



Testimony by: Joseph J. Guerra II, President,  
The Soccer Club of Guilford

Before the Labor and Public Employees Committee on February 25, 2016

Testifying on: H.B. No. 5261 (RAISED) AN ACT CONCERNING OPERATORS OF ATHLETIC  
ACTIVITIES, COACHES AND REFEREES AND THE EMPLOYER-EMPLOYEE RELATIONSHIP

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Senator Gomes, Representative Tercyak and members of the committee,

I am Joseph Guerra, President of the Soccer Club of Guilford, generally referred to as SCOG. I would like to offer testimony in support of H.B. No. 5261 (RAISED) AN ACT CONCERNING OPERATORS OF ATHLETIC ACTIVITIES, COACHES AND REFEREES AND THE EMPLOYER-EMPLOYEE RELATIONSHIP.

**Background on the Soccer Club of Guilford Non-Profit Youth Soccer Club:**

The Soccer Club of Guilford(SCOG) is a non-profit youth soccer organization that is part of the South Central District(SCD) of the CT Junior Soccer Association(CJSA). The SCOG as part of SCD and CJSA is tasked with organizing teams, training players and when appropriate holding games to compete whether against other in town teams, in district teams, in state teams or out of state teams.

We are a typical CT club that has many levels of play based on age and ability:

- In-House Recreational Soccer Teams.
- Travel Recreational Soccer Teams.
- Travel Competitive Teams.

Using the definition in H.B. No. 5261 of "Coach", "Operator" and "Organized athletic activity", I will attempt to simply explain the problem that exists for the SCOG, as well as all non-profit youth sports clubs, and how this bill will resolve these issues.

**Valuable opportunities can exist for youth players if this bill passes:**

As a town non-profit club, "Operator", we do not have the financial and educational resources of the for profit soccer organizations and individuals that exist in the state of CT. Since this is a well-known fact, other organizations and individuals alike frequently contact the SCOG to support a clinic, camp, training day or other similar event, known as "Organized athletic activity". In an effort make these opportunities available to our members we will often advertise on our website, send emails and collect the registration fees and remit all funds to the organization or individual.

When these funds are collected by us and remitted to an individual, currently the CT DOL wishes that individual to be classified as an employee and no such relationship exists.

**One clear example of opportunities that exist today but will not for future youth athletes:**

The SCOG was contacted by the Goalkeeper from an area Women's Professional Soccer team. She wanted to run a goalkeeper clinic in Guilford and offer that clinic to local players. The SCOG board thought this was a great idea. We have a website to advertise her clinic, have the email addresses to

send the information and a registration system to collect the funds in advance on her behalf. She has none of these facilities but what she did have was the ability and knowledge of how to develop and hold the clinic. We remitted 100% of the funds to her in a check, posted this appropriately in our books and reported as a sub-contractor on a 1099 to her at year end.

**Here is the problem that exists today and will continue to exist without passage of this bill:**

During a CT DOL audit of the SCOG this check was identified as suspect and reviewed in detail. The CT DOL has since classified this professional soccer player an employee of the SCOG and has classified this one payment as an employee payment and subject to all the conditions, withholdings, fees and processing expenses that go with that new re-classified relationship.

The CT DOL uses, among other items, the "ABC" tests to evaluate if an individual is an employee or a sub-contractor. In the "ABC" tests the CT DOL finds that the clinic, developed and run by this goalkeeper, was in the usual course of SCOG business and that this professional soccer player was not customarily engaged in an independently established trade, occupation, profession or business of the same nature as the service being provided.

This finding in our case, and the rampant other cases across the state, is simply flawed. This bill would resolve this errant finding that occurs regularly and in the case of the SCOG has costs the club significant funds we did not have, and the cancellation of our support for many clinic.

**Without passage of this bill, the current level of opportunities for youth athletes will decline. What opportunities remain will only be affordable to a smaller percentage of youth athletes.**

The above is just one simple example of an easily fixed problem that exists in youth sports in CT today. Without the passage of this bill, youth sports organizations, the parents and the players will all lose out. The youth sports organizations will not be able to afford the over 30% increase in overhead as employee vs sub-contractor without passing on the cost and only if we have more volunteers to process all the additionally requirements. If the higher cost opportunities are even offered, there will be a significant reduction in how many parents can afford to pay the increase. The players, as a result, will have many fewer opportunities to have fun and develop as athletes.

The SCOG fully supports this bill, can think of no reason not to support it and will be available to the Committee to address any questions or concerns.