

Testimony in support of:
Senate Bill No. 2: An Act Increasing the Minimum Fair Wage
House Bill No. 5004: An Act Increasing the Minimum Fair Wage
House Bill No. 7191: An Act Increasing the Minimum Wage

Submitted by:
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Dear Senator Kushner, Representative Porter, and members of the Labor and Public Employees Committee,

My name is Donna Grossman and I live in Windsor.

I decided to figure out what kind of housing someone in CT can afford if they make both \$10 or \$15 an hour for 40 hours a week. I used this as a benchmark, because I'd like to think that we can all agree that someone working 40 hours a week should be able to afford a place to live.

At \$10 an hour, someone's take-home pay after taxes is \$18,155 a year, or \$1512 a month. A rule of thumb is that someone should pay no more than 30% of his or her income for housing. This results in an "allowable" rent payment of \$454 a month. Doing a rental search for CT, pretty much the only housing available for this monthly payment is a single room in a private home. And, obviously, there are not large numbers of those rooms available. And they certainly don't work for a single parent.

At \$15 an hour, the take-home pay is \$25,990 a year, or \$2165 a month. (I was interested to discover that while income went up by 50%, state taxes paid increased by 400% and federal taxes paid increased by 240%!) "Allowable" rent increases to \$650 a month. Unfortunately, this doesn't help much in CT. The only rentals available even close to this rate, besides the single room in a private home, are income restricted units. My search into these types of units show rents around \$800 a month for a studio apartment. And I did not find one place in the entire state that was actually accepting new tenants; all of them said they were taking names for the waitlist. Someone making \$15 can probably eventually find housing, but they are paying more of their income for it than they should be, and they will not be saving for the future.

I'm sure Eric Gjede from CBIA will be at the LOB bright and early to testify against these bills. He will tell you how tough it is for business owners. And some of you (you know who you are) will ask him loaded questions. He won't know the answers, but he'll give you the answers you want to hear anyways. One thing he'll tell you is that a higher minimum wage means businesses will have to let people go. I disagree. My daughter owns a very small painting business; she pays a minimum of \$15 an hour. Jamie McDonald of Bear's Smokehouse decided to pay his people a minimum

wage of \$15. He raised his prices to be able to do this. I for one am happy to pay a higher price so that people can get paid fairly. And I'm not the only one: the line is always out the door waiting for food. If businesses provide a good product, people will pay for that product. And the more people who make a decent wage, the more people who can afford to buy these products.

When I attended the public hearing for Paid Family Leave, I heard complaints from Mr Gjede and some of the Committee members that businesses can't find enough workers. Evidently, the feeling is that because there aren't enough workers, businesses should be able to treat the workers they do have poorly, even going as far as to oppose Paid Family Leave (which they don't have to pay for). It seems to me that if businesses in CT provide a living wage and reasonable benefits, they may find more people willing to live in the state and take their jobs.

I strongly support S.B. 2, H.B. 5004, and H.B 7191 and urge you to favorably vote the bill out of the Labor and Public Employees Committee.

Thank you.