



State of Connecticut

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PUBLIC SAFETY AND SECURITY COMMITTEE

Labor Committee Public Hearing

Raised Bill No. 63

An Act Mandating Employers Provide Sick Leave To Employees

February 25, 2010

Good afternoon Senators Prague, Gomes and Guglielmo, Representatives Ryan, O'Brien, and Noujaim and members of the Labor and Public Employees Committee. My name is Rosa C. Rebimbas and I own a small business owner with offices in Naugatuck and Middletown and I am the State Representative for the 70th District (Naugatuck). I am submitting my testimony in opposition to the legislative proposal to mandate employers to provide paid sick leave to their employees. I believe this legislation maybe well-meaning, but opposing this bill truly puts working families first.

The application of this bill is unfair and therefore the arguments in its favor fail a large employee population. This bill only applies to businesses and nonprofit organizations with 50 employees or more. Therefore, if employees working for an employer with less than 50 people who currently do not receive paid sick leave will not benefit from this bill at all. This is not a fair application of the law and places the value of one "sick" employee above another.

In addition, this mandate is required for both part time and full time employees. This causes a greater financial and administrative burden on the businesses and nonprofits.

This legislation will have grave negative affects. This legislation will deter businesses and nonprofits from hiring additional people so they will not reach 50 employees and be subjected to this law. Furthermore, this bill does not make any distinction between businesses and nonprofits that are functioning at a profit, a deficit or in bankruptcy proceedings. This bill will be a great financial strain for any business that is currently struggling or who has already responsibly cut back on expenses to save job positions within their company. This bill will make it impossible to attract new businesses to Connecticut and even more difficult to maintain the businesses we already have. We will be the only state in the United States of America to have this law. What message are we sending to our businesses that are already being enticed by other States? The answer is "Leave Connecticut."

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If we lose more businesses we will lose additional tax revenue and the unemployment rate will continue to rise. I do not have to remind you of how many businesses we have already lost in our state.

Again, Connecticut would be the only state in the United States to have this law. This is not an incentive for any business to move to Connecticut. I have been contacted by and have met with many businesses and manufacturers in my district of Naugatuck and other parts of Connecticut who have explained that if they had to change their policies to meet the requirements of this bill they have no other alternative but to consider relocating or letting employees go. This proposal places too great a burden on businesses in this state – particularly small businesses. We are talking about additional thousands of dollars and for many manufacturers millions of dollars.

With the current challenged economy on the local, state and federal levels, forcing businesses to incur more expenses will result in the closure of a number of those businesses. That means that instead of having a job without paid sick leave, residents may simply not have jobs at all.

Unless you are a business owner you have no idea of the high financial burden it is to run a business in the State of Connecticut. You have income taxes, you have real property taxes, you have personal property taxes, you have licensing fees, you have liability insurance expenses, you have medical insurance expenses, you have worker's compensation expenses, you have mortgage or rental expenses, you have operating expenses, snow removal expenses, you have surcharges, you have equipment and other contractual expenses, you have other state and federal mandatory deductions and you have the unforeseen expenses such as breakdown of equipment, etc. etc. etc. All of this on top of the loss of revenue that employers lose when employees are unable to report to work. You have no idea what it means to not make payroll or forsake your own paycheck in the best interest of your employees. I would love to take the time to tell you what other expenses I and other business owners have, but I know you don't have enough time for that at the moment. I welcome anyone to contact me after this hearing in your deliberation of this bill.

For all of these reasons, I respectfully submit my testimony in opposition to this proposed legislation and ask that you seriously consider the serious and infinite negative ramifications its passage will have on businesses in Connecticut, growing jobs in Connecticut and the gross injustice it will have on our efforts to recruit businesses to this state.