



CONNECTICUT

**TESTIMONY OF
ANDY MARKOWSKI, STATE DIRECTOR
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
SUPPORTING
SB-302, AAC THE FISCAL IMPACT OF PROPOSED LEGISLATION
AND REGULATIONS ON BUSINESSES
BEFORE THE
COMMERCE COMMITTEE
MARCH 1, 2016**

A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees. NFIB membership is scattered across the state and ranges from sophisticated high technology enterprises to "Main Street" small businesses to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, NFIB/Connecticut offers the following comments:

NFIB/Connecticut strongly supports SB-302. This pro-small business bill will help the legislature determine the impact of legislation on businesses and thus employment in Connecticut (Sections 1 & 2) by requiring legislative fiscal notes to consider the impact of proposed legislation on private businesses; as well as expand the existing requirements for "Reg Flex" (regulatory flexibility) analyses by broadening the definition of "small business" and enhancing the information that must be contained in a regulation's small business impact statement. Unfortunately, Connecticut has witnessed a record number of job losses and businesses closing their doors over the last several years. While this can be attributed to a variety of economic woes, certainly state legislation can have an impact on or correlation to these declines. This bill will help shine a spotlight on Connecticut's legislative and regulatory processes and result in a better understanding and full analysis of the impact legislative policymaking will have on private businesses in Connecticut, just as is currently done for the state and municipalities. Most importantly, Sections 1 & 2 of the aforementioned legislation will hopefully go a long way to providing for a "preventative look" or comprehensive analyses of the projected impact proposed legislation will have on small business BEFORE it is enacted. This is a common sense approach that not only provides for additional transparency in the legislative process, but can also ultimately result in better drafted and administered legislation.

Small business owners routinely utilize metrics, examine potential return on investments and perform cost-benefit analyses when making business decisions; it only makes sense that proposed legislation is subject to similar analyses vis-à-vis the private sector impact. When NFIB/Connecticut members were recently surveyed regarding a requirement for business impact statements for state legislation, approximately 77% of the responding



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small business owners favored such an approach, with only 15% in opposition and a remainder undecided.

Additionally, NFIB/Connecticut suggests that the bill be amended where appropriate in Sections 1 & 2, to include language that the business impact statements, shall, where/when possible, include a breakdown of the business and employment impact specifically on the small business sector.

Regarding Section 3 of the bill, the proposed expansion of the "Reg Flex" analyses will further enhance the true impact regulations will have on the private sector as a whole, as well as small businesses in particular. Subpart (4), lines 96-104, will be especially helpful to small business owners as these considerations take into account operational as well as specific capital and cost concerns of a business, such as recordkeeping, paperwork, and potential employment impact, among other aspects.

Small business owners are encouraged by bills such as SB-302, which will allow lawmakers and public officials to take steps to improve our competitiveness, but they will continue to oppose other measures under consideration in the legislature that will make it more costly to do business and harm our economy. Too often, laws and regulations are passed without regard for their impact on Connecticut's business climate and employees, but fortunately this bill can help provide additional, relevant and useful information to lawmakers in the course of their deliberations.

Thank you for the opportunity to comment, and NFIB urges support for this measure.