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Senate Bill 913, An Act Mandating Employers Provide Paid Sick Leave to Employees
Labor and Public Employees Committee
March 1, 2011

CCIA Position: Opposed

Connecticut Construction Industries Association, Inc. (CCIA) represents many sectors of the commercial construction industry in the state. Formed over 40 years ago, CCIA is an organization of associations, where those segments of the commercial construction industry work together to advance and promote their shared interests. CCIA is comprised of about 350 members, including contractors, subcontractors, suppliers and affiliated organizations representing many sectors of the construction industry. CCIA members have a long history of providing quality work for the public benefit.

CCIA is **opposed** to Senate Bill 913, An Act Mandating Employers Provide Paid Sick Leave to Employees, and respectfully requests that the committee not act on the bill.

Senate Bill 913 would require employers with fifty or more employees to provide forty hours of paid sick leave to their employees for employees to use not only for their own illness but for reasons not directly related to their health or well-being of others in the workplace.

While the purpose of the bill may be laudable – to provide paid sick leave to employees who find themselves in challenging circumstances and to encourage sick workers to stay home – the bill would impose substantial costs at a time when many businesses are struggling to survive or only beginning to recover from the severe recession.

A mandate on employers may cause employers to decide to cut pay or other benefits to offset the cost of sick leave. Adding to their cost of labor, a sick leave requirement will make it more difficult for companies to create new jobs and to grow, expand and compete in the marketplace, which would be an additional obstacle for businesses in this state in the current recovery period.

As the economy continues to lag and companies lay off workers, a paid sick leave requirement will make it more difficult for companies in Connecticut to compete. Construction companies have been particularly hard hit by the recession. While some businesses may be experiencing growth, the construction industry is caught in a depression. The industry continues to shrink and for some, it has been a very slow recovery. Many small business owners – the vast majority of construction companies – simply cannot afford to have workers out for substantial time on paid sick leave,



particularly during the busiest part of the construction season. The bill would add significant costs when employers are struggling to survive.

Senate Bill 913, if enacted, would present other practical challenges for businesses and might even create unintended consequences or invite abuse. For example, the bill would be difficult to administer and may require companies to add or train staff, something many cannot afford at this time. Some employees could misuse the paid sick leave benefit for reasons not specified in the bill and it would be difficult for employers to challenge or discipline them. Co-workers will have to cover duties and responsibilities for employees who misuse the new benefit.

A number of states have considered paid sick leave legislation but the bills have been defeated following similar arguments by businesses and employer groups. Connecticut would be the first state to pass a law mandating paid sick leave. Only two jurisdictions – the cities of Washington, D.C. and San Francisco – currently require paid sick leave. The fact that the bill is even under consideration, without regard to whether it passes, sends a message to business owners contemplating locating in Connecticut that the state is anti-business. In this economy, the state needs to adopt policies that attract businesses and create jobs. Additionally, it would run counter to the trend in other states and nationally, where governments are trying to cut regulations or mandates.

The bill should, at a minimum, provide an exemption for private sector employers who negotiate work hours as one of the terms of a collective bargaining agreement. Employers and labor union representatives should be allowed to negotiate a full package at the bargaining table as a subject of collective bargaining if they so choose. Many CCIA member companies negotiate and enter into collective bargaining agreements with trade unions. Those agreements deal with the terms and conditions of employment, and have provisions addressing hours of work, wages, pensions, health care and, in some cases, vacation, supplemental unemployment, legal services, holiday pay, apprenticeship training, and an annuity. Sick leave is a benefit traditionally subject to collective bargaining. The benefit should not be mandated by the state.

Please contact Matthew Hallisey, Director of Government Relations and Legislative Counsel for CCIA, at (860) 529-6855, if you have any questions or if you need additional information.