THE CARLYLE JOHNSON MACHINE COMPANY, LLC

Labor and Public Employees Committee
Room 3800, Legislative Office Building
Hartford CT 06106

3/10/14

Subject: Testimony In favor of Proposed House Bill No. 5314 (COMM) AN ACT CONCERNING PAYMENTS ON ADVANCES FROM THE FEDERAL UNEMPLOYMENT ACCOUNT.

Dear members of the Labor and Public Employees Committee,

I am the President of The Carlyle Johnson Machine Company located in Bolton CT. The Carlyle Johnson Machine Company is a small business that designs and manufactures clutches and brakes for the medical, defense, aerospace and power generation markets. For more than 111 years, we have succeeded by being a leader in our field and continually developing new, innovative products and custom solutions to meet the ever-changing needs of our customers. Carlyle holds numerous patents and supplies products that may be found in a variety of applications. Our products include clutches that engage and disengage autopilots in leading commercial airplanes, brakes that hold camera angles in MRI and CAT scan machines and brakes that position antennas for our national defense. Unfortunately the decline in the economy and the reduction in the national defense budget in recent years have stressed our capacity to devote proper resources for optimizing our research and development efforts.

During these challenging economic times Connecticut businesses, like ours, were also asked to contribute more to the unemployment system in the form of biennial special assessments to pay the interest on the loans received by the State from the Federal government since 2009, when Connecticut's Unemployment Trust Fund became insolvent. With Connecticut projecting a budget surplus, there is no better opportunity than now for the State to reduce its overall debt burden and offer businesses a small measure of relief by passing HB 5314 and paying down the balance of the interest due on the federal loans.

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In order for our business to continue to succeed and grow in Connecticut, it is imperative that we be able to actively pursue research and development while meeting our operating costs. History has shown us that only by generating cutting edge clutch and break solutions can we assure manufacturing growth. Passing HB 5314 would allow Carlyle to redirect the monies it now pays toward the biennial assessments to endeavors that directly translate to strengthening our company for long term success. I therefore ask you to please support HB 5314 and lend assistance to the smaller businesses in the state of Connecticut, like The Carlyle Johnson Machine Company.

Thank you for your consideration,

Michael E. Gamache, President
The Carlyle Johnson Machine Company
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