



Waterbury Regional Chamber
driving business to business

March 10, 2014

STATEMENT OF LYNN WARD, PRESIDENT & CEO of the WATERBURY REGIONAL CHAMBER to the LABOR and PUBLIC EMPLOYEES COMMITTEE on H.B. 5314 (RAISED) AN CONCERNING PAYMENTS ON ADVANCES FROM THE FEDERAL UNEMPLOYMENT ACCOUNT

Senator Holder-Winfield, Representative Tercyak and members of Labor and Public Employees Committee, thank you for accepting my remarks into the record regarding House Bill 5314, An Act Concerning Payments On Advances From The Federal Unemployment Account. The Waterbury Regional Chamber, which serves 13 towns in the Greater Waterbury region and represents the collective interests of more than 1,000 members in matters of public policy and economic development, supports this bill.

The top priorities in the Waterbury Regional Chamber's 2014 Legislative Agenda are addressing the state's fiscal stability and job creation through reducing the cost of doing business in Connecticut. Connecticut may well be at the end of the longest sustained period of capital loss and job loss in the recent economic history. In directing an estimated \$60 million of the projected state budget surplus toward interest owed on funds borrowed to keep Connecticut's unemployment compensation system viable, HB 5314 is clearly in line with our agenda. Small businesses that makeup almost 90% of the Connecticut economy can direct the savings to job creation.

Unemployment compensation taxes represent a major cost for many Chamber members. The additional federal taxes that resulted from Connecticut's need to borrow to keep this fund solvent added yet another challenge to our members, who already operate in one of the highest business cost states in the nation. These small businesses have been forced to pay a corresponding tax that increases every year and special assessments each July. The debt to the federal government is not currently projected to be paid off until 2016, leaving businesses an additional two years of unemployment tax increases and special assessments.

Thank you for your consideration.

Sincerely,

Lynn Ward

President and CEO