

February 24, 2015

Testimony submitted to the Connecticut Labor and Public Employees Committee on HB 5366

I would like to thank this Committee for offering us the opportunity to provide our feedback in support of HB 5366.

My name is Robert Logan Jr. and I live at 30 Norrans Ridge Drive in Ridgefield, CT. I am the President and owner of Eddy Messenger Service, Inc. a same day courier service based in Stamford, CT. Our company, originally established in 1927, is one of the oldest in the country. We are smaller company with 10 employees and we utilize approximately 35-50 outside courier agents to handle the fluctuating demands of our clients.

Eddy Messenger Service, Inc. focuses primarily on same day, emergency deliveries of smaller parcels such as documents, boxes and other smaller packages. The clients we service are diverse and represent such industries and sectors as diagnostic laboratories, accounting and law firms, the financial and banking sector, management consultants, hospitals, small businesses and large corporations. The services we provide can often mean the life or death of an individual or a business.

Our company, like all other courier services, has traditionally relied on the use of outside agents to handle the wildly fluctuating needs of our customers. We have considered the guidelines contained in the Declaratory Ruling issued by the Connecticut Department of Labor in 1994 to be our strict guide. We have consistently met and are proud that we exceed these guidelines. The Declaratory Ruling was a great example of small business and the State working together to develop guidelines that met everyone's best interests. Unfortunately a court case involving an unrelated industry, often referred to as the JSF case, has made fundamental changes to the guidelines we have relied on for the past 20 years. Specifically the case law has been interpreted to restrict an Independent-Contractor from providing their services to only a single company. While we strongly encourage our outside agents to provide their services to more than one courier service, and the majority does, the truth is it is impossible for us to verify that they are actually doing so. In addition, we utilize a lot of outside agents that may hold a full time job and only want to handle work during certain limited hours. In those cases, they may not have the time or interest to provide services for multiple courier firms.

We have attempted over the past 10 years to try to work with the Connecticut Department of Labor to amend the Declaratory Ruling to address the JSF decision but we have been unable to since they feel their hands are bound by case law. It appears that the only way to remedy our situation is through legislation. This was already done in 2013 for the trucking industry, that follows a less stringent test then we do, but for whatever reason it excluded vehicles with a GVW of under 10,000 pounds. We would respectfully request that the exemption granted to the large trucking companies also be extended to vehicles less than 10,000 pounds.

As the owner of a lower Fairfield County based courier service, I face stiff competition from New York based courier services. In April 2014, the New York State Department of Labor reissued and published longstanding internal guidelines for our industry, recognizing the legitimate use of Independent-Contractors in our industry. The state also passed legislation that specifically exempts vehicles under 10,000 pounds from a presumption of employment. As a result, I have seen an expansion into the Connecticut market from the New York based courier firms, placing me at a potential and significant disadvantage.

For all the reasons outlined above, I respectfully request that you pass and support HB 5366.
Thank you.