CBIA CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

Testimony of Eric W. Gjede
Assistant Counsel, CBIA
Before the Committee on Labor and Public Employees
Hartford, CT
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Testifying In Opposition to HB 6451 AA Improving The Timeliness And Efficiency Of The Labor Department's Unemployment Insurance Tax Operations

Good Afternoon Senator Osten, Representative Tercyak, and members of the Labor and Public Employees Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA) which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA opposes SB 866 because of the short, 15-day deadline it provides new business owners to notify the labor department that they have become subject to the unemployment compensation statutes. Failure to meet this deadline results in a fine of $100. It also imposes a $100 fine on any employer that submits a tax or wage report without a proper state unemployment compensation registration number.

While the business community supports the labor department's effort to become more efficient, imposing fines on new business owners that fail to comply with short timelines is not the way to best way to achieve it. CBIA suggests changing the proposed fifteen calendar days to thirty calendar days in order to provide more time for businesses to notify the labor department they have become subject to the unemployment compensation statutes.

We urge the committee to oppose HB 6451 as it is currently drafted.