JOINT STANDING COMMITTEE HEARINGS

LABOR AND PUBLIC EMPLOYEES PART 2 313 - 632

2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

REP. LAMBERT: Thank you, Senator.

SENATOR PRAGUE: Thank you very much.

Okay. Alexis Highsmith, followed by John Burton.

ALEXIS HIGHSMITH: Good afternoon, members of the committee. My name is Alexis Highsmith. I am an attorney at Greater Hartford Legal Aid. I'm here to testify in support of Senate Bill 733.

This bill creates a civil action for employees and potential employees who are victims of inaccurately reported criminal histories by consumer reporting agencies. Connecticut's Legal Services Program support this bill but with suggested changes that we have discussed and agreed to with Senator Looney who proposed this concept.

I am also here to support <u>House Bill 5521</u>, which prohibits employers from using credit reports as a basis for employment decisions.

I will first address <u>Senate Bill 733</u>. In my work at Legal Aid, I represent clients applying for pardons from the Board of Pardons & Paroles. These are people who have stayed out of trouble and made positive contributions to both their families and the communities for many years. My clients encounter barriers to employment, housing and other benefits because of their criminal records. The pardons process is daunting. The written application is overwhelming, and the hearing is intimidating. Getting through this process and receiving a pardon is quite an accomplishment. A pardon proves they have been rehabilitated under the law. And it's supposed to mean that the

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

criminal record -- that their criminal record is erased and no longer subject to disclosure.

Two years ago the legislature mandated that consumer reporting agencies must use the most accurate and updated information available when disclosing criminal records to perspective employers. Since the passage of this initial legislation in 2007, policymakers and advocates have worked with the consumer reporting agencies to ensure that the implementation of these new requirements are not unduly burdensome for these agencies. Unfortunately, some of the companies have still not fully complied with the law and have disclosed to perspective employers conviction information that has ultimately been erased.

Legal services has seen numerous cases where clients have been denied employment because their supposedly erased records have shown up on their criminal background checks. We have learned that many of these larger agencies contract with smaller agencies to gather information on criminal histories. These subcontractors are not necessarily following the requirements of the law which call for any entity that is disclosing criminal matters of public record to purchase updated information from the judicial department monthly and to use this information to update and permanently delete any erased records. We have also seen these same violations amongst smaller independent credit agencies.

Just last week a legal aided client was denied a job as a certified nurse assistant based on a background report generated by a consumer reporting agency that showed her old convictions even though she had been granted a full pardon in July of 2008. The legislature

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

cannot accomplish its goal of promoting the employability of rehabilitated individuals unless there are enforcement mechanisms built into the language that prohibits disclosure of erased records. Individuals must have a remedy available to them for situations where a consumer reporting agency provides inaccurate information based -- information to a potential employer.

In its current draft <u>Senate Bill 733</u> gives a job applicant a private right of action against a consumer reporting agency if it discloses inaccurate information. While this is a positive step, it does not fully advance the legislature's intended goals. We propose that additional language allow a party the right to sue an employer who is in violation of the protections outlined in the Erasure Statute.

I have attached proposed language to amend this bill accordingly to my written testimony. By including employers in this language, the legislature can completely recognize the employment rights of people with erased records. An employer must honor an applicant's rehabilitation. Senator Looney has recently introduced additional language regarding the standard of conduct to be used in looking at an employer and consumer reporting agency that's violated the statute and that standard is negligent and willful conduct. And that's also attached to my written testimony.

Finally, I'm also here in support of House Bill 5521, which would prohibit employers from utilizing credit reports as a basis for employment decisions. Employers currently have unfettered discretion to deny a job applicant employment because of their poor credit history. The use of credit reports has an

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

adverse impact on poor people who have lower credit scores. However, a poor credit score is not indicative of a poor or unsatisfactory employee.

I ask that you support <u>Senate Bill 733</u> and <u>House Bill 5521</u>, as it is strong public policy to foster the employment rights of individuals with erased records and poor credit histories. Thank you.

SENATOR PRAGUE: Thank you very much for your testimony.

Are there any questions from committee members? No. I don't see any so thank you for coming in.

ALEXIS HIGHSMITH: Thank you.

SENATOR PRAGUE: John Burton.

JOHN BURTON: Chairwoman Prague, Chairman Ryan and other members of the Labor Committee, my name is John Burton, and I'm here today on behalf of the company you may be familiar with LexisNexis. If you're not familiar with LexisNexis, we are an industry leader in providing identification and decision and capabilities to the legal business, government and law enforcement sectors. Including in the services that we provide is comprehensive background screening for employers. I appreciate the opportunity to be here with you today. And I'm going to offer comment on two bills before you today. The first being Connecticut Senate Bill 733 and Connecticut House Bill 5521, both which deal with criminal records and general background screening.

Connecticut <u>Senate Bill 733</u> seeks to impose

lgg/sg/ckd

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

civil liability on an entity described as a consumer reporting agency that discloses to an employer certain criminal records that have been erased pursuant to Connecticut law. Initially, it's important to note that under the Federal Fair Credit Reporting Act and similar Connecticut law, consumer reporting agencies are subject to requirements and mandates for data accuracy and employment background screening reports. Additionally, consumers are likewise protected with access, dispute and correction mechanisms, as well as legal redress, to date. Currently, we oppose Connecticut Senate Bill 733 as drafted, because as drafted it imposes civil liability with no negligence or intent on behalf of the consumer reporting agency. The bill is further flawed because it appears based on the operational premise that criminal records are gathered by status rather than by the individual subject.

Currently, we collect data from numerous sources in Connecticut, including your judicial department, your department of corrections, and the individual court houses of Connecticut. only collect data, which the agency provides, and have not control of the accuracy of the status of the data at the source. We can only report what we are given. Unless we are advised of the erased status by the government source, we have no way of knowing unless the data is later disputed down the line by the particular subject. Last year, the Connecticut legislature passed law requiring notification to us through the department -- excuse me -through the judiciary department on certain pardon and expungement results of criminal records. Our industry and my company is currently complying with that Connecticut law. And, prior to this hearing, we've had conversations with some of the stakeholders

lgg/sg/ckd

LABOR AND PUBLIC \
EMPLOYEES COMMITTEE

3:00 P.M.

concerning that law. We certainly have no prov -- no problems getting further data from any other state agencies in Connecticut that deal with erasures, expungements or pardons. But, however, this bill, as it exists today, does not address the core issue of getting this information to us. It only penalizes the results with no intent, negligence or other culpability on behalf of the consumer reporting agencies.

Our stock and trade, our sole competitive advantage is accuracy in data. We have just as much interest in providing accurate data to our customers, as the state has in making sure that we provide that accurate data. And we're will to work with the sponsor and the other stakeholders too close this loophole. But, currently, as drafted today, this bill does not close that loophole. It only penalizes users without any intent or negligence on their behalf. And so I will conclude my remarks on this particular bill, and I'm available for any questions on this issue.

SENATOR PRAGUE: Are there any questions from committee members? I have a question. What's the name of your company?

JOHN BURTON: LexisNexis.

SENATOR PRAGUE: Do we have written testimony from you?

JOHN BURTON: You have written testimony on <u>House</u>
<u>Bill 5521</u>, which I was going to take up next.

SENATOR PRAGUE: We have an issue before another committee that involves criminal background checks on people that they're thinking of employing. Those folks would go into the homes

LABOR AND PUBLIC

lgg/sg/ckd EN

EMPLOYEES COMMITTEE

3:00 P.M.

of elderly people who need some kind of help with their activities of daily living.

JOHN BURTON: Sure.

SENATOR PRAGUE: It's companies like yours, I think, that they're getting their comprehensive background checks from?

JOHN BURTON: We can provide those services, yes, if it's provided for under law.

SENATOR PRAGUE: Okay. So it's critically important that you be accurate in the information that you give to these agencies.

JOHN BURTON: Exactly.

SENATOR PRAGUE: How often do you update you information? I mean, how often do you get updates from your sources of information?

JOHN BURTON: Anecdotally, here in Connecticut, our data sources are usually -- they can be updated up to the moment that a particular check is run in an individual courthouse. The data we receive from your particular state agencies, such as the Department of Corrections, the Judicial Department, are usually run either on a biweekly basis or certainly on a monthly basis.

SENATOR PRAGUE: So how is it that if you collect data that frequently, that you wouldn't have data on somebody who had received a pardon?

JOHN BURTON: It would all depend on whether or not the State was reporting up the chain as it was being reported down the chain. Because we're only as good as the data that the State is giving us, and if the State is giving us this

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

data, we will adjust the records and correct whatever database needed to be corrected.

but I think the problem is outside the Judicial Department there is no mechanism within your state to provide these kind of updates of erasures or expungements for pardons. It only occurs -- currently today through the Judicial Department.

SENATOR PRAGUE: So I think I -- I think I hear you saying that our Board of --- our Board of Pardons & Paroles -- Parole & Pardons needs to notify the Judicial Department of recent pardon board decisions that certain people have been granted a pardon?

JOHN BURTON: I believe under existing Connecticut law that function is being done through the Judicial Department.

SENATOR PRAGUE: Okay.

JOHN BURTON: But as we're collecting data from individual courthouses, as well as your Department of Corrections, that mechanism may not be in place currently to cover that particular data.

SENATOR PRAGUE: Okay. Thank you.

There are other questions from committee members.

Senator Gomes.

SENATOR GOMES: I would -- looking at your testimony here on <u>5521</u>, your headquarters is in Georgia?

JOHN BURTON: I'm based in Georgia. LexisNexis is a wholly-owned company by --

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: I wouldn't have known that by your accent.

The information that you give to these companies, are there any parameters that you would require on the information -- let's say, for instance, some of the information that Senator Prague talked about about these people who work in people's homes. How would that help in your estimation if these people were health care people who work in the homes and doesn't cover anybody else that comes into that home. How extensible -- how would the information that you would give help these people out in your estimation?

JOHN BURTON: When you say, "help these people," are you talking about the sensitive populations, such as --

SENATOR GOMES: In other words, it only covers part of the people who would be -- that could be blamed for some incident or some incident that would happen in the home and other people entered into the home all the time themselves?

JOHN BURTON: That's correct and that would be up to the collective wisdom of the Connecticut legislature to determine what service providers that entered individuals home should be required to have background screening. That's a policy question that we can't answer but if that's mandated we certainly are there to provide the background screening services.

SENATOR GOMES: Is your company in service in all 50 states in the United States?

JOHN BURTON: Yes, sir.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: Thank you.

SENATOR PRAGUE: Representative O'Brien.

REP. O'BRIEN: Thank you.

Mechanically, how is it that you get the data from the state agencies, in particular, I guess, it would be the Department of Corrections.

JOHN BURTON: It's pursuant to contract. And usually it's an electronic data feed.

REP. O'BRIEN: So the -- the -- so the Department of Corrections, you purchased it as a service from the Department of Corrections?

JOHN BURTON: That's correct.

REP. O'BRIEN: And what do they do? They give you a regular run of data every so often; is that the way it works?

JOHN BURTON: That's correct. Like I said, it's usually on either a biweekly or a 30-day overlay.

REP. O'BRIEN: Is that the only information -- I mean, do you only report that form of information or do you actually go out more manually to get information?

JOHN BURTON: We do all of the above.

REP. O'BRIEN: Well, we have -- I mean, the Board of Pardons & Paroles is a public agency. I mean, and their decisions are public. You don't check those?

JOHN BURTON: Well, an interesting twist and I

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

apologize I'm trying to reach back a couple years when we worked on a particular issue. My recollection was there was some impediment in Connecticut law the prohibited your Board of Pardon & Paroles to reporting that data to us. So we worked with Senator Looney, his staff and some of the other stakeholders to alleviate that hurdle. So now there is a mechanism at place at the Pardon & Paroles Board is reporting that data through Judicial. And, by Connecticut law, we're required to get that data through Judicial and update our systems.

- REP. O'BRIEN: And the data's not updated.
- JOHN BURTON: To the best of our knowledge, it is.

 But the question is, is whether of not that
 data is only updating Judicial Department data
 as opposed to any data that perhaps the
 Department of Corrections is providing. These
 are answers we just don't have because I'm not
 intimately familiar with the internal state
 mechanism for reporting this data out.
- REP. O'BRIEN: So it's your contention that it is the State that's not providing you with accurate information.
- JOHN BURTON: I believe that there's not a mechanism in place that we're readily getting -- apparently not getting all the pardon and parole data that exists in the state.
- REP. O'BRIEN: Have you thought about going to the Board of Pardon & Parole yourself to check the public records that exist of their decisions?
- JOHN BURTON: Well, after the work that we put in last two sessions, we thought that this issue had been resolved through the work that we had done and this data was being provided. So

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

we're kind of at a little bit of a loss, and that's why we had a meeting with some of the stakeholders before this hearing. We're certainly glad to do it afterwards to try to close this loophole. It's not an issue we don't want the data. We just got to make sure we got a mechanism to get the data.

