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Testimony of the Greater New Haven Chamber of Commerce to the Labor and Public Employees Committee

February 28, 2012

SB 151: AAC Additional Requirements for an Employer's Notice to Dispute Certain Care Deemed Reasonable for an Employee Under the Workers' Compensation Act. (Oppose)

HB 5199: AAC Discriminatory Hiring Practices and Unemployed Individuals (Oppose)

HB 5291: AA Increasing the Minimum Wage, Removing the Minimum Wage Tip Credit, and Increasing Penalties for Failure to pay the Minimum Wage (Oppose)

Sen. Prague, Rep. Zalaski, members of the Labor and Public Employees Committee, thank you for the opportunity to submit testimony today in Opposition to the above-referenced bills. My name is Louise DiCocco-Beauton, and I am Director of Governmental Affairs for the Greater New Haven Chamber of Commerce. The Greater New Haven Chamber of Commerce is a regional business organization with more than 2000 members from 15 cities and towns in the region.

SB 151 – This bill increases the number of routine examinations and treatments that must be covered under workers' compensation and creates more hurdles for employers to dispute them. This will significantly increase workers' compensation costs by restricting the ability of employers and insurers to manage workers' compensation cases. In addition, this proposal could have a significant fiscal and administrative impact on employers when disputing workers' compensation claims. It should be noted a similar proposal from last year **(SB 986)** was rejected due to its cost impact. The Chamber urges you to **oppose** this legislation.

HB 5199 – While this bill has the good intent to help those who are unemployed or underemployed gain jobs by adding the unemployed to the list of protected classes such as gender and sexual orientation under the state civil rights law, it doesn't require evidence of a connection between the hiring decisions of an employer and an individual's unemployed status. As a result, the Chamber is concerned this proposal could subject employers to potentially numerous claims and lawsuits by disgruntled job candidates. For example, an unemployed person who applies for a job but is not hired would be able to sue the hiring company for discrimination. This is simply not the time to create the potential for a new level of discrimination lawsuit while the economy is still in a

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fragile state and businesses are struggling to survive. The Chamber urges you to **oppose** this legislation.

HB 5291 – This bill proposes an increase in the state's minimum wage, from the current $8.25 an hour to $9 an hour on July 1, and to $9.75 an hour in July 2013. The $9 figure proposed to take effect July 1 would give Connecticut the second-highest minimum wage in the nation. This proposal will hurt small businesses and continue to fuel the perception that Connecticut is unfriendly to business. Connecticut became the first state law mandating that certain businesses with 50 or more workers provide paid sick leave. Given the current economic climate, the last thing small businesses need is government telling them they must pay higher wages. As you know, minimum wage workers generally fall into the service sector, for example: retail, fast food service, restaurant and other small businesses. The businesses that will be hardest hit are not big businesses or corporations, they are the small employers hardest hit by the economy and without excess funds. This is simply not the time to raise the minimum wage. Many of our small businesses have already planned for their budgets and increasing the minimum wage could result in them having significant shortfalls and forcing them to decrease their workforce. The Chamber urges you to **oppose** this legislation.

Thank you for your consideration.

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