



Connecticut **Business & Industry** Association

Testimony Of
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Judiciary Committee
Legislative Office Building
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My name is Kevin Hennessy. I am a staff attorney for the Connecticut Business and Industry Association (hereinafter "CBIA"). CBIA represents approximately 10,000 member companies in virtually every industry. They range from large, global corporations to small, family owned businesses. The vast majority of our member companies are small businesses that have fewer than 50 employees.

I am testifying in opposition to two bills:

- **SB 328** – *An Act Concerning Compensation of Jurors*
- **HB 5531** – *An Act Adopting the Revised Uniform Arbitration Act*

1) **SB 328** – *An Act Concerning Compensation of Jurors:*

Jury duty is a public obligation that all adult members of society are subject to be called to perform whether or not they are employed. Interestingly, Connecticut, unlike many other states, links jury duty pay to employment.

Currently, in Connecticut, employers are mandated to pay their employees performing jury duty their regular wages for the first five days of service. **SB 328** looks to extend the amount of regular wages an employer has to pay an employee who is performing jury service based on the number of employees the employer has.

However, there is not a nexus between the number of employees that an employer has and that employer's profitability. The proposed scale in **SB 328** only addresses companies from 20 or less employees to 100 or more employees. Depending on the industry, an employer with 101 employees may be considered a "small business." Under **SB 328**, that small business will be mandated to pay its employees full regular wages for the entire time their employees serve as jurors.

During that timeframe, the employer will likely have to hire a replacement or temporary employee to ensure that the company does not suffer a loss of production due to the employee's departure for jury duty.

Today, more than ever, as Connecticut and the United States face uncertain economic times, it is paramount that the legislature considers how each proposed bill will impact Connecticut's businesses. **SB 328** will unfairly penalize employers for a civic duty that all adult citizens are subject to. Please **reject SB 328**; it will place another burden on businesses during a time when we should be removing them.

2) **HB 5531** – *An Act Adopting the Revised Uniform Arbitration Act:*

Arbitration is a useful tool for businesses. It is a less formal, less confrontational, and often times a less expensive avenue to resolve issues than the judicial system. Unfortunately, **HB 5531** would transform arbitration and cause it to become as formal, confrontational and expensive as a traditional lawsuit.

HB 5531 would vest virtually the same powers in an arbitrator that judges have. However, judges are carefully screened and vetted by our legislative body; arbitrators are not.

Additionally, **HB 5531** would eliminate substantial rights of the parties. It permits a party very little recourse should damages be awarded pursuant this proposal. **HB 5531** is more restrictive and severe than our civil justice system because it restricts when and why a party may appeal an arbitrator's decision.

There are strong public policy reasons to encourage contractual arbitration as a dispute resolution mechanism. Unfortunately, **HB 5531** undermines this public policy by providing broad powers, with virtually unlimited discretion, to the arbitrators. The powers of arbitrators should be limited to those agreed upon by the parties. No single party should be able to unilaterally force arbitration nor should an arbitrator be able to summarily decide a claim without the full consent of all parties.

For the aforementioned reasons, CBIA encourages you **to reject HB 5531**.

Thank you for the opportunity to comment today. I would be happy to speak with you further about either matter.