- REP. O'BRIEN: I mean, it's the -- you have to understand, of course, the information that you provide effects peoples lives in some very direct and intimate ways. And it would seem to make sense that you should bear legal accountability for ensuring that that information you provide that effects so significantly should be accurate.
- JOHN BURTON: And we don't dispute that, and we are under mandates both at the federal and state level to update that data to ensure the accuracy of the data. And if that data's not accurate to conduct a reinvestigation process, which we undertake on behalf of the aggrieved individual to investigate that data and check on its accuracy.
- REP. O'BRIEN: I don't think I'm going off on a limb too much to say that I've heard from a lot, a lot of people who have expressed great frustration with trying to get information in your kind of agency corrected and recorded correctly.
- JOHN BURTON: I can't, you know, comment on anecdotal evidence, but I can tell you if it's a LexisNexis issue, I'll be glad to take it back to Atlanta, Georgia, tomorrow and hand walk it through. And all I can tell you is that, you know, in today's -- under the federal law, consumer's have the most greatest access to their data that they've ever had. They can

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

go online today and pull down the employment screen report that we would otherwise provide to an employer. There are -- we are one of the few companies that have an in-house consumer advocate that they can call the number and get an individual who will work with them on their behalf. I mean, we're doing everything that we can to ensure the accuracy of this data.

The one thing that I will tell you about that we do have problems with is that we can't correct data at the record source. Only the public record custodian can correct data at the public source. So we're only reporting what the public record source is giving us, and a lot of times there is a conflict there.

REP. O'BRIEN: Well, I -- I'm interested in hearing some of the other discussions that will take place behind the scenes on this issue, in particular. But, as a general principle, I think that -- I think that your company should bear responsibility for the accuracy of the data including the mechanism that's provided for under this proposal.

JOHN BURTON: And that's a responsibility that we very much undertake.

REP. O'BRIEN: Great, thank you.

SENATOR GOMES: I might have missed something. I was looking through some papers here, but I heard you mentioned data from a public source. What do you mean by a "public source?"

JOHN BURTON: Your courthouse, and it could be in your courthouse.

SENATOR GOMES: Oh, all right. Thank you.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR PRAGUE: Representative Lambert.

REP. LAMBERT: Thank you, Madam Chairman.

Basically, you're acting like a middleman. So you feel that you're completely innocent because you have the individual that you're doing a background criminal check on and then you go to the judiciary and then you go also to the pardons. You're saying that the last time that there was a problem. So you do have the right now to go the pardons and see if this individual was pardoned.

- JOHN BURTON: I -- again, I don't recall my recollection was that previously under Connecticut law, there was some restrictions that that data couldn't be released to a company like ours. It had to be facilitated through another source, and that was something that we worked on the last couple of years.
- REP. LAMBERT: And you made a comment in the beginning of your testimony. You said that that would be up to the individual to correct. Now if you're an employer and you see that the person had a criminal background and do they always go up to that individual and say, this is your report that we received; is this accurate?
- JOHN BURTON: Well, I think it's important to note from the outset, that all employment background screening is done with consumer consent. It's not something employers that are randomly running these reports on potential applicants or applicants without their knowledge. It's a consent-based mechanism that occurs at the consumer level.

REP. LAMBERT: Do they tell the employee that is

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

going for the job that they didn't get hired because this is in your background?

- JOHN BURTON: Oh, absolutely. If an adverse decision is reached, it's the employer's responsibility to inform the consumer why.
- REP. LAMBERT: And then you, if it's your mistake, you take responsibility you said and you would do for the aggrieved person.
- JOHN BURTON: Oh, absolutely. If the consumer disputes the data in the report, and it's our report, absolutely.
- REP. LAMBERT: But you also say that you passed that on because you're the middleman and if our system is failing you pass the blame onto them.
- JOHN BURTON: I think a couple statements I made may have been confused.

If the consumer's disputing an inaccuracy in the report, it's our responsibility under federal law to investigate that. And if it's found out that we made an error, then we will correct the -- we will correct the error and notify the employer. If -- if what we reported is exactly what is reflected in the record source, whether that's Department of Corrections or a particular courthouse, we will also communicate to that to the consumer. But if the record that exists at the source is incorrect, we, as the company, don't have the ability to change a public record. That is it can only be done by the public record custodian.

REP. LAMBERT: And you feel that that there's no monetary -- you had mentioned something about punishment that you feel that there shouldn't

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

anything. So, in other words, if you -- if this individual's life was ruined, like Representative O'Brien said, what you basically do is say, I'm sorry, here's the corrected report because there's no punitive damages on you. Is that what you had said before, that you didn't expect to have anything on you.

JOHN BURTON: If we fail in our responsibilities to investigate and correct reports, yes, there's legal liability.

REP. LAMBERT: So, that they, the individual, would have to sue you.

JOHN BURTON: Sure. And, you know, I run (inaudible) report that they do.

REP. LAMBERT: Okay. How often does that happen?

JOHN BURTON: I have no, no knowledge of what litigation maybe pending against us.

REP. LAMBERT: Okay.

SENATOR PRAGUE: Thank you, Representative Lambert.

Any other questions from committee members?

This is a national search, I take it. A comprehensive background check is a national search?

JOHN BURTON: We can -- we can perform a national search, or we can perform a jurisdictional search. It depends on what the customer requests.

SENATOR PRAGUE: Okay, but you have the capability of doing either?

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

JOHN BURTON: Yes.

SENATOR PRAGUE: What do you charge for a comprehensive background check?

JOHN BURTON: I don't know it depends on the customer. If you're talking about say a large big box employer who's running, you know, large numbers of employment screening, I'm sure that it's a different rate than a small employer who's maybe only running it, one or two. And another example, we're a large provider that service for nonprofits. So we provide those usually for free or greatly reduced rate to, like -- we're the national vendor for Little League Baseball of America. So, I mean, what we charge them is probably free or nominal. But, in the private sector, it probably would depend on the service they ask and the numbers they bringing to us.

SENATOR PRAGUE: Senator Gomes, did you have another question?

Thank you very much. We have your testimony on 5521, but I don't have any testimony on 733. Did you hand it in? Should our -- I mean, if you did, I'll look through the pile.

JOHN BURTON: I did not prepare any formal written testimony on <u>Senate Bill</u> 733.

SENATOR PRAGUE: Okay, okay. Thank you.

JOHN BURTON: And, Madam Chairwoman, I was also going to comment on Connecticut House Bill
5521. you had -- the committee has my written testimony before it. Anything I say would be redundant. Again, the only thing I would want to impress upon the committee is, again, even

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

in this capacity, there's a consent-based mechanism. The individual is agreeing to this and has full knowledge of this. And if there any questions for me on this particular bill, I'll be glad to field them at this time.

SENATOR PRAGUE: All right. Senator Gomes has a question.

SENATOR GOMES: I noticed that you said that your company is LexisNexis.

JOHN BURTON: Yes, sir.

SENATOR GOMES: What is Reed Elsevier?

JOHN BURTON: They're the parent company.

SENATOR GOMES: They're the parent company to LexisNexis.

JOHN BURTON: Yes, sir.

SENATOR GOMES: And where are they located?

JOHN BURTON: They are a international company, based in the -- it's a Dutch UK company.

SENATOR GOMES: International?

JOHN BURTON: Yes, sir. But LexisNexis is based in Dayton, Ohio.

SENATOR PRAGUE: You know, I just said to our LCO attorney, I wonder if they employ any Connecticut residents. And he said, yes, they do because you are the source of information for the legislature. Are you? I'm sure you're aware of that?

JOHN BURTON: Sure

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

- SENATOR PRAGUE: So you have a contract with the Connecticut legislature to provide -- what kind of services?
- JOHN BURTON: It's -- it's probably legal or legislative services.
- SENATOR PRAGUE: Say that again. What kind of services?
- JOHN BURTON: I suspect it's our traditional legal and legislative search services.
- SENATOR PRAGUE: Uh-huh.
- JOHN BURTON: That provides access to state codes and legislative activity.
- SENATOR PRAGUE: It's very interesting. We hire a company from Georgia, an international company from -- you're based in Georgia to do our Connecticut research?
- JOHN BURTON: Well, it's a little complicated. LexisNexis is based in Dayton, Ohio.
- SENATOR PRAGUE: Do you have a presence here in Connecticut by any chance?
- JOHN BURTON: I'm relatively new to the company. So I don't have that information in front of me but I can certainly --
- SENATOR PRAGUE: Okay, thank you. Thank you very much.
 - Next person to testify is Brian Phelps, followed by Dave Rotigliano.
- REP. RYAN: Good afternoon. Whenever you're ready.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

BRIAN PHELPS: Thank you, Mr. Chairman, Madam Chairwoman, senators, representatives and friends. My name is Brian Phelps, and I'm the president and owner of Toad's Place in New Haven.

I'm here to speak in favor of <u>House Bill 6460</u>, the bill that helps to establish parody and fairness for the servers and bars and restaurants in the 21st century.

For far too many years, tip credit allocation has put heavier toll on the wait staff. During the 1940's this may have been true, but, in 2009, the bartenders are the group, in most situations, that make the lion's share of the tips. This bill would help to redefine the laws and regs that were put into place more than 70 years ago, when things in Connecticut were vastly different. So I urge you to vote in favor of House Bill 6460. That's all I have to say.

SENATOR PRAGUE: Are there any questions from committee members?

Thank you very much.

BRIAN PHELPS: Thank you.

REP. RYAN: Rotigliano.

SENATOR PRAGUE: I'm sorry.

DAVE ROTIGLIANO: That's okay. Hello, my name is Dave Rotigliano. I am the executive chef and owner of the SBC Restaurant Group. We have locations in Stamford, Milford, Hamden, and Branford. We employ over 300 people in the State of Connecticut.

SB 222 HB 6460 HB 6187

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

I am speaking in favor today of <u>Senate Bill</u> 222, which would freeze the minimum wage for servers, and also <u>House Bill 6460</u>, which would reclassify bartenders as servers and redefine the side work issue.

Also, we, at SBC, strongly oppose House Bill 6187. Mandating paid sick leave would put an onerous amount of expense on small business and will definitely result in a loss of jobs in Connecticut.

Restaurants, specifically restaurants, operate differently than a normal business. We're in a right here, right now business. So if one employee calls in sick, I have to call in somebody else to perform the duties. So then I end up paying the person that's out and I also have to pay the person that came in to cover for them. And, usually, that's at overtime. This will result in more expense to my business that I can't pass along to the consumer and that would cost us jobs.

The restaurant business is inherently flexible. People who are sick, they call, they switch with the next person. If they can't come in Tuesday, they'll switch with the person working Thursday, and vice versa.

That's really all I have to say.

SENATOR PRAGUE: Senator Gomes has a question.

DAVE ROTIGLIANO: Feel free.

SENATOR GOMES: Did I hear you just say that you correct your problem with somebody being sick by having them switch -- switch places.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

DAVE ROTIGLIANO: That's how we do it, absolutely.

SENATOR GOMES: You said that if a person is sick, you have to call in somebody to -- in order to replace them.

DAVE ROTIGLIANO: That's right

SENATOR GOMES: In other words, you don't replace anybody that's sick unless they switch.

DAVE ROTIGLIANO: Well, no. If they can't do it, then the manager would assume their position or we would -- or -- nine out of ten times, we will find somebody. There is always somebody out there that's looking for extra hours, more time and so it always works out.

SENATOR GOMES: Therefore, you would -- therefore, if you replace this person, you would still have to -- there would be some cost to you anyhow?

DAVE ROTIGLIANO: Yes.

SENATOR GOMES: Thank you.

SENATOR PRAGUE: Are there any other questions from committee members?

Do you let your employees come in when they're sick?

DAVE ROTIGLIANO: No, in fact, our employees at SBC have to sign a form when they first get hired that if they are sick or if they have any communicable disease, they have to call in sick or they have to make us aware of it. It's part of the serve safe for the sanitation class that -- and the food operator training class that we give to all our new employees.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR PRAGUE: Okay. So, if somebody is sick, they have to make you aware of it --

DAVE ROTIGLIANO: That's right.

SENATOR PRAGUE: -- which is also part of the bill. For paid sick time, you have call in your employer and make the employer aware that you're sick and that you can't come in.

DAVE ROTIGLIANO: Right.

SENATOR PRAGUE: The difference between your operation and the bill is that the employee would have paid sick days, six sick days a year.

DAVE ROTIGLIANO: Right. But how I differ from a traditional work environment. Where if you have an office and an employee calls in sick, they get paid for the time. They come in the next day, maybe the stack of paperwork got a little higher.

In the restaurant business, I am immediately serving food or preparing food, a perishable product. I have to bring somebody in to perform those duties. I must open that evening. So I have to pay the person that's not at work, bring in somebody pay them also, usually at time and a half because their going to go over their 40-hour mark. That's where it becomes expensive, especially in the restaurant business.

And, for the most part, servers make the majority of their wage through tips. They want to be at work. So they naturally switch. We have this natural flexibility built into the restaurant business, where if somebody can't

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

work Tuesday, I'll switch with you Thursday. It happens all the time.

