



CONNECTICUT

**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
OPPOSING
HB-6187, AA MANDATING EMPLOYERS TO PROVIDE PAID SICK LEAVE TO
EMPLOYEES
BEFORE THE LABOR & PUBLIC EMPLOYEES COMMITTEE
FEBRUARY 24, 2009**

The National Federation of Independent Business (NFIB), Connecticut's and the nation's leading small-business advocacy association, respectfully submits the following comments opposing HB-6187, An Act Mandating Employers To Provide Paid Sick Leave To Employees:

NFIB certainly does not advocate employees coming to work if they are sick or otherwise unable to work. While most employers have some sort of leave policy, an equally large majority opposes a one-size-fits-all mandate from the legislature that supersedes private benefit plans. Most employers view a benefits package as a means to attract and retain good workers. Employers offer the benefits they can afford, with the hope that it cultivates a productive and satisfied workforce.

One-size-fits-all employment policies do not work well for small businesses that need flexible workplace policies to juggle the needs of their employees and running a business. Government mandates take away small employers' and workers' freedom to negotiate benefits packages that best meets their mutual needs.

Furthermore, the current proposal purposefully exempts businesses with fewer than 50 employees because there is an underlying and correct presumption that inflexible, one-size-fits-all leave requirements would seriously undermine the economic viability of small business.

Unfortunately, this arbitrary "exemption" of businesses with 49 employees or less does nothing to help the many Connecticut small businesses with 50 workers or more. According to the U.S. Census Bureau, in 2006 there were approximately 73,735 small businesses in Connecticut with 100 employees or less. If small businesses under 100 employees were mandated to provide paid sick leave, many would downsize, chose not to expand, or reduce the amount and flexibility of existing benefits. **(Please see attached survey responses).**

This mandate would also hurt conscientious workers, the very people whom this legislation is intended to benefit. It is coworkers who pick up the slack during instances of sick leave. More than 90 percent of businesses cope with employee absences by re-assigning work to other employees. According to a national small-business poll by the NFIB Research Foundation, the most frequent ways to compensate for an employee's absence are other employees covering (71%), the owner/owner's family covering (62%), and postponing the employee's work (21%).

Just as no employee is forced to accept a job he or she does not like, no employer should be forced to provide a benefit package they may or may not be able to afford. In a free market, employers should have the same rights as an employee to make such decisions. Particularly given the economic crisis we find ourselves in today, now would be the worst possible time to impose a new mandate that some small businesses, especially those with between 50 and 100 employees, may not be able to afford.

Small businesses—with good reason—are hesitant to outsource their benefit plans and human resource management to state government. And with the state's budget drowning in red ink, lawmakers would be wise to focus on fixing the problems currently on their plate before adding to the bureaucracy with a brand new set of mandates to enforce.

NFIB/Connecticut Paid Sick Leave Survey Responses

In March of 2008, NFIB/Connecticut asked a variety of small businesses to respond to the following question as part of a survey on the topic of paid sick leave:

“How would you, as a business owner, respond in the workplace if a law passed requiring you to provide 7 paid sick days to your employees?”

“Stop giving vacation days and fire the part-time people”

– metalworking company - Middletown – 52 employees

“We would eliminate personal time, vacation pay and our current 10 paid sick days and go to earned time off.”

– component remanufacturing company, Avon – 72 employees

“We would limit raises to every 18 to 24 months”

– beverage producer, Willimantic – 60 employees

“We would assess the total paid days off and may make adjustments.”

– manufacturing company, Durham – 177 employees

“I think it would just add to entitlement attitudes. I treat people fairly and reward people who treat me fairly. As a sole proprietor I take very little time off. I wonder, who will pay for my sick leave, family leave, personal time, vacation time? It is hard enough to keep good people as they are not easily replaceable. The good ones are treated like royalty.”

– eye care company, Waterbury

“We would not be happy. We already offer 5 paid sick days. We cannot afford to pay out anymore benefits than we do now”

– air conditioning & heating company, Meriden

“We’d have to follow the law. However, people tend to use sick days as personal days or extra vacation if they’re not sick.”

– professional services firm – Guilford

“The company would take back current benefits of 8 hours paid birthday and 8 hours extra days pay for Xmas and New Years.”

– grinding and machine company, Bridgeport

“We pay up to 4 weeks vacation. We pay 4 sick days. We pay 1 personal day. I believe 7 days of paid sick leave is a lot, there are only 5 business days in a week.”

– heating contractor, Uncasville

NFIB/Connecticut Paid Sick Leave Survey Responses
Page 2

“The vacation days would decrease. It should not be up to the government to tell me what benefits I should have to offer to my employees.”

– construction company, Burlington

“I would not pay vacation pay anymore and instead let them use their sick days as vacation.”

– construction contractor, Torrington

“I’d fire them.”

– metalworking company, North Branford

“We would rework our # of vacation days to seven less days being offered.”

– auto body shop, Windsor Locks

“Small businesses like ours cannot offer additional paid sick days above the 5 we currently offer. We found that it has been adequate for normal sick absences.”

- wholesale florist, Orange

“I am sick of the government trying to run my business and would seriously consider closing.”

– welding services company, North Windham

“Hire less part-time employees, hire less full-time as well. Hire very carefully.”

– garden center, East Haddam