



State of Connecticut

HOUSE OF REPRESENTATIVES STATE CAPITOL

REPRESENTATIVE DOUG DUBITSKY
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Labor and Public Employees Committee Public Testimony Friday, January 29, 2015

TESTIMONY IN SUPPORT OF HOUSE BILL 5210 AN ACT CONCERNING ELIGIBILITY FOR UNEMPLOYMENT BENEFITS AND SEASONAL AGRICULTURAL BUSINESSES.

Dear Senator Winfield, Representative Tereyak, Senator Hwang, Representative Rutigliano, and members of the Labor and Public Employees Committee,

I submit this testimony in support of HOUSE BILL 5210, AN ACT CONCERNING ELIGIBILITY FOR UNEMPLOYMENT BENEFITS AND SEASONAL AGRICULTURAL BUSINESSES.

Many of Connecticut's agricultural businesses hire much of their farm labor during the few peak months of harvest season. Such seasonal agricultural businesses often surpass the payroll threshold triggering liability under the Unemployment Compensation Act (the "Act") in those few short months. However, by reaching the liability trigger in a single quarter, the seasonal agricultural businesses become liable under the Act for the entire year. This puts a disproportionate burden of funding unemployment compensation under the Act on seasonal agricultural businesses that pay for the entire year while maintaining most of their workforce for only a small part of the year.

An agricultural business that pays a total of \$20,000.00 or more to its employees in any single quarter becomes liable to pay unemployment tax for the entire year. That \$20,000.00 triggering wage threshold was set in 1978, when the minimum wage was \$2.66 per hour. Now that Connecticut's minimum wage is \$9.15 per hour, and is set to increase to over \$10.00 per hour, the 37-year-old triggering threshold should be increased for agricultural businesses to bring it more in line with the wages to triggering threshold ratio originally written into the Act.

To avoid disproportionately burdening seasonal agricultural businesses with paying the entire year for a few months' of payroll, HB5210 would require that agricultural businesses reach the updated triggering

wage threshold for two consecutive quarters before becoming liable for a year's worth of unemployment tax. Such a change in law would more fairly capture those businesses employing workers over a sustained period of time, while providing much needed relief to seasonal agricultural businesses, many of which are small family farms, which hire temporary workers for a short period during peak season.

I urge you to support HB5210 and to send the bill to the General Assembly for due consideration.

Best Regards,

A handwritten signature in black ink, appearing to read 'Doug Dubitsky', written over a horizontal line.

Doug Dubitsky
State Representative
47th District
Canterbury, Chaplin, Franklin, Hampton, Lebanon, Lisbon, Norwich, Scotland and Sprague