SENATOR PRAGUE: Okay.

DAVE ROTIGLIANO: Okay. I hope I explained it. I know we met before about it. We are definitely -- we operate differently than a normal business. If I -- if it's a Saturday night and I have two cooks call in sick, I either have to get somebody to perform that job or I have to not be there. I have to not open. I don't have anyway to facilitate my customers. So that's where the double expense for restaurants comes in.

SENATOR PRAGUE: Senator Gomes has a question.

DAVE ROTIGLIANO: Yes, ma'am.

SENATOR GOMES: A little while ago, you said you also want to classify bartenders as servers. What does that mean?

<u>JD 222</u> HB 6460

DAVE ROTIGLIANO: What happens is is bartenders and wait staff, in our opinion, perform the same function. They serve customers food and drink. But under Connecticut state law, which is an old archaic law, where it has to do with counter help, the bartenders stand behind the counter. So they classify bartenders -- they have a lower tip credit than a server but yet they typically make more money than a server and, essentially, are doing the same job.

SENATOR GOMES: But one serves food and one serves liquor.

DAVE ROTIGLIANO: Most bartenders serve both and most servers serve both. Servers bring drinks and food to the table, and bartenders serve

LABOR AND PUBLIC

lgg/sg/ckd E

EMPLOYEES COMMITTEE

3:00 P.M.

alcohol and food over the bar. It's, essentially, the same function. It's not only a cost savings to the restaurant to reclassify them as far as wage goes because there's a lot more servers than there are bartenders typically. It's an accounting thing, the payroll. People punching in having different classifications of work job. You know, what were you today? What were you tonight? Oh, I served on the -- in the dining room this morning, but I'm a bartender tonight. So, typically, they'd have to punch out, punch back in. We run multiple payrolls with multiple classifications.

SENATOR GOMES: You don't only want to reclassify them, you want to have them not to have a classification.

DAVE ROTIGLIANO: I want them to be classified all the same, as servers, essentially, what they're doing.

SENATOR GOMES: What about the cooks and the bartenders?

DAVE ROTIGLIANO: Well, cooks are different.

They're not tipped. They get paid a negotiated rate, you know, either hourly or salary.

SENATOR GOMES: I'm sorry

DAVE ROTIGLIANO: But, in Connecticut -- I'm glad that you brought that up -- because, in Connecticut, we pay our servers more than any state in the east. You have to go in Nevada to find a server wage higher than Connecticut. Our servers, in SBC, make between \$20 and \$30 an hour, claimed reported taxable income.

The one's that get really hurt the most every

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

time the minimum wage goes up and, thus, this server wage goes up, are the cooks in the back. They're the ones that the money's not left for to give them raises. And, this year, the minimum wage went up in January 1st. SBC, we eliminated 30 jobs basically based on the minimum wage increase. It was busboys, you know, the server staff that comes and cleans the tables and does everything like that. Well, they make full minimum wage. There has to be an affordability aspect. I have to remain profitable and be able to pay my bills and pay my workers, and there's like a constant increase.

- SENATOR GOMES: And the others ones that work they're busboys, and so on, and so forth, they don't get any tips?
- DAVE ROTIGLIANO: Well, they get tips, but they get tips indirectly. They're not classified presently by the Labor Department as a tipped employee. That bill also seeks to reclassify them as a tipped employee because they do receive tips.
- SENATOR GOMES: A little while ago you said something about cooks -- the cooks get really injured on raise-wise because there's no money left for them to get a raise. What did you mean by that?
- DAVE ROTIGLIANO: Well, when the state mandates that I increase server wages every year, through the increase in the minimum wage, the money has to come from somewhere. There is only so much price increases that I can take and pass along to the consumer. There comes a point where they're not going to pay \$15 for a hamburger. So, who suffers is the back of the house staff, the dishwashers, the cooks, the managers. When

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

that pool of money that we're bringing in isn't has to keep going to the servers through minimum wage increases, when it comes time for the cook who asked for raise, you know, what are you going to do? I say there's no money. You know business isn't good. The economy is terrible. I mean, what are going to do?

SENATOR GOMES: But they all contribute. They all contribute.

DAVE ROTIGLIANO: And they get paid, right. I would love them to give them a raise, absolutely.

But the state --

SENATOR GOMES: You really sound like it.

DAVE ROTIGLIANO: -- the state -- I do. I absolutely would love to give the cooks a raise. They do a lot of work, and it's a tough job. I'm a chef myself. The State is the one that continually gives servers and bartenders raises. The ones that need it the least, they're the tipped employee. They claim between \$20 and \$30 an hour in my company. And the cooks in the back, you know, the state -- they're already well above minimum wage, and they're not going any higher.

SENATOR GOMES: How many restaurants do you have?

DAVE ROTIGLIANO: We have five.

SENATOR GOMES: 300 employees.

DAVE ROTIGLIANO: Right now we have 300 employees. We started in 1997. We're all Connecticut guys. We were born and raised here, and we opened up a Connecticut company. We've been lucky enough to expand all these years.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: Still count yourself as small business.

DAVE ROTIGLIANO: Yeah, I do count myself as small business. When you walk into the -- one of the SBCs. I'm either standing there, or one of my partners is standing there. We're not some big anonymous corporation with offices somewhere. We're right here. My main office is in Shelton. My first location was in Fairfield. I'm in the restaurant everyday saying hi, either cooking or talking to customers. I'm pretty small.

SENATOR GOMES: We appreciate that and thank Connecticut business. Thank you.

DAVE ROTIGLIANO: All right.

REP. RYAN: Thank you.

Anybody else have any questions for Mr. Rotigliano? Thank you, sir.

DAVE ROTIGLIANO: Thank you.

REP. RYAN: Next we have Eric Rosenberg, and after him will be Lori Pelletier.

ERIC ROSENBERG: Thank you, Mr. Chairman and members of the committee. My name is Eric Rosenberg with TransUnion. TransUnion is a global leader is credit and information management. We're one of the three global consumer credit reporting agencies.

The security and accuracy of our information is our highest priority in everything we do, including mortgage reporting, fraud prevention, risk management, employment reporting, tenant screening and collection services.

HB 5521

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

I stand here in opposition to -- let's see, House Bill 5521, which would prohibit an employer from obtaining a consumer credit report for employment purposes unless the information is substantially job related.

Our key issue is because there is no definition surrounding this bill of what is substantially job related. The net effect of this would be to substantially stop employment screening in the state of Connecticut. We think that this restriction could severely jeopardize the health and safety of many Connecticut residents who have come to rely upon safe and secure environments and risk the financial status of businesses across the state.

Unfortunately, we live in an age where businesses of all shapes and sizes must verify the backgrounds of job applicants because retail losses due to employee theft are estimated at over \$30 billion annually and more than 30 percent of all job applicants provide false information on their resumes that needs to be verified. If enacted, <u>HB 5521</u> could prevent background checks on a variety of workers that require access to their homes, hotel rooms, and businesses where personal safety and property are so clearly at risk, including phone and cable television workers, who come into consumers' homes, hotel staff, office technology personnel, and more. The bill could also prohibit background checks on baby sitters, au pairs, and food delivery personnel.

We understand and recognize the personal privacy and the accuracy of information and records is very important and support laws to protect consumers. In fact, as you heard

LABOR AND PUBLIC EMPLOYEES COMMITTEE

lgg/sg/ckd

3:00 P.M.

earlier from the gentleman from LexisNexis, the Federal Affair Credit Reporting Act provides many protections and standards for the use of consumer or credit reports used for employment purposes in certain instances. And, in general, an employer can only obtain a consumer credit report if the applicant consents to that in writing.

The screening of backgrounds, once again, of employees, is critical to protect the safety of Connecticut residents in their homes and offices, in their cars, and in all other places they travel.

We would urge <u>HB 5521</u> not to be considered because it could put consumers at risk with little other protections for those the bill might theoretically protect. And now I stand open for questions.

REP. RYAN: Do you have any questions for Mr. Rosenberg?

Representative O'Brien.

REP. O'BRIEN: Thank you. You talked a lot in your testimony about the retail losses and violent workplace victimizations and the -- you talked a lot about safety in your oral testimony, but as I read the proposal for 5521, it talks about the consumer credit reports. And it's pretty clear referring to the creditworthiness, credit standing, credit capacity and, in general, talking about the consumer credit. It's pretty clear that this is driving at the consumer credit of the perspective employee not any -- not criminal background checks and things like that. I mean, how does that square with your testimony?

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

- ERIC ROSENBERG: Well, there's a lot of confusion between consumer reports and credit reports, for example, that I used for background screening for employment purposes. In general, we're worried that this would sweep in all consumer reports that are used for employment purposes, which include criminal background checks, credit history checks, and the like. So all of those are paramount for businesses who want to screen for the safety and soundness of their employees.
- REP. O'BRIEN: If this were -- are you saying this should be clarified to -- to clarify what a consumer report is for the purposes of this proposal?
- ERIC ROSENBERG: Well, if it goes down that road that should be clarified and also like you said the definition of what is substantially job related. In our estimation, in working in the State of Washington -- it was referenced before -- it's very hard to know because of the civil liabilities what -- how business would define what is substantially job related when they're pulling a credit report. That could be open to interpretation. So you want to be as clear as possible what that exactly means to cut down on any potential legal ramifications.
- REP. O'BRIEN: But knowing that this is specifically directed at the consumer -- the reporting that's done on -- on the buying and paying of bills by consumers.
- ERIC ROSENBERG: If you're just talking about a consumer credit report, then you can talk about retail losses to theft and providing false information on their resumes. The things that might pertain to an employee -- an employer understanding a full picture of if a consumer

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

has a bankruptcy or a lien or a judgment or other financial stress. For example, if they have hundreds of thousands of dollars of debt that might pertain -- might put them under stress to steal or to influence others to and put them in a position to steal. Those are very real opportunities and realities in today's life.

- REP. O'BRIEN: And is it your position that those that type of information should be used by all perspective employers?
- ERIC ROSENBERG: I wouldn't say "by all." I'd say the credit reporting system is completely voluntary. So you have the option as an employer to participate. It means you can pull that information and, if you do, then you have to oblige by the law. And you have to -- you have to meet all the standards under the Fair -- Federal Fair Credit Reporting Act. The -and the State Credit Reporting Act, as well, which means as the representative from LexisNexis talked about, you have to provide recourse, which means you have to provide a mechanism for consumer to dispute that information if there's an inaccuracy. And we have to do a reinvestigation within 30 days and if we don't -- and remove that information if it's found that it is inaccurate.
- REP. O'BRIEN: What types of jobs do you think would be clear -- would be squarely within the types of jobs where -- where that kind of report would be appropriate?
- ERIC ROSENBERG: I only know that what I see from our customers, for example, are banks, mortgage companies. We have state police, a lot of others, you know, daycare centers. That's sort of information. Folks who handle money.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

There's a variety of individuals who -- who get stressed because of their credit situation and they take that out in other ways in their life. So, you know, I can't limit it, but it's, you know, goes beyond just financial institutions.

REP. O'BRIEN: Can you see how they -- as a practice it would tend to have a discriminatory effect upon people who's lives have already been people have already been poor?

ERIC ROSENBERG: No, I don't see that at all.

REP. O'BRIEN: Why?

ERIC ROSENBERG: Why?

REP. O'BRIEN: Yeah.

ERIC ROSENBERG: Because it's our -- it's our experience that folks who have lower incomes, who are poor, actually tend to have better credit than individuals who have higher -- who and this is the pure reason. People at all income levels pay their -- tend to pay their bills, make sacrifices, and some live paycheck to paycheck at high income levels and at low income levels.

REP. O'BRIEN: You have that empirically that you can provide?

ERIC ROSENBERG: We have that empirically, as a matter of fact from the -- at least two studies have shown that people at lower income levels, actually, have -- have a tendency to have higher credit scores. This is done by the Federal Housing Authority and at least one independent study. Now, credit scores aren't used in employment decisions so let's get that straight. And, you know, the -- so I want to

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

get that off the plate.

- REP. O'BRIEN: But the -- so but -- but -- you're saying -- you mentioned credit scores but --
- ERIC ROSENBERG: Well, a score's just a snapshot of a credit report. So if your credit report -- if you have a decent credit report, you're going to have a decent score. But that's not necessarily used in -- that's not used in an employment decision.
- REP. O'BRIEN: But the -- but there is -- so you're saying but it's not -- there is a linkage, though, between the -- that -- that would be useful for -- by an income-strata basis being able identify the impact that this would have on employment decisions?
- ERIC ROSENBERG: I haven't seen any studies such as that, that it would have an impact on decisions.
- REP. O'BRIEN: Because that's what really speaks to the public policy question we have before us right now.
- ERIC ROSENBERG: Well, I haven't seen -- I -- I -- you know, I couldn't answer that. I haven't seen any studies that show that somebody's income level, which is not included in a credit report, by the way, or their credit standing necessarily corresponds to the treatment they get in a hiring decision.

