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TESTIFYING IN OPPOSITION TO SENATE BILL 01

An act concerning paid family and medical leave.

Senator Kushner, Representative Porter, Senator Miner and Representative Polletta and members of the Labor and Public Employees Committee:

The Lumber Dealers Association of Connecticut (LDAC) strongly opposes Senate Bill 01, which would establish a paid family and medical leave system in Connecticut.

LDAC does not oppose the intent of this program, which is to protect workers in times of sickness, disability, or the birth or adoption of a child. In fact, LDAC members pride themselves on offering paid leave to their employees, as well as many other benefits, including vacation time, health insurance, and retirement savings programs. Our independent, family-owned and operated businesses do not provide these benefits because of a mandate, but in order to recruit and retain quality employees.

LDAC members value their employees and will continue to support their employees; however, Connecticut continues to adopt mandates that make it harder and more expensive to do business in the state. This forces our members to make difficult decisions on hiring and future benefits to offer to employees.

While paid family and medical leave insurance programs are advertised as free, they are not free to employers or employees. Besides the additional administrative costs, such as recordkeeping and implementing and monitoring payroll deductions, employers would have to continue to pay non-wage benefits, including health care, during the 12-weeks of paid leave. In addition, small employers may have to hire a temporary worker to fulfill the employee's job duties while they are on leave. Employees would be taxed, as much as 0.5 percent of their pay, to fund the program, with the strong possibility that they will have to contribute more to keep the fund sustainable.

Additionally, a significant number of new state employees would need to be hired to implement and monitor the program, resulting in millions of dollars in start-up costs. With Connecticut's current fiscal condition, now is not the time to expand the state's financial obligations.

The proposed paid family and medical leave program would be far too expensive for employers, employees, and the state. At this time, the legislature should be focused on balancing the budget and relieving the state of its debt instead of committing itself to hundreds of millions of dollars of new spending. It is simply bad for Connecticut.

Connecticut should be pursuing policies that attract new businesses and protects those already serving our communities.

We urge you to oppose this legislation and protect small businesses across the State.



NRLA Mission: To unite, lead, represent, train and provide a forum for the successful evolution of the independent lumber and building material dealers of the Northeast.