in great demand as well. That's a CDL license.  
17 Those drivers are in -- in amazing demand right  
18 now, and those jobs, I think, could be more easily  
19 filled should the salaries be able to compete  
20 better with the benefits for unemployment.

21 REPRESENTATIVE NELSON: From a policy  
22 perspective, your testimony mentioned a back-to-  
23 work bonus. I know employers are providing bonuses  
24 if we shifted the incentive not to work to an  
25 incentive to work. Do you think that that would

1 even more significantly accelerate a return for  
2 these drivers?

3 MS. OYLER: I don't know the answer to  
4 that. I hope so. I think, at this point my  
5 feeling is, we need to do everything we can to try  
6 to get people back on the job. I believe that  
7 offering a supplement, maybe that extra nudge that  
8 someone might need to, you know, put in their  
9 application and take the job.

10 We're at a crisis point, I think.  
11 Talking about any potential solution like that is  
12 something we should -- we should discuss, because  
13 we really do need to incentivize folks to put in  
14 their applications and take those jobs.

15 I know a few other states have  
16 implemented bonus back-to-work programs, and I  
17 don't know that we've seen the results of those yet  
18 because it's still a new process. But I think if  
19 that's -- if that's the extra incentive they might  
20 need to do it, we would support it, because it  
21 would be the jump-start that our economy needs to  
22 get people back to work and get our businesses  
23 moving again. REPRESENTATIVE NELSON: Ms.  
24 Amann, the role of the CareerLinks in the workforce  
25 development, a woman or a man would be able to

1 schedule and connect with a CDL class or a  
2 machinist class. Can you touch on how that link  
3 would occur.

4 MS. AMANN: Sure. In the PA CareerLink  
5 system, there is an eligible training list where  
6 individuals who are eligible to receive that  
7 training benefit can explore the local and demand  
8 occupations and trainings that are available to get  
9 them to that job at their CareerLink location. So  
10 they can go to the location. It's open to anyone.  
11 CareerLinks will serve customers whether they're on  
12 unemployment compensation or not.

13 REPRESENTATIVE NELSON: How about the  
14 cost for that, or incentives or offsets, or the  
15 cost of covering that?

16 MS. AMANN: The PA CareerLink, it's  
17 eligible that an individual is able to receive what  
18 we call an individual training account. So there  
19 is public available to support and address the cost  
20 of that training.

21 REPRESENTATIVE NELSON: Thank you.

22 Thank you, Mr. Chair.

23 MAJORITY CHAIRMAN COX: Thank you,  
24 Representative Nelson.

25 Next we have Representative Delloso.

1                   REPRESENTATIVE DELLOSO: Thank you,  
2 Mr. Chair. I have a couple questions.

3                   Miss Oyler, I was glad that you  
4 mentioned that the -- the critical driver situation  
5 existed for more than a decade, safe to say. When  
6 there was a requirement that you do a work search,  
7 there was still a critical driver shortage. So,  
8 offhand, I would say that the implementation of the  
9 work search isn't really going to change your  
10 situation.

11                   The example you use of a trucking  
12 company that's in the construction business and  
13 they offer \$20 per hour and seven people show up  
14 and no one takes the job, well, that leads me to  
15 believe that \$20 an hour is not enough.

16                   If you have to, as you say, compete with  
17 the government, then the free market should work  
18 its way out and, obviously, the wages should bear  
19 fruit and ultimately employ the drivers. Or, maybe  
20 this business isn't a viable business and doesn't  
21 necessarily have the wherewithal to stay in  
22 business. If the only way you can survive in  
23 business is by paying substandard wages, then  
24 you're not a viable business.

25                   I'd like to know how you feel the work

1 search is going to drive workers into substandard  
2 wage jobs?