TransUnion, we provide objective credit information. So we're not involved in the hiring decisions. We don't make those make decisions for -- for employers. But we, you know, strive to provide accurate information that. That is updated two billion times a

LABOR AND PUBLIC

lgg/sg/ckd EM

EMPLOYEES COMMITTEE

3:00 P.M.

month and by 85,000 data sources.

REP. O'BRIEN: Thank you.

REP. RYAN: Senator Gomes.

SENATOR GOMES: You said that -- just now you said that the credit scoring does not apply to hiring decisions?

ERIC ROSENBERG: That is correct. Credit scores are not used in employment decisions.

SENATOR GOMES: Then why are they required by employers?

ERIC ROSENBERG: Well, that's -- there's a difference between a credit report. The credit report is the bulk of information your -- which would contain your -- your indicative information, your name, your address, your social security number, your date of birth, your employer. It would include your trade lines which include your -- the accounts, your CitiBank account or your Chase account. It would include your public records, any statements that you might have and any public records, I think I might have said that.

SENATOR GOMES: And you supply all of that?

ERIC ROSENBERG: And we -- when we provide that to -- to an employer who then will analyze that and make the appropriate decision. So we don't make the decision, like I said.

SENATOR GOMES: You don't think that an employer requires this information from you to -- to influence his decision to hire somebody?

ERIC ROSENBERG: Well, that's why they -- that's

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

exactly why they would use the information to influence their decision to provide an appropriate level of risk management. So they have to do less hedging in the hiring of a potential of employee.

SENATOR GOMES: And you said, let's discount the lower income people but just, say, middle income people who don't have good credit. You said that -- maybe I missed it but if this could be conducive to the thought of stealing or being a thief? In other words --

ERIC ROSENBERG: -- I'm saying -- I'm saying they're -- what I'm saying is that there could be instances of consumers who might be stressed out because they have -- or who have bankruptcies, liens, judgments. It's our experience working with law enforcement, the Social Security Administration, the US Postal Service, that some individuals who have stressed-out credit, who have bankruptcies, judgments, liens, high credit, available credit could have had better -- more pressure to thieve.

SENATOR GOMES: Now, we're --

ERIC ROSENBERG: I'm not saying all of them do. I'm just saying that could be an instance.

SENATOR GOMES: -- Now we're getting where I want to go. Now we're talking about what are the percentages that -- you said "instances." What are the percentages of this happening?

ERIC ROSENBERG: Of workplace theft?

SENATOR GOMES: Of workplace theft based on what you're talking about credit, bad credit?

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

ERIC ROSENBERG: I don't have -- I don't have statistics on the number of individuals who, you know, who do thieve, but I do have numbers, for example, as I mentioned retail losses are very high at about \$30 billion annually. That's from employee theft. And that a lot of people do provide false information on their resumes. So the credit report is an important tool in which to verify that information as well.

SENATOR GOMES: But employees -- somebody seeking information, I mean, seeking employment may give a lot of false information, not based on their credit.

ERIC ROSENBERG: That is correct.

SENATOR GOMES: That would also lend to this theory about them being under pressure to become a thief or something?

ERIC ROSENBERG: I can't speculate on that, you
 know, I'm --

SENATOR GOMES: You have speculated already when you

ERIC ROSENBERG: Well, I have -- but that's beyond a credit report. I can't, you know, what I can say is the application of the credit report for employment purposes.

SENATOR GOMES: We're not trying to be confrontational --

ERIC ROSENBERG: Right, I understand.

SENATOR GOMES: But these are the sort things that we need to know in order to vote on these bills that we're -- that are before us. And

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

information such as you were giving and then you say "instances," which might be -- instances might be one out of 100, without any percentages that you can talk about, that's -- that's -- that's not credible information for us.

- ERIC ROSENBERG: Well, I'd be happy to provide you more in-depth information when I get back to Chicago and back to my offices. I do have some numbers, as I shared about, you know, the demonstrable evidence about the enormity of retail theft by employees, but I don't have the instance of percentages right offhand.
- SENATOR GOMES: Based on many things other than credit reports?
- ERIC ROSENBERG: Well, what I was saying, those credit reports help to tell a story to an employer. All right. That's what it does.
- SENATOR GOMES: All the information that you would supply us would be based on credit reports.
- ERIC GOMES: That's right. We're a -- we're a consumer credit reporting agency. So the information that we provide to employers is credit-based information that's used to help employers judge risk of a potential employee.
- SENATOR GOMES: Thank you. I hope you would provide that information.
- ERIC ROSENBERG: I will do some research, sir.
- SENATOR PRAGUE: Okay. Are there any other questions from committee members? No, thank you very much.
- ERIC ROSENBERG: Thank you very much.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR PRAGUE: You're welcome.

Okay. Next person in Lori Pelletier, followed by -- is it Ole Hermanson? And then Paul Rapanault.

LORI PELLETIER: Good evening, Senator Prague and Representative Ryan and the Members of the Labor and Public Employees Committee. My name is Lori Pelletier, and I serve as the secretary/treasure of the Connecticut AFL-CIO, which has over 900 affiliated local unions representing working men and women who are all of your constituents.

I would like to start off by testifying against Senate Bill 222 and House Bill 6460. This idea of a tip credit seems to us that it's nothing more than an unfair tax on people who happen to wait or bartend. You know, as we look at the issues facing us here in the state, maybe we should think about a tip credit on incomes over \$150,000 or maybe a tip credit on capital gain income or maybe better yet we should not call licenses and fee increases just call them tip credits.

I have submitted written testimony so I'm not going read all that because the hour is late and there are many other people after me that need to testify.

But I would like to talk about particularly Senate Bill 365, an act concerning captive audience meetings that we strongly support. Two years ago this bill was raised in the Judiciary Committee, and I have attached to my testimony, Attorney General Dick Blumenthal's testimony in support of the same bill from two years ago. Today, businesses spend

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

approximately \$8 billion a year fighting organizing drives against unions. And we're finding more and more prevalence of employers utilizing these captives audience meetings to tell their employees, you know, what -- what person to vote for, or how to -- they should pray. So our concerns are that if they want to hold these meetings, that's fine, but that an employee should be able to get up, walk out, and return to work without retribution because it does happen. That these meetings -- in 92 percent of the time when there is a union organizing drive, the employer employs this tactic.

We always appreciate the public -- the Labor and Public Employees Committee holding these public hearings, and if anybody has any questions, I'd be glad to answer at this time.

SENATOR PRAGUE: Are there any questions from committee members? No. You're off the hook.

LORI PELLETIER: Thanks, Senator.

SENATOR PRAGUE: Thank you.

Ole Hermanson.

OLE HERMANSON: Good evening. My name is Ole Hermanson, I'm an organizer. I help workers form their unions. I'm here to testify in support of Senate Bill 365, an act concerning captive audience meetings.

In my six years at AFT Connecticut, I've worked on many organizing campaigns, most of them have been at nonprofit organizations, mostly hospitals. I've never worked a campaign in the last six years where the employer did not use an anti-union campaign that included captive

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

audience meetings. Management uses these meetings to coerce and intimidate workers.

In the organizing drive that is going on right now at Rockville General Hospital, management held a captive audience meeting in the emergency department. The manager singled out one nurse and said, if Michelle here asks you to sign a union card, she isn't your friend. And if she's pressure you, you have the right to say no to her and tell me about it. Michelle asked why she was being singled out and the manager said, well, you went to a union meeting, didn't you?

Michelle has since stopped coming to union meetings or from taking calls from organizers. And she has told her co-workers that she's afraid if she does anything to support organizing that she will lose her job.

Captive audience meetings are a powerful tool that management uses to pressure people not to exercise their legal right to make their own decisions about joining the union and they should be stopped. Thank you.

SENATOR PRAGUE: Thank you.

Are there any questions from committee members? No. Seeing none, thank you.

Paul Rapanault, followed by Jim Vigue. Where's Paul? And then Jessica Fenner.

JIM VIGUE: Good afternoon Senator Prague,
Representative Ryan, and members of the Labor
and Public Employees Committee. My name is Jim
Vigue, and I am the political director for
Connecticut Employees Union Independent, SEIU
Local 511, which represents approximately 4,500

SB365 HB 6187

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

state employees in the maintenance and services bargaining unit.

I'm here today to testify in favor of <u>Senate</u>
<u>Bill 365</u> and <u>House Bill 6187</u>. Both of these
bills would be a huge step forward for the
working people in the state of Connecticut. I
will address each bill separately for
convenience of discussion.

Senate Bill 365, entitled "An Act Concerning Captive Audience Meetings" is legislation which CEUI, as well as the entire labor movement, wholeheartedly stands behind. Too many workers in this state, as well as throughout the country, are forced to attend meetings at their workplace where employers are pushing their own religious or political beliefs onto their workers under the guise of what is termed "a business meeting." This bill would give workers' in the state of Connecticut the right to opt out of these phony business meetings.

Opponents of this bill make claim that's such a bill would infringe on an employer's right to conduct and hold necessary business meetings, however, do not be fooled. This proposed legislation does not inhibit an employer's ability to conduct legitimate business related meetings nor does it serve as a complete bar on holding mandatory business meetings.

What this legislation does do is to protect workers from being forced to attend workplace meetings that are solely designed to scare, intimidate and harass workers. One's religious preferences, as well their particular political views, are personal matters, as such, an employer should have no right to impose its religious or political views on its employees, nor should employees fear reprisal if they do

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE 3:00 P.M.

not conform to such. Therefore, I stand in strong support of this legislation and hope to see it enacted this legislative session.

In addition to <u>Senate Bill 365</u>, I would also like to take a moment to speak in favor of <u>House Bill 6187</u>, entitled "An Act Mandating Employers to Provide Paid Sick Leave to Employees." As a representative of state employees, who currently earn sick leave days, I stand today in support of all other workers in Connecticut who deserve and need this same benefit in order to effectively provide for their families. This legislation is designed to promote the health and well-being of Connecticut's workforce.

This bill provides a benefit desperately needed by some of our most vulnerable citizens, lower-wage workers that live paycheck to paycheck and cannot afford to take a day off without pay. No employee should have to risk their health or those of their co-workers to go to work when they are ill. Not only does this increase their chance that they will remain ill longer but they also risk infecting their co-workers which inevitably effects the work product of businesses.

While opponents of this bill contend that paid sick days will place an undue burden on small businesses, I respectively disagree. First, this will be earned time accrued by the employees based on how long they worked for a business. Therefore, an employer will only be subject for payment up to the amount of sick time accrued by an employee.

Further, this bill would create a more stable, healthy, and productive workforce by promoting an employee's health over fear of a missed

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

paycheck, as such, this is a benefit not only to the employees but also to the employers. The time has come to right the wrongs that have been done for too long to working people of Connecticut. This legislation would help put and end to the barbaric and inhumane treatment of our working class and give them some added piece of mind that they will be able to provide for their families. Thank you for your time and consideration. Ask me anything (inaudible.)

SENATOR PRAGUE: Thank you.

Any questions? Seeing none, you can go home and have dinner.

Jessica Fenner.

JESSICA FENNER: Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony on behalf of the Permanent Commission on Status of Women Young Women's Leadership Program. The YWLP is dedicated to understanding and voicing the needs of Connecticut's young women, ages 18 to 35. Today, I speak in favor of Senate Bill 362, at it addresses a number of these issues.

As a graduate student at the University of Connecticut School of Social Work, this issue of equal pay for equal work will have a direct impact on my future career in the social service realm. The wage project estimates that over a life time, or 47 years of full-time work, the wage gap amounts to a loss in wages for a woman of 700,000 for a high school graduate; 1.2 million for a college graduate; and 2 million for a professional school graduate, meaning that I will be disproportionately penalized for furthering my

lgg/sg/ckd EMPLOYEES

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

education and being a woman.

On behalf of young women across the state, I urge you to pass <u>Senate Bill 362</u>, which will hold employers accountable to explain wage disparities based on a bona fide factor other than sex.

Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time year round made 59 cents on average for every dollar earned by men. In 2007, women are at 78 cents to a man's dollar. That means that the wage gap has narrowed by less than half a cent per year.

In short, women and their families stand to lose hundreds of thousands of dollars over a lifetime of work in our country. Senate Bill 362 will provide the general assembly an opportunity to help make measurable gains inclosing the wage gap.

The PCSW and the YWLP appreciate the Labor commitment to Connecticut's young women and look forward to working with the committee to address this and related issues in the future. Thank you.

SENATOR PRAGUE: Thank you very much for coming in.

JESSICA FENNER: You're welcome.

SENATOR PRAGUE: Any questions from committee members? Seeing none, thank you. Keep up the good work.

MANDI JACKSON: Good evening, members of the committee. My name is Mandi Jackson. I'm a research analyst for UNITE HERE, which

HB 5521

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

lgg/sg/ckd

represents nearly a half of million workers in the hospitality and textile industries nationwide, as well as thousands of employees in hotels and food service throughout Connecticut and at Yale University.

