



CONNECTICUT AFL-CIO

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Testimony before the Labor and Public Employees Committee

Thursday, March 9, 2006

Good afternoon Senator Prague, Representative Ryan and members of the Labor and Public employees committee. My name is Lori Pelletier and I am the Secretary-Treasurer of the Connecticut AFL-CIO. I am here on behalf of the 211,000 union men and women from all across this great state to testify on the following raised bills:

We support S.B. 462, An Act Concerning A Fair Share Health Care Surcharge. This bill requires all large companies with 2500 or more employees to spend a certain percentage of their payroll on providing health care benefits for their employees. If companies spend less than the required amount, they could either increase benefits for their employees or contribute the difference to Medicaid.

This concept is increasingly recognized as a fair and equitable "first step" in dealing with the ever growing health care crisis in this country. It's good policy. Without this legislation, workers, taxpayers, and other businesses are forced to pick up a \$113 billion tab for health care when large, profitable companies don't pay their fair share of health care costs for their workers. In simpler and more compassionate times, companies, especially profitable companies, felt some moral obligation to their workers to provide health coverage for families. It was a company's way of recognizing the valuable part workers play in the success and bottom line of those companies. Unfortunately, the greed and heartlessness permeating today's business climate are driving an ever increasing assault on wages and benefits of the middle class, making this legislation necessary.

It should be noted that businesses that do provide health care for their workers are forced to spend an estimated \$31 billion to cover worker's dependents not covered at their workplace.

If that's not enough reasons to support this bill, it's also very popular. In a recent national Zogby survey commissioned by WakeUp WalMart:

- 64% of all voters supported fair share health care legislation.
- 78% of Democrats
- 68% of Independents
- 68% of Moderate Republicans

I am also here to testify on **S.B. No. 560 AN ACT EXTENDING THE PREVAILING WAGE TO CERTAIN CONSTRUCTION PROJECTS RECEIVING PUBLIC FINANCIAL ASSISTANCE.** Currently, prevailing rate applies to public works projects starting at \$100,000 for remodeling and \$400,000 for new construction. Under this proposed bill, the thresholds are much higher.

We support the idea of prevailing rate for public works projects and for construction projects receiving public financial assistance. We do not however, want to establish two sets of thresholds. This bill S.B. 560, would not apply to any construction projects receiving public financial assistance of under \$1 million. The State of Connecticut already has the second highest thresholds in the country and this bill could possibly make them the highest. Our thresholds are already too high and many of our surrounding states have rates that kick in at one dollar.

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