3 MS. OYLER: Well, I'll start by saying  
4 that, I don't believe that a 20-dollar-hour -- a  
5 20-dollar-per-hour job, like I said, the majority  
6 -- the average CDL driver in central Pennsylvania  
7 makes over \$45,000 a year. I would not consider  
8 that a substandard-pay job, especially when you  
9 consider there are benefits, health care, and other  
10 benefits involved with that job. I just can't  
11 imagine that anyone would consider that substandard  
12 pay.

13 But, back to your question about the  
14 preexisting problem with recruiting drivers, and  
15 that absolutely is the case. And for the reasons I  
16 outlined in my testimony, the pandemic exacerbated  
17 it, made it worse to the point that it's now a  
18 crisis situation.

19 In my written testimony I talked about a  
20 local trucking company, actually a construction  
21 company I believe, if I remember, who holds a job  
22 fair every year. They usually have about two to  
23 300 people show up for their job fair. This year  
24 they had about 50 to 60 people show up. I think  
25 that is, in part, because of the suspension of the

1 job search requirements. Should the job search  
2 requirements be in place, I think that many more  
3 people may have shown up to that job fair, just as  
4 an example, and could have had the chance to learn  
5 about the well-paying jobs that offer benefits at  
6 that particular company.

7 I do think the work search requirement  
8 is -- the lack of the work search requirement right  
9 now is really limiting the folks that are willing  
10 to come out and hear about the good paying jobs  
11 that our industry offers.

12 REPRESENTATIVE DELLOSO: I would counter  
13 that with the lack of people coming out to put in  
14 applications is more an indication that the market  
15 itself is under priced, and that there's no good  
16 reason to take an under-value job when your  
17 unemployment benefit, which you pay into, which  
18 employers pay into and is well-deserved, is healthy  
19 enough to stem off taking an under-paid position of  
20 employment.

21 I won't go on. We're close to --  
22 Thank you, Mr. Chair.

23 MAJORITY CHAIRMAN COX: Representative  
24 Keefer.

25 REPRESENTATIVE KEEFER: Thank you,

1 Mr. Chairman.

2 First of all, I should say, I just want  
3 to put on the record that businesses should never  
4 have to compete with government. So that's a false  
5 narrative to start with.

6 But I will say, one of the conversations  
7 I had in my district was with a trucker who was  
8 self-employed. He's going through the PUA for a  
9 while. He says, you know what, I have a certain  
10 number of weeks so I'm not even going to reengage  
11 with the system until that's -- there's things I  
12 want to get done at home. And it's a cut in pay  
13 for him because he's self-employed and because he  
14 was, you know, they're in such high demand you can  
15 negotiate. But he was absolutely taking full --  
16 take the benefits, right? Full advantage of all  
17 the benefits that were there.

18 So, in addition, I think the training,  
19 you know, you're training these individuals, so  
20 that's an investment as well; that we're making an  
21 investment in these employees, right? So, you came  
22 to us without skills, we'll give you the skills,  
23 get you up to speed. \$45,000 to learn a skill and  
24 to get the experience, I agree with you, it's not a  
25 low wage.

1           How do we get more people to engage?  
2       Because this was an issue prior to COVID with  
3       drivers, school bus drivers, anybody with a CDL  
4       right now, and that's the base pay. That's the  
5       starting pay, too. So how do we get more people to  
6       engage? Are there things that we could do; going  
7       into the high schools or into more of the, you  
8       know, grade schools? What can we do to engage more  
9       people?

10           I've seen more women bus drivers in my  
11       particular area than I have ever seen before,  
12       because they were able to offer them a more  
13       flexible schedule around their children's schedule,  
14       which I think is great. But, this year they said  
15       they were gonna have a lot of retirements and,  
16       again, we don't have enough. How do we get more  
17       people to engage?

18           MS. AMANN: I think CDL training is  
19       actually one of the most largest trainings offered  
20       through the PA CareerLink system. And what we have  
21       learned is that, you need to build career pathways.  
22       So engaging youth and really raising the career  
23       awareness about opportunities in any field is  
24       important.

