

# Appropriations Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-5607

AN ACT CONCERNING THE USE OF COVID-19 RELIEF FUNDS TO

**Title:** REPLENISH THE UNEMPLOYMENT COMPENSATION TRUST FUND.

**Vote Date:** 4/21/2021

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/26/2021

**File No.:**

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## **SPONSORS OF BILL:**

Appropriations Committee  
House Republican Leadership

## **REASONS FOR BILL:**

Businesses and employees in Connecticut are struggling to recover from the COVID-19 pandemic. Connecticut has an Unemployment Compensation Trust Fund, which pays for all unemployment insurance benefits. The only source of revenue for this fund is through taxes on Connecticut businesses. Infusing COVID-19 dollars into the fund would help avoid hurting already struggling businesses with more tax burdens.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None

## **NATURE AND SOURCES OF SUPPORT:**

[Eric Gjede Vice President of Government Affairs for the CBIA: Supports this bill believing it is critical in stabilizing the Unemployment Trust Fund and avoiding long term economic consequences.](#)

[Connecticut House Republicans Caucus: Support this bill because it would benefit small businesses who would be hurt by increases in their unemployment insurance taxes.](#)

[Nicole Klarides-Ditria, State Representative 105<sup>th</sup>: Supports this bill because it would reduce the future tax burden on the state's businesses that are already struggling to recover from the COVID-19 pandemic.](#)

National Federation of Independent Business: Supports this bill because its addresses an anticipated rise in unemployment taxes because of the huge number of layoffs and the depletion of the state's Unemployment Insurance Trust Fund, which is a big concern among small business owners.

Garrett Sheehan, President & CEO, Greater New Haven & Quinnipiac Chambers of Commerce: Supports this bill because if it does not pass, businesses who want to hire new employees may be stunted if employers are left to cover the bill for the Unemployment Compensation Trust Fund's \$600-plus million debt.

#### **NATURE AND SOURCES OF OPPOSITION:**

Sal Luciano, President of the Connecticut AFL-CIO: Does not support this bill, suggesting that using those funds to replenish the Unemployment Insurance Trust Fund is not the best use of these federal dollars and instead the state should be raising the taxable wage base.

The following are members of YMCA and request that the bill be amended to include nonprofit organizations as well:

Timothy Barrett, Chief Operating Officer of the Central Connecticut Coast YMCA

Greg Brisco, CEO of the Northwestern Connecticut YMCA

John Cattelan, Executive Director, Connecticut Alliance of YMCAs

Jennifer Gardner, CEO of the Darien YMCA

Denise Learned, Executive Director/CEO of Camp Hazen YMCA

Patrick Marchand, CEO from YMCA Camp Mohawk

Marie Miszewski, President & CEO of the Regional YMCA of Western, CT

Josh Royce, District Executive Director for the Central Connecticut Coast YMCA

David Stevenson, President & CEO of Central Connecticut Coast YMCA

**Reported by: Eddie Aledia**

**Date: 5/3/21**