I wanted to first address something that the gentleman from TransUnion brought up earlier. It is not true that poor people tend to have better credit scores than more affluent people, and we can actually provide that data. I'll submit it to the committee later.

As a union that is deeply committed to a equality in hiring, we strongly support House Bill 5521, which would restrict the use of credit reports in the hiring process. As we face the worst economic crisis of our generation, now is precisely the time for representatives to act to ensure that job opportunity is based on equality and not on credit history. We feel that credit reports should be banned from the hiring process for four main reasons.

First and foremost, the use of credit in hiring discriminates against African American and Latino job applicants. The average credit score of African Americans is roughly 10 percent to 25 percent lower than that of whites. Those numbers for Latino applicants are roughly 5 to 25 percent lower. This is according to a 2004 study by the Texas Department of Insurance.

The foreclosure crisis is exacerbating this problem since African Americans and Latino home loan borrowers are more than twice as likely to receive high cost home loans in 2006. This is according to a 2007 study by ACORN. A foreclosure can drop a person's credit score by

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

250 points and that will remain on their credit history for seven years.

Second, credit checks in hiring create a fundamental catch-22 for job applicants. In other words, I'm behind on my bills so I can't --

SENATOR PRAGUE: You know, Mandi, we're going to ask you to see if you could sum up simply because it's getting so late and we have two more pages.

MANDI JACKSON: Sure, I'll just summarize --

SENATOR PRAGUE: I know that you've being here waiting to testify, so --

MANDI JACKSON: Indeed. So the credit checks create a catch-22. I'm behind on my bills because I lost my job; I can't get a job, because I'm behind on my bills.

I also want to address what a previous -- the gentleman from LexisNexis and from TransUnion suggested that these are consent-based practices. And we take issue with the idea that it's consent-based because if you want to get a job you have to consent to having that checked.

Third, there's an accuracy problem with credit reports. A recent study reported that 37 percent of those whose credits were checked found that there was an inaccuracy and most could not easily resolve those inaccuracies.

And, fourth, that these, these reports were designed by companies, such as TransUnion, to predict whether a consumer could pay her bills on time, not whether she would perform her job

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

duties accurately.

I, just to close, would like say that -- that TransUnion is one of the top three companies that sell credit reports. It recently settled a class action with the largest class in US history, which alleged that the company sold private information to targeted marketing companies without a permissible purpose and thus violated the Federal Affair Credit Reporting Act and so that's also of a concern to us.

I guess just to want to say that this is -this economic situation is the right time to take this kind of action. Thank you very much.

SENATOR PRAGUE: Do we have a copy of your testimony?

MANDI JACKSON: You do, yes. And there's more data included on that testimony.

SENATOR PRAGUE: Okay, okay. Thank you.

MANDI JACKSON: Thank you.

SENATOR PRAGUE: Any questions from committee members?

Representative O'Brien has a question.

REP. O'BRIEN: So your saying not just the digging into the credit reports themselves but there is a correlation, a negative correlation, between income and -- or a positive correlation between income and how bad your credit score is?

MANDI JACKSON: Yes, there is, and we can get that data to you.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

REP. O'BRIEN: And they've seemed to have left also the racially discriminatory impact of that as well?

MANDI JACKSON: Yes, and that's one of our key issues with this -- with this -- with this process is that it is racially discriminatory.

REP. O'BRIEN: Great, thank you.

MANDI JACKSON: Thank you.

SENATOR PRAGUE: Thank you. So Mark -- is it

Drubek? Followed by -- I'm not sure -- what is
this?

All right. You go first and then we'll call the next person.

MARK DZIUBEK: All right. I'd like to thank all the committee members --

SENATOR PRAGUE: Thank you.

MARK DZIUBEK: First of all for hanging with me into this late hour to give me an opportunity to testify. I'm here to speak in favor of House Bill 6187. My name is Mark Dziubek, I'm a factory worker. It's a union factory. I'm the vice president of my local there, 712. I'm also the vice president of the CAP Council here in Connecticut for the UAW. My local is an amalgamated union that means it's made up of two or more plants, Wallace Barnes plant and the Theis Precision Steel Plant in Bristol.

My plant has sick days. They give me four per year, but I can only use one per quarter. If I get sick that means I have to get better by the next day and go to work sick. I could call in, but that's not an option for me with mortgage

February 24, 2009

lgg/sg/ckd

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

payments, taxes, bills, phone bills, car insurance, and everything going up and my wages have been stagnant for years so I go to work.

I'm also a family man. I have kids. Having children also means they get sick and they can't go to school so it means lost time.

Someone has to stay home. But if I missed too much time, I could be fired. Not all companies are understanding. I think the state standard is you can only miss one day per year or it's considered excessive. So, without a collective bargain agreement, you can only miss one day a year so don't you or your kids get sick. But I guess I'm one of the lucky ones, I have paid sick days.

My sister plant, Wallace Barnes was forced to give up their paid days in 2004. They had a choice to either take pay cuts or give up benefits. They gave up the benefits. Even though the costs of a few sick days a year is substantially less than the cuts in pay they were being threatened with. So sick or not, they have to go to work.

But if we look at the bigger picture here, I'll sum it up quick, employees go to work sick everyday. And, some of them, it isn't an option because they're at lower end of the pay scale.

So I heard some people before they talked, you know, that these service employees that handle our food, retail workers, health care workers, you know, \$20 or \$30 an hour, I mean. If you looked at the W2s, I don't think they're making 40 or 50,000 dollars a year.

So, in times like this, people look to our elected officials to do what's right and a few

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

paid sick days greatly outweighs the harm it would do having these people go to work sick, spreading their germs, infecting others. You know, and I ask you to support <u>House Bill 6187</u>.

SENATOR PRAGUE: Any questions from committee members?

I have a question. Here you are vice president of the CAP Council of UAW, were you part of the negotiations that negotiated --

MARK DZIUBEK: -- No, negotiations at a plant is done by the bargaining committee elected at a plant. It has nothing to do at a regional level. No, I was not.

SENATOR PRAGUE: So you get one day a quarter --

MARK DZIUBEK: One day a quarter

SENATOR PRAGUE: That's unbelievable.

MARK DZIUBEK: Well, that's -- well, at least I get them, you know. I mean, these -- these people that I didn't know, barmaids and servers made 40 or 50,000 dollars a year, you know, so maybe they can take a day off. They're the ones that really need this law, you know, because they're usually part-time workers. You know, they're not -- maybe they work four hours a night on a shift, you know, like the other gentleman was talking about who pays them \$20 to \$30 an hour but their not full-time employees, with no benefits probably.

SENATOR PRAGUE: Good God. Well, thank you for coming in to testify.

MARK DZIUBEK: Sure.

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

NORMA FRANCESCI: Yes, good evening. My name is Norma Francesci, and I coming to testify strongly support to the <u>House Bill 6187</u>.

I own for the last 24 year a small business, a grocery store deli in New Haven. And we are six people working in there for employer, my husband and myself, and I provide sick pay to my employees because I think it's very necessary.

First, because we deal with food, and I can understand somebody who is sick, coughing and sniffing with the food. It spread all the germ to our customer. So we need to be glad for our customer and provide the sick day to the employee.

Today, one of my employee came to work and he was coughing and coughing, and I sent him home because it's not right. We spread all the germs to the children and to the people and, especially, the food when you serve food. That's it.

SENATOR PRAGUE: Okay. What a good employer you are, Norma

NORMA FRANCESCI: Thank you.

SENATOR PRAGUE: I want to clap for you, too.

Any questions from committee members? Thank you very much.

NORMA FRANCESCI: You're welcome.

SENATOR PRAGUE: So Frank Sumpter you're next.

FRANK SUMPTER: Thank you, Madam Chairwoman and members of the committee. My name is Frank

HB6187

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

Sumpter, and I'm the executive director of the YMCA in Middletown, Connecticut. And we're a large employer in Middletown, and we employee a lot of part-time employees.

But, first, let me tell you about my full-time workforce. I do have 64 of my 290 employees are full-time, and we care about their health and well-being. And we, in fact, have a threshold of 27 and a half hours per week to be eligible for our full-time benefit package that includes not only sick time but health and dental insurance.

Our opposition to <u>House Bill 6187</u> is its part-time provisions. Presently, over 250 young people work for us in part-time capacities, lifeguards, recreation leaders, front desk employees, and the like, and these folks work intermittent schedules. Their work patterns are affected by their school, and social activities, sport teams, things of that nature. And, to extend sick leave provisions to this part of the workforce, we have calculated that the cost to our organization for this fiscal year would be \$35,000.

Presently, our operating budget is forecast for a loss of 83,000, and we also face a tsunami of sorts in that the demand for our subsidized services, our sliding scale programs is up, while the sources of revenue for charitable activities such as annual campaigns and endowment proceeds in United Way is down.

So the imposition of this additional cost of \$35,000 on our organization would be a grave concern in our ability to stay viable and sustain the operation into the future.

Lastly, we anticipate that this bill would

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

cause an administrative problem. The tracking of the sick time, accumulating of it, would be handled by our payroll third-party administrator. However, the weekly determination of who had accumulated sick time, was eligible for it, and assigning it to their particular pay period would produce a tremendous additional burden in the handling 250 to 300 time cards on a biweekly basis. Thank you for your consideration.

SENATOR PRAGUE: Thank you for coming in to testify.

This is important information for us to consider so thank you.

FRANK SUMPTER: You're welcome.

SENATOR PRAGUE: Any questions? No, okay.

Next person to testify is Bev Brakeman, followed by Art Perry, followed by Brian Anderson.

BEVERLEY BRAKEMAN: Good evening, Senator Prague and members of the labor committee. I am -- my name is Beverley Brakeman. I'm here -- I'm the political director for the United Auto Workers in Region 9A, and I'm here on behalf of our director, Robert Madore, to urge your support of two bills, 6187, an act mandating employers provide paid sick leave to employees. My testimony says pretty much what everyone else has and you have it writing so I do urge you support that bill.

We also ask you to support <u>Senate Bill 365</u>, regarding captive audience meetings. This bill is an important way for Connecticut to show its support of workers by prohibiting employees from coercing and threatening them into silence.

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

Several years ago, the UAW was involved in helping a group of workers from Chef's Solutions in East Haven, Connecticut, to form a union. Two union elections were held as the result of a majority of workers signing cards indicating they wanted to form a union. During both elections, there were probably over 20 unfair labor practice violations filed with the National Labor Relations Board, by the UAW, having to do with captive audience meetings. These union-busting meetings were mandated for all employees during the organizing drive. Any employees who stood up to speak up or object were thrown out and further threatened by job loss. Unfortunately, due to the intensity of these meetings employees became so frightened about losing their jobs that despite the majority of cards signed, the elections were lost.

A union election is unlike any other election that people are used to. The employer has 24 hour, seven day per week access to the voters, quote/unquote, giving themselves the upper hand in steering the employees against the union through fear tactics and intimidation.

We strongly support this legislation that would allow all workers to choose freely without intimidation and retaliation to form a union. Please show your support for Connecticut's workers and pass this bill. Thank you.

SENATOR PRAGUE: Any questions from committee members? No, Bev, you're all set.

BEVERLEY BRAKEMAN: Thank you.

SENATOR PRAGUE: Art, can you give us your testimony in three minutes?

HB 618/

134

February 24, 2009

LABOR AND PUBLIC

lqq/sq/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

ART PERRY: I'm going to do a lot better than that.

SENATOR PRAGUE: Good.

ART PERRY: Yes.

SENATOR PERRY: Thank you.

ART PERRY: You have my written testimony.

SENATOR PRAGUE: I do.

ART PERRY: I hope you'll refer to it. What I'd like to add is that not only is my organization, SEIU Local 32BJ and Justice for Janitors of which there were 16 janitors here this evening in support of the Sick Leave Bill, who had to go to work for five o'clock. We're not only supporting this legislation in the state Connecticut. Our organization is supporting this legislation in every state from Washington, DC, up to UConn in Storrs because we believe it is the right thing to do, especially, in this economy and, especially, for low-wage workers and their families.

So we hope that we can get it passed in other states, but we surely hope we can get it passed here in Connecticut.

I want to thank the committee for raising this important legislation again this year, and we're going to work with you to try to make sure it gets through the house this time. And thank you the members from the senate. It's important legislation, and it is the right thing to do from a public health point of view, as well as a moral point of view. Thank you.

SENATOR PRAGUE: Thank you, Art, and you're right it

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

is the right thing to do.

Any questions from the committee members?

Thank you.

Brian Anderson. Brian's gone home, okay. Next person, Elizabeth Cafarella.

ELIZABETH CAFARELLA: Good evening, Madam Chairman and members of the committee. My name is Elizabeth Cafarella, and I'm the director of public policy at Connecticut Sexual Assault Crisis Services, CONNSACS. CONNSACS is a statewide association of nine community-based rape crisis centers in Connecticut.

And I'm here tonight to support House Bill 6187, an act mandating employers provide paid sick leave to employees. We support this legislation because we feel strongly that victims of sexual assault should not have to risk losing their jobs to seek counseling at a sexual assault crisis center, to be present in court to request a restraining order, or attend criminal proceedings, or to receive ongoing medical care related to their assault.

