

Anderson, Bryan

From: Sam Leary <samuelbleary@gmail.com>
Sent: Wednesday, March 06, 2019 11:28 PM
To: LABTestimony; Rep. Horn, Maria
Cc: Craig Whiting
Subject: CT proposed minimum wage increase

As a small family business owner in Connecticut I am deeply concerned by the proposed bills (SB 002, HB 5004, HB7191) that would increase minimum wage in my home state.

When my wife and I opened our bakery/restaurant in North Canaan CT in August 2012, the state's minimum wage was at \$8.25, but in less than 4 years on January 1st 2017 it had risen over 22% to \$10.10. These new proposals intend to see that number hit \$15 per hour by 2022, an additional increase of almost 49%, in just three years. Once again, we are talking about a 81.81% increase in the state mandated minimum wage in less than a 10 year period. Unlike the state of Connecticut, a small business cannot operate with a deficit, which that sort of increase would no doubt create.

Our business pays only servers the state minimum before tips, as after tips, the position is very lucrative compared to similar work. That being said, we start people at .25-.50 cents over the minimum wage for part time positions, so all positions are based, to differing degrees, on minimum wage. We employ a mixture of students, part time workers and people from the nearby substance abuse treatment center. Very few of these people are considering a career in the restaurant industry and our wages and work environment must be appealing as Canaan is mere minutes away from New York state and Massachusetts but our employees choose to work here. We employ 15 or so employees at any given time. There is not much "wiggle room" to absorb these wage increases. It is hard to imagine how a business like ours would be able to operate. Add to that, the increase in payroll taxes and it really starts to seem undoable.

As a lifelong resident of Connecticut, I am also shocked that this proposal is even being considered. In light of our current budget, where would the state come up with the money for these wage increases? Sure, you will see an increase in payroll tax collection, but that will be abated by businesses closing, cutting staff and automation of roles previously held by employees. I guess that additional deficit is a problem for tomorrow's residents to figure out?

As a business owner, it is important for me to verify that myself and many other owners that I have talked to will be forced to consider the viability of continuing operations in Connecticut as a result. When I hear people suggest that small family businesses will not be hurt or cease to exist because of these bills, I'd like to remind you that my wife and I are not a hypothetical, nor are the problems this will present to our business and the jobs we create.

Thank you for your time

Sent from my iPhone