



Testimony Before the Labor Committee on SB 913

March 1, 2011

As Owner and President of the U.S.S. Chowder Pot Restaurants, two large seafood restaurants in the State of Connecticut, this new bill for Mandatory Paid Sick Leave will drastically hurt the bottom line of my restaurants.

- An estimate of the cost in just one of my restaurants will result in an additional \$60,000 of payroll costs, not including payroll taxes.
- Our restaurant business has been drastically impacted by this recession which we believe to be ongoing and I cannot see us increasing any of our menu prices. People are dining in fast food and less expensive restaurants. Our food and supply costs have increased 20-30% while our sales have declined 10-15%. We also expect energy and utility prices to drastically increase due to the oil crisis and other events going on around the world.
- There have also been increases in expenses such as minimum wage and the taxes associated with the minimum wage, the special assessment for unemployment, increases on liability and workers' comp insurance, maintenance and repair fuel surcharges from purveyors and major increases in town taxes.
- We do allow our employees to have necessary time off by allowing them to get others to work for them while they are out and vice versa.
- As far as monitoring a program to support this law, it would put a major burden on office staff which already is very busy monitoring costs.

The additional costs described above greatly reduce gross profits and I cannot pass on these costs. If this Bill # SB913 passes, I would be forced to close both restaurants resulting in a loss of approximately 240 full time and part time jobs to the State of Connecticut.

I strongly urge the legislature to vote NO on Bill # SB 913.

Thank you for your consideration.

Johnathan A. Smith, Owner and President
U.S.S. Chowder Pot IV of Hartford, U.S.S. Chowder Pot III of Branford

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