

February 14, 2019

Written Testimony in Opposition of
SB1 and HB5003 5003

Rep.Porter, Sen. Kushner, and members of the Labor and Public Employees
Committee.

Why do people start their own business? For many, it's because they have a passion for something. For others, it's because they know they have a special skill or talent to offer or a product they create and want to sell. Perhaps they like the thought of being independent or because starting a business will create jobs.

The US Small Business Administration Office of Advocacy 2018 Small Business Profile indicates that of the 340,000 thousand small businesses in CT that make up 49% of Connecticut's employees, firms with fewer than 100 employees are the largest group and almost 20% of these companies have less than 20 employees.

Why is this so important to note? It's important because proposed SB1 and HB5003 will apply to employers with one or more employees, thus affecting all of Connecticut's small business owners and job creators.

As the Chairman of CT's NFIB Leadership Council, and also a small business owner, I represent the concerns of independent, small business owners. I am here today to express our concerns about the creation of a State-run Paid Family Medical Leave Program.

The proposed plan doesn't take into account a very important issue for many small business owners-employees who require special education, training or certifications to fulfill their jobs. Consider vet technicians, IT technicians, manufacturing equipment operators, drivers with CDL licenses, licensed plumbers and electricians, laborers with OSHA or Railroad Certifications to list just a few. When there are only three or four employees in a company, the loss of one, for up to a quarter of the year, can be devastating. Small businesses have little opportunity for cross-training. Their employees may have specific skills that cannot easily be traded or substituted. They have no human resource departments to request short-term replacements. Their owners typically already work 12 hours or more a day. It is no coincidence that the majority of businesses who claim to be in support of the State program are retail or service industry related, where special licensing, education or training is not normally an issue and other employees can "pick up the slack" for a period of time.

Although this bill claims to come at no cost to employers in its current form, this plan will come at a cost to many who already have a difficult time finding trained or certified workers to hire. If Connecticut wants to be business friendly, it cannot ignore the dentist who must reschedule months of teeth cleanings with the loss of the dental hygienist. It cannot ignore the electrician who cannot complete a housing project deadline or the machine shop that must shutdown a machine because they cannot find someone certified to do the job who is willing to be laid off in three months or less.

Small business owners have a unique relationship with their employees and therefore want the ability to work with them to determine the best combination of benefits. Other benefits such as vacation or personal days may be at risk if the employer must factor in the possible loss of an employee for an extended time, as the employee may not be required to exhaust those benefits first.

As with other employer mandates, tracking individual employee leave may pose an administrative burden on small businesses, some of who are still dealing with the complexities and additional costs associated with the collection of sales tax on internet sales in multiple states.

Employer mandates, such as Paid Family Medical Leave, are stifling the success of Connecticut small business owners. They are losing their passion and motivation to be employers. Many are considering closing, while many more already have. With each closing, there is a loss of Connecticut jobs. But it goes unnoticed because they're not GE or Aetna and newspaper and TV reporters aren't following their demise and the negative impact it's having in their towns like Stafford Springs, Lakeville, Granby or my town of Torrington.

On behalf of CT NFIB members and small businesses across the State, I ask that, if you are to approve the creation of a State Paid Family Medical Plan, the following concerns be addressed:

- Participation only be mandatory for employers with 50 or more employees
- Mandating PFML for small, specialized industries will cause an undue financial and/or physical hardship for many small business owners
- Small business employers are concerned about the future potential of an employer contribution to the plan when most are surviving on the smallest of profit margins
- Employers were penalized for the insolvency of the State Unemployment Fund by being charged special assessments to pay off borrowing from the Federal Government and therefore they fear the same could happen with another State employee benefit fund
- Including anyone "whose close association with employee is the equivalent of a family member" opens the door to allow inconsistent and unlimited

approval of leave to care for virtually anyone, thus making it more difficult for employers to maintain a full staff

- Small business employers like the flexibility to work with their employees on a case-by-case basis

By keeping those issues in mind, it is our request that small businesses be exempt from the Paid Family Medical Leave Program.

In an attempt to seek solutions, we cannot harm the small business innovators and job creators that are a staple in Connecticut's economy.

Respectfully submitted,

Wendy Traub
Hemlock Directional Boring, Inc.

Dear Members of Labor and Public Employees Committee of the Connecticut General Assembly:

My name is Katherine Villeda and I live in Stamford, Connecticut. I am a leader and facilitator for CT Students for a Dream, and an advocate at a women's health center. I stand in support of S.B. 1: An Act Concerning Paid Family and Medical Leave and H.B. 5003: An Act Implementing a Paid Family Medical Leave Program.

Growing up in a mixed-status, low-income family, taking unpaid time off was not an option, unless it was after my mother had given birth, and even then she always returned to work earlier than she should have. More recently, when my sister gave birth last year, I missed the first 10 days of my final semester to stay home and help her care for their children because my brother-in-law had to go back to work the day after she had given birth. My sister did not have paid maternity leave, so they knew that they would not have been able to survive if they both took unpaid leave. Had paid family and medical leave been available, my sister and her husband would have had the opportunity to have spend the much needed and deserved time together with their newborn. It saddens me that the lack of tangible safety nets robbed them, and many others, of such an important milestone in their lives.

Furthermore, I fully support the inclusive definition of family in the legislation, as a sibling who had to help care for a sibling. The social norm of the "nuclear family" is outdated. It takes a village to care for one another and oftentimes, we find ourselves taking care of or being taken care of by someone who may not be immediate family or blood related at all. Chosen family is as important as blood family for many people. For some, chosen family is the only family they have and they should not be excluded from paid family and medical leave because of those circumstances.

Paid leave is critical to economic and racial justice. Lack of paid leave disproportionately impacts workers of color, who are overrepresented in low-wage jobs that do not provide paid leave and, due to racial wealth and wage gaps, have fewer resources to absorb the financial impact of a family or personal medical issue. Access to paid parental leave is critical to the health of Black women, who face much higher rates of maternal mortality and complications from pregnancy compared to white mothers. Connecticut has the ability to move in the right direction to reduce these disparities and move towards a more equitable state by passing this legislation.

I strongly support S.B. 1 and H.B. 5003. I hope the Committee and Connecticut lawmakers will vote favorably this year to make paid family and medical leave a reality for all Connecticut workers.

Thank you,
Katherine Villeda