

CONNECTICUT  
*Restaurant*  
ASSOCIATION

Connecticut Restaurant Association Testimony  
Before the Labor and Public Employees Committee

March 8, 2012

SB 258 AAC An Increase in the Maximum Allowable Unemployment Compensation Trust Fund Balance

The Connecticut Restaurant Association represents over 600 restaurants and restaurant affiliated businesses across the state. The CRA is the voice of Connecticut's hospitality industry in advocacy, awareness and education. Restaurants in Connecticut employ over 145,000 people, are a driving force in the state's economy and generate tremendous tax revenue. We are affiliated with the National Restaurant Association and Connecticut's only not-for-profit representing the state's restaurant industry. We are committed to the advancement of the hospitality industry in Connecticut.

The restaurant industry operates on extremely thin profit margins, earning roughly 4 cents in profit for every \$1 in sales. The CRA, in almost all circumstances, opposes any proposals that increase labor or business costs. However, because of the pressures placed on the state unemployment trust fund due to the current economic situation, this is a necessary change to better furnish the fund in order to aid in withstanding any future economic recession. Provided SB 258 is implemented in a manner that is fair to all businesses, the CRA supports this proposal.