



CONNECTICUT

**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
BY**

ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR

REGARDING

**SB-258, AAC AN INCREASE IN THE MAXIMUM ALLOWABLE UNEMPLOYMENT
COMPENSATION TRUST FUND BALANCE**

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:

It is NFIB's understanding that SB-258 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. The incremental approach to phase in the targeted balance increase contemplated in this legislation is a common sense approach.

It must be noted, however, 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 significant changes need to be made to the eligibility and administration of the state's unemployment benefits system in order to maintain long-term solvency and to ensure the fiscal health of our state's employers. This could include additional efforts to target waste and fraud in the system and also to tighten up the work-search requirements for those receiving benefits. NFIB/Connecticut would be happy to work with the Administration and members of the Labor Committee in such an endeavor.

Thank you for the opportunity to comment.