House Bill 6187 would provide essential protection to these victims so that they can take the steps they need to recover from the trauma of their sexual assault while maintaining their employment. Just like everyone else, victims of sexual assault are feeling tremendous financial pressures. Our member rape crisis centers report that many clients cannot afford the cost of gas to travel to counseling sessions and that they cancel sessions outright and that many have serious mental health and substance abuse needs that go unmet due to cuts in funding. They tell us

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

that the current economic situation has caused a dramatic increase in stress levels and new clients, partially, as a result of clients having insufficient funds to pay for therapy and other necessary services.

In this difficult economic climate victims of sexual assault cannot afford to lose a days pay, and they certainly cannot risk losing their job altogether.

One of our member programs reported the victims themselves are not the only ones effected. They said parents of child victims need to take time off from work as a result of their children's victimization for medical, legal, or counseling appointments. These parents experience financial loss or disciplinary consequences at work. Parents should not have to choose between bringing their child to counseling or going to court and losing pay, which in turn re-victimizes the child and punishes the entire family.

In this recession, more than ever, it is urgent that we give victims and their families the basic measure of economic security that comes from earning paid sick days. I'm happy to answer any questions.

SENATOR PRAGUE: Thank you very much and thank you for staying to testify.

ELIZABETH CAFARELLA: Thank you.

SENATOR PRAGUE: I don't see any hands up, so we're okay.

Cheri Bragg.

CHERI BRAGG: Good evening, Senator Prague and

HB 5521

LABOR AND PUBLIC lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

distinguished members of the Labor and Public Employees Committee. My name is Cheri Bragg, and I'm the coordinator of the statewide Keep the Promise Coalition. The Coalition is dedicated to expanding and maintaining community mental health services.

People with mental illness face many hurdles when trying to obtain employment, including lengthy hospitalizations where they have to explain work gaps in their work history, medication issues, and the lack of job supports. Having your credit report judged as a basis for employment adds an extra barrier for people with mental and other disabilities.

For example, a person with bipolar disorder, for example, might over spend when they first become ill. It might lead to a hospitalization and possibly a loss of job and then they may be unable to meet those bills once they become stabilized. This does not mean that they are not capable of working once their illness has been stabilized, but they now have a bad credit history, in fact, not letting them work really is additional barrier for them to meet their bills and their obligations.

Another example -- I just want to let you know that another person submitted testimony but is unable to read it. Her name is Jennifer Garrison. And I would just like to note and hope that you will get a chance to read her testimony later. She gives a personal -- many personal examples how this effected her and her job pursuits.

Again, we just want to stress that mental illness is a biological brain disorder not a failing of character. And we feel that some when people become sick and their bills suffer

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

because of an illness of any type, that it's unfair to sort of add another barrier to getting them back to work and trying to meet their bills, which most people want to do. The examples, obviously, we could cite would limitless but we urge this committee to eliminate this barrier for people with mental illness and others so that they can have success and become members of the community again. Most people living with mental illness can and do want to work. Eliminating credit reports is a basis for employment decisions would facilitate the pursuit of employment adding to the labor force and healthy communities. I thank you for your time.

SENATOR PRAGUE: Thank you for waiting and for testifying.

CHERI BRAGG: Thank you.

SENATOR PRAGUE: I don't see any questions from committee members, so thank you.

Kathryn Emmett followed by Tim Phelan.

KATHRYN EMMETT: Good evening, Chairman Prague and members of the committee. My name is Kathryn Emmett. I'm an attorney practicing in Stamford, primarily in the area of employee rights and current president of the Connecticut Trial Lawyers Association. I am here on behalf of the association in strong support of Senate Bill 362, which is amending Connecticut's Equal Protection Act, to bring it in line with the federal legislation attempting to eliminate disparities in employment income.

This is a pervasive problem. It is a problem that effects everyone in every status of life. Recent studies show, for example, with the

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

respect to college graduates that there is a pay gap in every field, in every occupation for graduates who are one year out of college, whereby, no matter whether it's a traditional female area of work or a traditionally male area of work. Graduates -- female graduates are earning only in the range of 95 percent at the high end, to 75 percent or lower of their comparable male graduates.

The problem, unfortunately, gets worse. Ten years out of college, there is data now showing that women are earning only 69 percent of comparable male graduates. As was pointed out before --

A VOICE: (Inaudible.)

KATHRYN EMMETT: All right. As was pointed out before, this affects people throughout their careers, and there's a career wage gap. The average career wage gap is women earn, approximately, \$634,000 less in their career than men do; that gap for college graduates is 713,000; for people with no high school degree, it's 270,000.

This problem recently became a national issue as a result of Lilly Ledbetter's case. A case in which the US Supreme Court said the Federal Equal Pay Act could not be applied because Lilly Ledbetter had been paid at a discriminatory rate for more than 20 years since she had been employed by her employer. And had -- was unable to bring the case now because the pay disparity began 20 years ago. And the fact she didn't know about it, at that time, did not matter.

Justice Ginsburg in her dissenting opinion in that case indicated that this is a very

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE 3:00 P.M.

difficult problem to solve legally for various reasons. One is employees don't often know about pay gaps when they begin. People don't discuss, and employers, in particular, don't discuss pay gaps, and also employees don't want to make waves in their employment; and, therefore, it's a difficult problem for employees to attack. As a result of, I think, what people understood to be the real unfairness of what happened to Lilly Ledbetter, federal government has acted to improve equal pay legislation.

And I think it's important for Connecticut to do the same. As pointed out, it is a lot more -- many employees in Connecticut are a lot more able to get into state court both because Connecticut lawyers, for the most part, practice in state court and also because it's a less expensive forum, and it is a problem that the State needs to attack and solve because it affects the economy of everybody. It affects the economic health of our families. And CTLA is in strong support of this bill. Thank you.

SENATOR PRAGUE: Thank you for your testimony. Any questions?

I've forgot tell people who testify on behalf of this bill to call their legislatures and lobby for this. It's -- it's a serious issue for women and totally unacceptable.

KATHRYN EMMETT: Well, I've --

SENATOR PRAGUE: So call your legislators, you know, those people.

KATHRYN EMMETT: I absolutely will, and everyone I can convince to do the same so thank you very much.

February 24, 2009

lgg/sg/ckd

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR PRAGUE: Thank you.

A VOICE: (Inaudible.)

ALICIA WOODSBY: Good evening, Senator Prague,
Representative Ryan and members of the Labor
and Public Employees Committee. My name is
Alicia Woodsby. I'm the public policy director
for the National Alliance on Mental Illness in
Connecticut or NAMI Connecticut. I'm here to
testify today in support HB 5521, an act
eliminating credit reports as a basis for
employment decisions, which would prevent
employers from making employment decisions
against prospective employees based on their
credit history.

A poor credit history can serve as a barrier to employment for many people with serious mental illness who already face multiple obstacles throughout the employment process due to factors related to their illnesses, such as stigma, financial distress, ongoing health concerns and trouble obtaining disability accommodations within the workplace.

HB 5521 could ease the employment process by giving people with poor credit the opportunity to gain employment and maintain independence in the community.

According to SAMHSA's National Mental Health Information Center, undetected, untreated and poorly treated mental disorders interrupt careers, leading many to live -- to lives of disability, poverty, and long-term dependence. They found a shocking 90 percent unemployment rate among adults with serious mental illness. This is the worse level of employment of any group of people with disabilities in the

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

nation.

Strikingly, surveys show that many of them want to work and report that they could work with modest assistance. They further note that the nation's largest program for people with mental illness is disability payments. The cost, of which, is unacceptable in both human and economic terms. This is especially disturbing in light of the above fact that most people can and want to work. People with serious mental illnesses are often thrust to financial difficulty --

SENATOR PRAGUE: Sum up.

ALICIA WOODSBY: Sure.

SENATOR PRAGUE: Sure, thanks.

KATHRYN EMMETT: I think the point is that this bill will remove an unnecessary barrier to employment for people who already face multiple obstacles. And are sort of caught in a catch-22 where they can't gain employment because of their credit history and they can't fix their history because they can't gain employment. So we don't think that makes very much sense, and we think this bill will go a long way to helping people be able to become more financial independent and live in the community. And that was it. Thank you very much.

SENATOR PRAGUE: You're right. Thank you and thank you for coming in to testify.

ALICIA WOODSBY: Absolutely.

SENATOR PRAGUE: Paul, you have three minutes.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

PAUL FILSON: Oh, boy. Good evening, Senator Prague and distinguished members of the Labor Committee. Please tell Co-Chair Kevin Ryan, I'm sorry he's not here. He always has interesting things to say when I testify.

My name is Paul Filson. I'm the director of SEIU's Connecticut State Council. We're the Connecticut's largest union. And I'm here to testify on a bill that not too many people have testified on. That's House Bill 5248, an act concerning the legislature's impact on employment in the state.

HB 6546 SB 365

Essentially, we believe that's unworkable and unrealistic because it requires an impact statement on all bills with fiscal notes. There are well over a thousand bills with fiscal notes each year. The idea that there be an impact statement analysis on bills -- on certain bills, though, and on certain bills with tax -- on tax expenditures certainly does have some merit.

And I support the idea that the General Assembly should be mindful about its impact on jobs. Bills with fiscal notes that reach the floor and the House -- of the House and Senate must always go through debate in various committees of cognizance including the large Appropriations Committee.

Bills that might affect employment that come to mind include minimum wage laws, health insurance mandate laws, laws that effect the health and safety of workers, and I've been present for debate on all those bills -- on many of those bills. Debate on -- about their impact on employment is on the present before bills become law.

LABOR AND PUBLIC lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

Impact statements are much more needed when it comes to the overall budget of the state however. There's little consideration about the effect on over all employment in the state of Connecticut from cuts in spending and from service cuts. Even worse, there's little understanding about the true effect on employment before tax credits for corporations are enacted.

While the General Assembly may understand the immediate effects of cutting a thousand workers from the public's payroll, it probably does not understand the multiplier effect such cuts have in the general communities around the state.

I'll be brief.

Another <u>bill HB 6546</u>, before the labor committee in a few days will address this serious omission and is much more reasonable and workable than <u>House Bill 5248</u>.

I'll just say that SEIU has supported <u>Senate</u>
<u>Bill 365</u> in the past. Employers should not
have the right to force workers to attend
meetings that have nothing to do with the
performance of their jobs. And it's important
that I mention that this bill is broad and
should not be preempted -- and will not be
preempted by federal law because it covers
politics and religion, as well as labor
organizing.

And, finally, SEIU has supported requiring paid sick days for larger employees. Creating a level playing field for all employers in the state is fair but not make any one employer uncompetitive with another. Paid sick days are humane and, in the end, good public policy, discouraging employee turnover, encouraging

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

productivity and, ultimately, helping workers cope with their health concerns in a way that does not compromise their ability to pay bills. So thank you very much for listening to me.

SENATOR PRAGUE: Thank you. I don't see any questions from committee members.

Next person is Chuck Moran, followed by Ellen Small.

CHUCK MORAN: Good evening, Senator Prague -Representative Ryan's not here -- members of
the Labor and Public Employees Committee. My
name is Chuck Moran, and I'm the president of
the Connecticut Lodging Association, a
statewide organization of Connecticut lodging
properties. I'm here to testify on behalf of
the lodging industry in opposition to House
Bill 6187, an act mandating employers paid -provided paid sick leave to employees.

I have submitted written testimony, but I have a few remarks that I wanted to make in addition in this late hour.

We're in the service industry, and we strive to take care of our associates because they take care of our guests. We provide growth opportunity and benefits to encourage retention. I currently have associates that work at my hotel that have been there for over 23 years. We make difficult decisions everyday in an effort to balance operating expenses against associate morale, which directly impacts guest service and the success of our businesses.

It's a difficult time for our industry. Smith Travel Research just reported January numbers, showing that nearly -- occupancies nearly 5.6

SB 222

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

percent down from a year in January, nationwide. Connecticut's is down 7.5 percent statewide with Groton/Norwich area region off 10 percent in occupancy from last year. This has been a consistent trend since August.

The last thing our industry needs is a one-size-fits-all mandate that adds additional expense to the industry. We're struggling as it is to keep our associates employed, and an increase burden now would only force hotels to reduce more hours and positions. Do we want to drive business out of the state of Connecticut and add to the unemployment liabilities associated with that, or do we want to continue to fund tourism and stimulate the industry so that we can reward our associates appropriately, adding valuable associates to our payrolls and to your tax revenue stream?

Thank you very much. And also I'd like to mention that we are in support <u>Senate Bill 222</u>, a bill -- an act to increase the tip credit. Thank you very much.

SENATOR PRAGUE: Thank you very much.

Any questions from committee members?

How many employees do you have?

CHUCK MORAN: We employ about 70 to 75 associates at my hotel, specifically.

SENATOR PRAGUE: Thank you.

