



Connecticut Farm Bureau Association
775 Bloomfield Ave., Windsor, CT 06095-2322
(860) 768-1100 • Fax (860) 768-1108 • www.cfba.org

January 29, 2015

Testimony in support of:

House Bill No. 5210 AN ACT CONCERNING ELIGIBILITY FOR UNEMPLOYMENT BENEFITS AND SEASONAL AGRICULTURAL BUSINESSES.

And in opposition to:

House Bill No. 5124 AN ACT CONCERNING CONSECUTIVE WORKDAYS AND HOLIDAY PAY.

Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association *the following testimony is submitted on behalf of the Connecticut Farm Bureau, a statewide nonprofit membership organization of 5,000 families dedicated to farming and the future of Connecticut agriculture.*

Senator Winfield, Representative Tercyak and members of the Committee,

On behalf of the nearly 5,000 members of The Connecticut Farm Bureau I wish to express our support of House Bill 05210 AN ACT CONCERNING ELIGIBILITY FOR UNEMPLOYMENT BENEFITS AND SEASONAL AGRICULTURAL BUSINESSES and in opposition to House Bill 5124 AN ACT CONCERNING CONSECUTIVE WORKDAYS AND HOLIDAY PAY.

Connecticut agriculture contributes over 20,000 jobs to the state's economy according to a 2010 University of Connecticut study. Our farms and their workers, provide affordable fresh produce, dairy products, meats, seafood and eggs to Connecticut consumers. A report published in 2011 by Farm Credit East (the primary farm lending institution in New England) showed that CT currently has the third highest farm labor costs per \$100 of farm sales in the nation and has the highest in all of New England and the Northeast. Connecticut's farm labor cost of \$27 per \$100 of sales is three times the national average and more than double that of Vermont. This was before the recent increase in the CT minimum wage.

House Bill No. 5210 would address a serious issue that has plagued CT farmers for decades. The Unemployment Compensation Act of 1978 set the quarterly payroll threshold for requiring unemployment compensation tax at \$20,000. If a farm exceeds that amount of payroll in any given quarter they are subject to the tax thereafter. This threshold has never been adjusted and as a result of inflation more farms are subject to the tax than originally intended. (The minimum wage was \$2.66 per hour in 1978). House Bill 5210 would allow for the threshold to be adjusted for inflation thereby keeping with the original intent of the act. Furthermore HB 5210 would exempt farm employers from participation in the unemployment compensation system unless they exceed the base wage threshold for two consecutive quarters. Agriculture employment tends to be very seasonal and this provision would help smaller farmers avoid the additional expense and regulatory burden of required unemployment tax associated with these seasonal jobs. We urge the adoption of this important Bill to help keep our small farms competitive.

Connecticut Farm Bureau Association - *The Voice of Connecticut Agriculture*

House Bill No. 5124 has the potential to add significant costs to CT farmers by requiring employers to pay employees time-and-a-half when required to work more than 5 consecutive days in a seven day period or required to work on Sundays or federal holidays. Agricultural production workers are currently exempt from overtime provisions largely because the nature of most agricultural work is dictated by crop cycles and weather. Even if the agricultural production worker exemption were to continue, farmers often have other workers that are subject to overtime provisions. This is especially true when farms have retail farm stores or value added processing. These operations depend on customer activity that occurs mainly on weekends and holidays. This bill would add significant costs that would put our farmers at a competitive disadvantage to other farm destination businesses in neighboring states. We therefore urge the defeat of HB 5124.

The agricultural economy is especially important to our rural communities that often do not have opportunities for employment from other segments. Over the past two decades Connecticut has lost many of its farms as the high cost of farming has discouraged family members from continuing the work of the family farm. But we have found that agriculture can play an important role in the recovery and creation of many new jobs if we nurture that process. Please carefully consider the impact on CT agriculture when you act on these bills.