25           But I also need to shed some light at

1 the hiring processes for a CDL license. Most  
2 employers often require some type of work  
3 experience. So as a CDL, as a person that  
4 graduates from a CDL, they have to face these hours  
5 of work experience requirements that they often  
6 can't meet.

7 So I do think that career education  
8 happens with logistics and transportation companies  
9 across the Commonwealth for CDLs, but you also have  
10 to fix a two-sided approach. You have to look at  
11 how employers are hiring and see whether or not  
12 those work experience requirements that they have  
13 for entry-level CDL drivers makes most sense as  
14 well.

15 MS. OYLER: I'll answer that. Thank  
16 you, Representative Keefer, for mentioning reaching  
17 out to high schools. That is one thing some of our  
18 local chapters are working directly with high  
19 schools on CDL programs, taking -- One I know  
20 recently got a donation of a truck that could  
21 actually train high schoolers on their CDL license,  
22 which is amazing, and we hope to expand that  
23 because we really do need to reach out to younger  
24 folks.

25 Part of the problem is that, to drive a

1 truck with a CDL license across state lines, you  
2 have to be 21 years old. I know at the federal  
3 level we're working on getting that changed with  
4 more of an apprenticeship-type program. The  
5 problem is, kids get out of high school and they  
6 can't drive on an interstate route, so they end up  
7 going into another career path. By the time  
8 they're 21, they've -- they've -- they're not  
9 interested in trucking. We need to -- We need to  
10 figure out how to get them earlier. So that's  
11 another aspect of it.

12 But also women. You mentioned women.  
13 We definitely have, in our industry, focused on  
14 recruiting more women because, like you said, there  
15 are a lot of benefits to truck driving for women.  
16 Many of the jobs are very flexible with hours, and  
17 you can choose how often you drive and how long  
18 you're gone from home, which may work for a lot of  
19 women.

20 I know in the past decade or so, we've  
21 increased women in trucking about 68 percent, but  
22 still they're only about 10 percent of our  
23 workforce. So, we are working on that, and it is a  
24 great career option for women. So, thank you for  
25 that.

1 MAJORITY CHAIRMAN COX: Next we have  
2 Representative Mullery.

3 MINORITY CHAIRMAN MULLERY: Thank you,  
4 Mr. Chairman.

5 Miss Oyler, the one part of your  
6 testimony that bothered me was the -- there was a  
7 part where you mentioned one of your PMTA members  
8 offered the job to seven different truckers and  
9 they all refused.

10 My question is, none of those seven  
11 drivers have been eligible for unemployment  
12 benefits in the Commonwealth of Pennsylvania. So,  
13 do you know if that PMTA member relayed to the  
14 Department that those seven individuals refused the  
15 jobs so the Department could conduct an investigate  
16 and halt their benefits?

17 MS. OYLER: Thank you, Representative  
18 Mullery. I do not know whether he did or not.

19 I will say that I think, once the job  
20 search requirement is reinstated, those types of  
21 situations may be more easily able to be found when  
22 they happen, so I look forward to that.

23 MINORITY CHAIRMAN MULLERY: It also  
24 should be done immediately if these PMTA members  
25 just pick up the phone and contact the Department,

1 and said, I have these seven individuals in here.  
2 They specifically told me that they're declining  
3 this offer of suitable employment because they're  
4 making more money on unemployment, which would  
5 immediately disqualify them for benefits.

6 Finally, no question to the members.  
7 Just a follow-up on something I heard from a  
8 colleague. If you don't think that private  
9 industry has to compete with government, you're  
10 living under a rock. I mean, I have job fairs in  
11 my legislative district. For every two private  
12 industries that show up, whether they're sheet  
13 metal workers or IVW or the local health care  
14 system, there's at least one government agency  
15 there, whether it's the state police or DCNR or  
16 DEP.

17 And what may cause an employee looking  
18 for work to choose one of those over another has a  
19 lot to do with what is being placed on the table;  
20 whether it's pay, a benefit package, et cetera, and  
21 so on.