CHUCK MORAN: You're very welcome.

SENATOR PRAGUE: Ellen Small, followed by -- is it Laurie Roy? Oh, okay. Is Ellen Small here?

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

A VOICE: (Inaudible.)

SENATOR PRAGUE: Okay. So you're next, Laurie. Yes, go proceed.

LAURIE ROY: Good evening, Senator Prague --

SENATOR PRAGUE: Good evening.

LAURIE ROY: -- and members of the committee. My name is Laurie Roy. I'm the human resource manager for Alcoa Howmet located in Winsted, Connecticut. We are a precision machining facility, employing around 192 employees. I'm here today to voice my opposition to House Bill 6187, mandate on paid sick leave. This would require Connecticut employers to pay sick leave.

This proposal would substantially increase our business costs and can force us to reevaluate other benefits that we provide to our employees. The safety and health of our employees is a great priority for us. We offer a very competitive benefit package, which includes paid sick leave.

We really need the members of this committee and the legislative to support our business and others to help us grow. Many businesses across the state are already offering paid sick leave benefits. It's extremely difficult in Connecticut, in today's economic times and the competitive nature, competing in the global marketplace. And results of passing such a bill will force businesses to close or relocate to other states that is more supportive and allows organizations to have the flexibility to offer the benefits package in which they can afford to keep people employed.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

All of this means a loss of jobs for Connecticut and impact on each of those family members of those employees. So we urge you to reject this proposal and work with the business community to help control labor workplace costs in Connecticut. Thank you.

SENATOR PRAGUE: I didn't here what business you were representing.

LAURIE ROY: Alcoa Howmet.

SENATOR PRAGUE: And what do they make?

LAURIE ROY: We're a precision machining facility.
We're supplying parts to the aerospace and
power generation markets.

SENATOR PRAGUE: How many employees do you employ?

LAURIE ROY: 192, In -- in my Winsted, Connecticut location, and another 75 in Branford.

SENATOR PRAGUE: Do you offer them health benefits of any kind?

LAURIE ROY: Yes, we do. We offer medical care, which includes a lot of preventive and wellness-type of benefits to try and keep people healthy because it's important for them and their families to be heal -- to be healthy so that they can be at work. We also have dental, vision care. We have short-term disability should they have a long-term illness. We long-term disability should it be go -- go beyond six months. These are typical benefits that most employers across the state have, and it does include the paid sick leave benefits.

SENATOR PRAGUE: Would you mind telling me

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

something? In your place of employment, when you offer your employees long-term disability, do they pay for that themselves out of their salary?

LAURIE ROY: There is certain percentage that the company contributes. If they want to get a higher percentage above and beyond, then they would contribute to that. But it's pennies. It's very small, small amounts. So it depends on the amount of disability that -- the amount of pay that they would want to get beyond.

SENATOR PRAGUE: Thank you coming in to testify.

LAURIE ROY: Thank you.

SENATOR PRAGUE: Any questions? No.

SENATOR GOMES: Next person is Patrick Hayden.

PATRICK HAYDEN: Good evening, Senator Prague and Senator Gomes and Representatives of the -- distinguished representatives of the Labor Committee. Thank you for giving me this opportunity to speak before you. My name is Patrick Hayden, and I am president of Donham Craft, Inc., located in Naugatuck, Connecticut. Donham Craft employs 56 people.

I'm here to oppose <u>House Bill 6187</u>. I'm sure you are all aware of the conditions the manufacturing sector is in. And I know that you know will be getting hit with additional taxes, which are expected to help balance the State's budget from the State as it goes forward with this legislature -- with this legislative session.

We can only hope that President Obama's stimulus package supports Connecticut some

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

opportunities for growth and revitalization. Please be aware that, as a manufacturer, we provide employees with three paid personal sick days, 10 paid holidays, and vacation time up to four weeks.

Last week, I was in the unpleasant position of cutting hours from 24 to 16 hours a day. We furloughed eight supervisors and office staff for two to four weeks along with one week rolling furloughs for five direct laborers. At this time, there is not enough manufacturing business in the region to keep all of my people employed, let alone add costs for additional paid sick leave. So, please tell me how I can afford to provide an additional paid three sick days and remain in business.

I have 56 employees. If this bill goes through, I'll have no choice but to cut, at least, seven of those employees. Does that make sense? Do you know what it's like to wait on a Monday morning -- Monday morning's mail to come through to make sure there's enough checks in place to cover payroll? The quick math, 56 employees for me. I already provide three paid sick days, three additional sick days is approximated 21 to 24 -- 24,000 additional dollars a year that I have to come through with.

But more important than the paid sick days, which we try and do our best to provide with the three that we have right now, it's the inability with the folks not being at our facility for that period of time to not be able generate additional \$90,000 in sales. Those \$90,000 in sales help us to afford the benefits that we already provide. We, I, my employees need your help. Thank you for listening.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: How long have you had those three

sick days?

PATRICK HAYDEN: Eight years, that's my guess.

SENATOR GOMES: Then I didn't negotiate them.

PATRICK HAYDEN: No, you were with --

SENATOR GOMES: You have the steelworkers there. Right?

...

PATRICK HAYDEN: Yes, we do and you negotiated with my -- the former owner, David Niven.

SENATOR GOMES: Yeah, boy, he could cry.

PATRICK HAYDEN: Yeah, he said the same about yourself.

SENATOR GOMES: No, I made him cry. I used to be the rep there. I know about Donham Craft.

PATRICK HAYDEN: No, I missed you by a year.

SENATOR GOMES: A year, all right. I retired about ten years ago, but I hear what you're saying. I'm familiar with Donham Craft. You have about 56 employees now?

PATRICK HAYDEN: We're down from 64 to 56 and, hopefully, not going less than that.

SENATOR GOMES: Is David Niven still there?

PATRICK HAYDEN: No, Mr. Niven's retired, and I've taken over the business.

SENATOR GOMES: I really don't have any questions for you.

February 24, 2009

LABOR AND PUBLIC

lqq/sq/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

PATRICK HAYDEN: Well, thank you very much.

SENATOR GOMES: I'm still in favor of the six days. I was last year. I will be this year. We'll see.

PATRICK HAYDEN: Okay.

SENATOR GOMES: Anybody else have any questions?

PATRICK HAYDEN: Just, once again, please recognize it necessarily isn't the days. It's the dollars of revenue that they generate specifically in manufacturing. Thank you.

SENATOR GOMES: Do we have a Jack Prager, followed by Kia Murrell?

JACK TRAVER: Is that better? Thank you.

Good evening, Senator Gomes and other distinguished members of the Labor and Public Employees Committee. Thank you very much for allowing me to speak before you this evening. My name is Jack Traver, and I'm the president of Traver IDC, a manufacturer and distributor and electric contractor located in Waterbury, Connecticut. We've doing business in Waterbury for 70 years, and we employee approximately 50 employees.

In addition, I currently serve as president of the small -- as a volunteer as president of -- of the Smaller Manufacturers Association of Connecticut. And SMA's is trade association with about 120 members representing 6,000 employees, which coincidentally averages 50 employees per firm which is right on the cusp of the writing of this bill. So I'm voicing my opposition House Bill 6187, the paid sick leave bill because this will substantially increase

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

our business costs at Traver IDC, as well the rest of the manufacturing community, and would force us to evaluate the other benefits we provide our employees.

Our company is barely breaking even at this point and the \$50,000 that this bill would cost in actual labor costs in the \$170,000 of lost revenue would certainly drive us into the red being upside down. And so, at this very difficult point in time, for the first time in our 70 year history, we've had to make to some cuts. We've got six employees on furlough. Four employees on 32-hour work weeks, and seven employees that have taken pay cuts, and all this had to happen, coincidentally, after 70 years when I was just recognized by the Waterbury Chamber as Manufacturer of the Year. It's like a light switch went off come the first of the year. The phones aren't ringing. Business is very difficult. So, again, I would urge you not to do anything that would impose additional costs on business but, more specifically, on the manufacturing community and even more specifically on my company. At the very least, I would urge you to consider language in the bill that might -- at least exempt the companies, the 5,000 of the 78,000 companies in the state that are, in fact, manufacturers with NAICS codes 31 to 33. Our jobs are the highest paying jobs in the state, and I think that we're the goose that's laying the golden egg, and anything that you can do to help spare the goose would be greatly appreciated. Thank you very much for your time. I'll be happy to answer --

SENATOR GOMES: Does anybody have any questions?

JACK TRAVER: Thank you again.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: Thank you very much.

Kia Murrell.

KIA MURRELL: Good evening all. I'd like to say very briefly I'm Kia Murrell from CBIA. I submitted testimony on House Bill 5248. Just to sum up our position, we --

A VOICE: (Inaudible.)

KIA MURRELL: What'd you say? Oh. House Bill 5248, an act concerning the legislature's impact on employment in the state, we think is a positive measure. It's a step in the right the direction to make sure that before legislation is enacted, in this committee or any other, that at a minimum it has a statement of its impact on unemployment.

Right now, everyone's told you about how dire the economic situation is for their particular organization or constituency. You know it. You've heard it but understanding it before you act is going to be key to making sure that your actions are really meant to create and grow jobs and to allow companies in this state to thrive.

I think the key to our economic recovery is going to be in business development. I hope you share those sentiments and will support this measure.

I actually, unfortunately, would like to testify against <u>Senate Bill 365</u>, an act concerning captive audience meetings. This is a bill that's a perennial favorite here at the legislature. It's come up many, many years and pretty much every year since I've been here except for one. In limiting the amount and

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

type of speech that an employer can have with his or her employees in mandatory staff meeting, this bill presents a tremendous burden on an employer's ability to effectively manage their staff.

The bill basically says that if you are to discuss anything that this legislature deems to be political, and that ranges from charitable and community campaigns, contribution campaigns of the sort, collective bargaining issues, issues affecting government operations or politics, in anyway. If you discuss any of those issues with employees, those would be banned under a bill like this. I think we all know if you look at even this own legislature's OLR committee -- I'm sorry -- OLR Commission reports from years ago, even as recent as 2006, this is not the type of bill that would really be well advised at any time but least of all at a time like now where so many companies are struggling to survive and being able to engage their employees about what's happening outside of the workplace and to inform their employees about how government operations, collective bargaining issues, or anything else that they may need to know to save their jobs, it's essential. Anything that limits communication

SENATOR GOMES: That second whistle was the one --

KIA MURRELL: I don't know what you just said, but I
 hope in was in support of --

SENATOR GOMES: I said the second bell was the one, would you sum up.

KIA MURRELL: Oh, okay. So, in any event, we don't like this bill. We urge you to reject this bill for same reasons that you see in my

1qq/sq/ckd

February 24, 2009

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

written testimony.

With regard to big Bertha, the paid sick leave bill. That -- and I call it that facetiously, but this is a bill that, again, you've heard from me many years before. This is a bill that would have a tremendously negative impact on pretty much all employers in the state whether they fit the purview of the bill or not.

In requiring that every employer of 50 or more hourly or nonexempt employees submit to the same one-size-fits-all policy for granting employee sick leave benefits, you are basically limiting employer's flexibility. You are limiting employer's financial resources, and you are limiting employer's ability to adapt to what is clearly a very turbulent and unpredictable economy.

We are now dealing with an economy of the sort that most people have never seen and have yet to really grasp how far it can go. You're going to take what has already been a litany of extremely high business costs for Connecticut businesses, higher than many states in the nation. We are heads and tails everyone else. We pay more in FMLA benefits, four weeks more than the federal benefit. More in minimum wage, one of the top -- highest in the state. I think we're number six, now, in 2009. We also give extremely high and generous Workers' Compensation benefits and unemployment comp taxes are going higher and higher every month.

SENATOR GOMES: Could you sum it up, please.

KIA MURRELL: Businesses can't afford this. No one can afford this. If you force a one-size-fits-all policy on the state's businesses, you will either force them to close

HB 5248

LABOR AND PUBLIC EMPLOYEES COMMITTEE

lgg/sg/ckd

3:00 P.M.

their doors, cut benefits they give to compensate for the increase in cost, or, worse yet, you will cut the jobs of the very people that you think you're helping. So because you have my written statement, I'll very quickly say we urge you to reject this measure. This is a bad idea even in a good economy, but, today, no one can afford this. Let the market dictate employee benefits and choose jobs over a particular amount of sick time. I think people would prefer to work so thank you.

You do the same.

SENATOR GOMES: Mr. O'Brien has a question of you.

KIA MURRELL: Oh, okay.

REP. O'BRIEN: He didn't see me because I was sitting next to him. Just very quickly there was earlier testimony about an article in Forbes Magazine, which I'm looking at right now on my computer. And it says, there's a financial price to coming to work ill that's called presenteeism. It costs employers \$180 billion annually, according to a 2007 study by the Society for Human Resource Management. That's more than employers shell out for employee absenteeism, which costs only 118 billion a year. It looks like there's some pretty good evidence that it actually -actually costs more to have workers come to work sick than to simply have them take a sick day. And what would be your reaction to that?

