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CONNECTICUT

TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
BEFORE THE
LABOR & PUBLIC EMPLOYEES COMMITTEE
FEBRUARY 28, 2012

A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees. NFIB membership is scattered across the state and ranges from sophisticated high technology enterprises to "Main Street" small businesses to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:

Many of the proposals before you today would significantly impact small employers either in their personnel practices or in labor costs. As such, NFIB/Connecticut ***supports*** the following pieces of legislation, which would have a positive impact on small businesses in Connecticut:

- **SB 149** AAC The Denial Of Unemployment Compensation Benefits To Certain Drivers Who Are Unemployed As A Result Of A Drug Or Alcohol Test. This bill is a common sense measure that simply denies unemployment compensation benefits to certain individuals who lose their jobs due to their own fault and under certain circumstances. Small business owners applaud this type of much needed legislation.

- **SB 152** AAC One Day Equals One Absence. This bill would allows employers to count each day of an employee's absence without good cause or notice to the employer, count as a separate instance of absence for the purposes of eligibility for unemployment compensation benefits. Again, this is a common-sense employer-friendly matter and the bill ought to pass.

Unfortunately, despite the positive proposals above, several proposals before you today would have a negative impact on small businesses in Connecticut and therefore NFIB/Connecticut ***opposes*** the following bills:

- **HB 5199** AAC Discriminatory Hiring Practices And Unemployed Individuals. This ill-

conceived legislation seeks to include an individual's unemployed status to the protected classes along with race, gender, sexual orientation, disability, etc., under state civil rights law. NFIB/Connecticut is concerned this such legislation may have a chilling effect on hiring, just as unemployment rates are decreasing, subjecting employers to potential legal action that would be very difficult to defend against. Please be aware that this proposal would increase an employer's risk of liability and may very well stunt the confidence in hiring that several other state initiatives are trying to inspire.

- **HB 5240** AA Requiring Double Damages Be Awarded In Civil Actions To Collect Wages Or Benefits. This bill would make the award of double damages automatic in claims for unpaid wages where an employee prevails. As such, it removes discretion from courts to make factual determinations of when such damages is necessary and appropriate. NFIB/Connecticut opposes this legislation as it is unnecessary, overly broad and inflexible.

Finally, NFIB/Connecticut makes the following comments ***regarding*** **SB-258**, AAC An Increase In The Maximum Allowable Unemployment Compensation Trust Fund Balance:

It is NFIB's understanding that this bill would increase the target amount of money that must be retained in the Unemployment Compensation Trust Fund pursuant to federal directive for purposes of anticipating future benefit needs. As we understand it, this bill should not increase the amount of unemployment taxes for employers for several years. It must be noted that Connecticut's small businesses are already straining under high unemployment taxes and recent surcharges. In order to ease this burden on our state's job creators, NFIB/Connecticut recommends that changes need to be made to the eligibility and administration of the unemployment benefits system in order to maintain long-term solvency and to ensure the fiscal health of our state's employers.

Thank you for the opportunity to comment.