22 One of our testifiers here today worked  
23 over two decades with the state and is now in  
24 private industry. If you don't think that decision  
25 was made after deciding whether or not private

1 industry is as competitive if not more competitive  
2 than the government salary, benefit package, et  
3 cetera, they were obtaining, you're wrong.

4 So, there absolutely is a playing field,  
5 and both government and private industry are on it.

6 Thank you, Mr. Chairman.

7 MAJORITY CHAIRMAN COX: I do want to  
8 thank both of you for testifying, be willing to  
9 answer questions. Sometimes things are more  
10 intense than others. But, I feel like we're all  
11 looking to make Pennsylvania better. Sometimes, as  
12 you can see, there are different approaches and  
13 different pathways that people seek to get there.

14 My closing comment is simply this. What  
15 you're seeing come out of this Committee, again,  
16 it's focused on getting Pennsylvanians back to  
17 work. What that looks like will remain to be seen.  
18 We're gonna be working with the Governor. We've  
19 got a lot of regulations that we're reviewing to  
20 see what needs to remain suspended, if you will;  
21 what needs to be modified, et cetera. So, we  
22 appreciate again both of your testimony.

23 I find it interesting that  
24 Pennsylvania's April unemployment number is  
25 significantly higher than the national number.

1       Nationally, we are at 6.1. Pennsylvania is 7.4.

2                   And when I look through a list of --  
3       it's a simple Google search, you know, who has --  
4       basically, who pays the highest unemployment  
5       compensation, Pennsylvania is not at the top, but  
6       they're not at the bottom. So you've got to wonder  
7       how many of those other states that are offering  
8       the higher unemployment benefits with PUA, and so  
9       forth, on top of that, you've got to wonder what  
10      that looks like in comparison to them having a  
11      higher unemployment rate.

12                   So, I'm just kind of tossing that out  
13      there for food for thought. I'd appreciate any  
14      input you might have on that, any commentary.

15                   Miss Amann.

16                   MS. AMANN: I think, historically,  
17      Pennsylvania has always trended higher in its  
18      unemployment rate than the national rate. It has  
19      probably a lot more to do with the demographics of  
20      Pennsylvania of who's participating in the labor  
21      force and our aging population overall.

22                   I can't comment so much -- I haven't  
23      looked at the research or trends about the  
24      incorporation of unemployment compensation.

25                   I do just want to note that, like,

1 unemployment compensation is paid into as a  
2 benefit. These are working Pennsylvanians.  
3 They're not people that choose to lose their job.  
4 They lost their job. And I think if you've ever  
5 experienced a dislocation, layoff, it's very  
6 traumatic for a lot of people. And for them to  
7 have to retool and re-skill and re -- kind of  
8 redesign their way of work in order to compete in  
9 today's economy, they need to be able to have a  
10 stable source of income to be able to do that,  
11 simultaneously while gaining the right skills and  
12 work experience that they need.

13 MAJORITY CHAIRMAN COX: Okay.

14 I'm going to do a little digging on some  
15 other things before I ask additional questions.  
16 Perhaps, we'll send an e-mail to one or both of you  
17 for additional things.

18 We are a few minutes over here. We do  
19 need to get to the floor, though. They are  
20 beginning session again. Thank you, ladies, for  
21 testifying, and we appreciate you coming in today.  
22 Have a good day.

23 (Whereupon, the Committee hearing  
24 concluded).

25

## C E R T I F I C A T E

I, Karen J. Meister, Reporter, Notary Public, qualified in and for the County of York, Commonwealth of Pennsylvania, hereby certify that this video recording was recorded by me in stenotype, to the best of my ability, and subsequently reduced to computer printout under my supervision, and that this copy is a true and correct record of the same.

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Dated this 9th day of June, 2021.

*Karen J. Meister*

*Karen J. Meister – Reporter*

*Notary Public*