KIA MURRELL: Well, I mean, I've seen that article, I've seen it quoted in many of the advocacy materials used by the proponents of this legislation, and although I think that that article can leave you with a misimpression that presenteeism is more expensive than the

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

absenteeism, I think that you've heard from numerous companies, whether it was Pat Hayden, Jack Traver, Laurie Roy, employers here today that came to tell you about the cost that they would have to pay to not only cover the paid sick leave benefit but also the absence of the person that's no longer productive when they're out on paid sick leave.

I think you've heard compelling evidence that the cost, even if you just listened to these individual companies, that the cost is tremendous. That it would be the difference between them staying in business and closing their doors. You've got, at least in front of you, a 160 different letters from companies all over the state, including one's in your district, that have their own version of what the cost would be. So, as much as I respect Forbes, we use them all the time. I say that unless Forbes has come to Connecticut and interviewed the vast majority of companies in this state about the cost and the financial impact for their bottom line, it's of no consequence.

REP. O'BRIEN: So, you don't believe the results of the study.

KIA MURRELL: I haven't read the complete study. I don't know if my belief of it is as relevant as my understanding that you can have a study say anything you want. You can skew any numbers in your favor, but I ask you, in addition to Forbes, since you're interested in that type of material, there was a recent study conducted by the federal government, as specifically the US Inspector General, who studied the paid sick leave abuse and absenteeism at state -- sorry -- at government agencies, like the IRS. Their study found that for just the IRS because

LABOR AND PUBLIC

lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

the ample sick leave benefits that were given to federal employees, it cost that one agency \$450 million over about a ten-year period. You know why? Because so many of the IRS employees were routinely taking time off. The Monday after a holiday weekend or the Tuesday after a federal holiday that fell on a Monday. There was a routine and chronic pattern of abuse of the days and times that people took sick leave. And, unfortunately, from what the study indicated, it didn't keep people from coming to work when they were actually sick. It actually encouraged them to save up those sick days for holidays and times that they wanted to use it. So I suggest that I don't know that penalizing behavior or creating an incentive by giving a certain amount of state-mandated sick leave is going to change the behavior that you're looking to address.

In fact, I think that when you mandate it, you encourage people to take it at a time that may be convenient and desirable for them, but the worse possible time for the person they work for. And how do you anticipate having an employer manage a state-mandated amount of time off even when they know that someone's abusing it, using it chronically, or using it fraudulently? How can they deny them the ability to take it if the State now requires it? So I put that in front of you, and I'd be happy to give you everything that I have with regard to the US Inspector's Report because it's very interesting.

REP. O'BRIEN: That would seem to be factored into the aggregate study that the -- that was cited in Forbes, wouldn't it?

KIA MURRELL: I'm sorry. When you say "it," what's the "it" that we're factoring?

lgg/sg/ckd

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

REP. O'BRIEN: If you're talking about losses to due to absenteeism. Wouldn't that, in general, be factored into the -- into this study that was cited by Forbes?

KIA MURRELL: You know, I think as a general concept it seems that they're aware that there's a cost to absenteeism but what they've factored in and didn't, I couldn't begin to speak to because I don't know where they got their numbers. I don't know what their sample was. I don't know the demographics of their sample. I don't know what industries their sample represented? What we're the customs and norms of that industry? What was the flexibility and scheduling in that industry? What other mechanism are attendant to the employers that they looked at? What other mechanism do they have, use, employ, or have access to to compensate for absenteeism? I don't know those things so what I would say is, you know, not to be facetious, but you can't believe everything you read. What you do is put it into the -- the pot of information and, hopefully, you come out with a well-balanced approach that has both pro and con. There are a ton of studies out there, and I don't think any of them in conclusive even the ones that, you know, that I like.

REP. O'BRIEN: Would it -- I wanted to ask -- well, I won't belabor. There are other questions I have, but --

KIA MURRELL: Okay.

REP. O'BRIEN: We can certainly discuss that privately. Thank you for your time.

KIA MURRELL: Okay.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

SENATOR GOMES: I just liked to ask you one thing based on what you said. You don't --- can't always believe what you read. You can't really take a statistic, like you took, about taking a day off after a holiday and equate that with the norm or the majority of people. I, as a rep know that I had people that would take days off like that whether it was a Friday or a Monday but that was very rare. When you judge the whole workforce, itself, you don't really believe that -- that's a big problem.

KIA MURRELL: Well, I can't speak for all the employers in this state but, at least 10,000 of them that are our member companies, a lot of them have said that the chronic and fraudulent and misuse of sick leave is a problem for them. That's why a lot of people have attendance policies in place. They have management flexibility, and they also devise other reasons other than sick leave -- meaning they might give you paid time off, generally, or they may give you fewer sick days than vacation time, or they may give you a few personal days. They're giving you the ability to take the time when you need it, regardless, of what it's labeled. But to say that a statistic, you can't believe, I agree with you, but I think that there's a difference between a statistic and a fact.

REP. GOMES: That's right.

KIA MURRELL: And a fact is that the US Inspector General found that it costs \$450 million to the IRS to pay for everyone to take off Fridays and Mondays.

REP. GOMES: You don't want to believe the fact that Forbes gave you either.

KIA MURRELL: That's a statistic. That is not a

February 24, 2009

LABOR AND PUBLIC EMPLOYEES COMMITTEE

lgg/sg/ckd

3:00 P.M.

fact, sir.

REP. GOMES: You can't believe everything you read. Thank you.

KIA MURRELL: Thank you, always a pleasure.

DOMENIQUE THORTON: Good evening, Senator Gomes and members of the Labor and Public Employees Committee. My name is Domenique Thorton, and I work for the Mental Health Association of Connecticut, a private nonprofit dedicated to the service, education, advocacy of people with mental disabilities. I would like to thank the committee for the opportunity to speak in favor of <u>House Bill 5521</u>, an act concerning credit reports as a basis for employment decisions. The association sponsors a program called, CHOICE's Supportive Employment for persons with mental health disabilities that creates confidence and skills necessary for them to get, choose and keep job opportunities in the community.

CHOICE's Supportive Employment offers individualized support in choosing, getting, and keeping jobs in a competitive job market serving 30 persons annually, and job coaches assist them on a one-to-one basis to get their confidence and their skills up, and, as you know, employment offers an excellent means to a productive and meaningful life in the community.

The Mental Health Association is aware that a past history of poor credit could be a barrier to future employment for our clients. And, while we cannot speak to any individual instances, specific individual instances, of a person refused for employment, our client employees would not necessarily know that. The

LABOR AND PUBLIC lgg/sg/ckd EMPLOYEES COMMITTEE

3:00 P.M.

employment decision was based upon the poor credit history. We do know, however, that they have poor credit histories. We know that anyone who probably has been on a spend-down in the State of Connecticut, or Medicaid spend-down, has probably got bad -- poor credit history because they haven't been paying their medical bills.

We can also anticipate that some of the people that we work for may be refused employment because of their bad credit histories, and we believe that persons with mental health disabilities, who aren't protected from employment discrimination and a discrimination of public accommodations and credit practices, should also be protected in the area of not using a poor credit history to deny them employment.

Just as an aside, I just wonder what Bernie Madoff's credit rating was before, you know, the \$50 billion scam was released. It was probably pretty darn good so I'll say that.

SENATOR GOMES: Well, you heard -- you heard it on some of the banter back and forth that we had on the same bill. You just added another aspect to it that takes advantage of a certain segment of our society.

DOMENIQUE THORTON: That's right. That's right.

And I thank you for considering their disabilities and that they would be also be targeted along with persons of color, minorities, and it's a disparate job market to begin with.

SENATOR GOMES: Thank you for your testimony. Thank you very much.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

We have a Peter Valentin.

PETER VALENTIN: Good evening, Senator Gomes and members of the committee. My name is Peter Valentin, and I'm a detective with the Connecticut Police. And I'm here today to speak against Raised Bill Number 6333, which is an act concerning the collection of employee DNA.

I'm one of five detectives who comprise the Western District Major Crime Van Unit, and we are responsible for crime scene investigations at homicides, suspicious deaths, and other major crimes. Now, even within this small field of crime scene investigation, my background is somewhat unique. I have a bachelor's degree in forensic science. I have a master's degree in forensic science. I teach forensic science at the University of Hartford, and I'm working on my Ph.D. in forensic science. In short, I'm a forensic scientist who became a state trooper.

The perspective I wish to share with you this evening, as opposed to this afternoon when I wrote this, I'm drawing from my education and experiences, as well my extensive training in forensic techniques and criminal investigations.

The recent advances in the field of forensic DNA analysis have been nothing short of miraculous, and I'm not telling the committee anything that they don't already know. Twenty years ago, we needed a blood stain the size of a quarter to develop a DNA profile. Today, the amount of cellular material needed to -- has decreased to a level that is equivalent of only a few cells. These incredible improvements and

?

lgg/sg/ckd

LABOR AND PUBLIC EMPLOYEES COMMITTEE

3:00 P.M.

the sensitivity have been referred to as touch DNA because the amount of material needed get to a profile can be transferred from merely touching or sometimes breathing on an object. It's implications for the field of forensic science can not be overstated. It is vital, however, this committee recognize that for all the help DNA can provide, it's value in an investigation comes only from the context which the detectives conducting the investigation provide this evidence.

What should be of concern to the members of the committee is the notion of contamination as it's referenced in the statement of purpose for this bill. Contamination is defined within the field of DNA analysis as the accidental transfer of DNA. With the sensitivity of DNA analysis increasing to previously unimaginable levels, what was previously thought of as contamination should instead be seen as common or expected for items that exist that in the environment where they have contact with other sources of DNA, other people.

The increasing sensitivity of DNA testing has created this curious situation where the value of these DNA profiles has actually been reduced rather than increased because these profiles can be generated from so many items because they have human contact. Proponents of the bill might argue that the presence of an unknown DNA on an item is a problem for a criminal investigation -- yes, sir.

I believe this is a fundamental misunderstanding about how we conduct investigations. An investigation does not begin when the detectives receive information from the forensic laboratory about an item. Instead our investigation begins immediately

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

using traditional investigative techniques and the DNA profile, whether is known or unknown, like any other piece of evidence is only a clue in the total picture. And, generally, by the time scientific results come back to us as state police investigators several months have elapsed, and, certainly, it would be unacceptable for us to wait for a DNA profile to continue an investigation.

With all this in mind, it should be clear the compelling all state and local law enforcement to provide DNA to the forensic laboratory is attempt to solve something that has not been identified as a problem by those of us who investigate serious crimes. Contamination is not the issue because practically everything we submit to the laboratory will be contaminated by virtue of its existence in the environment prior to submission to the laboratory. The problem here is the exponential increase in DNA sensitivity without the accompanying change in thinking as to what this information means. Thank you for your time.

SENATOR GOMES: Representative O'Brien.

REP. O'BRIEN: Just very briefly and I'm wading into an area that's probably better suited for the public safety or judiciary committees but is there a -- in general, a way that -- that you would use for screening out what you refer to as formerly as contaminants but now, I guess, you're calling just general background data that you find, is there -- is there a protocol used for screening that out that would qualify as normal?

PETER VALENTIN: To answer that it would really need to be looked at in the context of this specific case that we have in front of us. We don't

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE 3:00 P.M.

investigate from the discovery of a DNA profile, nor does our investigation change because we have an unknown profile. Unless the person is the DNA database, CODIS, we have no reason to suspect anybody. We have to do, you know, traditional investigative methods in order to find somebody.

In actuality, if we did find a DNA profile and that DNA profile was not supported by any other investigative information, a bad alibi, witness statements, GPS tracking on a cell phone, what have you, I don't believe that that DNA profile alone would amount to the probable cause necessary to make an arrest, nor should it be. Because the -- this touch DNA could mean the bottle of water that perhaps you drank form this afternoon has the DNA profile of the stock boy who put it on the shelf two weeks ago. That person should not become a suspect. That is not, essentially, contamination that is just the life span of every object in this room. So it really -- what we should be doing is reevaluating the importance that we give the DNA that we do find and, perhaps, not always being as sensitive in our testing.

There are times when that's sensitivity is required when traditional methods fail to yield any profile in human identification, for instances, where you have unidentified human remains and you need to identify who this person is. But, as for general forensic testing, the idea of reaching such low levels that now you're getting this coincidental contact, I think is ill advised. So it's -- this bill is attempting to address something certainly we as detectives don't see as an issue as we conduct our investigations.

REP. O'BRIEN: And it sounds like with, you know,

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

without, again, delving into any of the details of what you do, it sounds like you're already developing the way that you deal with that problem?

PETER VALENTIN: Yes, and, certainly, that is probably my role within my unit specifically because I good understanding of the science. As I -- I sort of temper people's expectations, not only about DNA, but about other scientific techniques that are available to us through the forensic laboratory. And, sort of, correct some of the misnomers and misperceptions that are, you know, perpetuated by the media, and by television and what have you.

REP. O'BRIEN: Would it be safe to say that this is an area where you're having a lot of communication with law enforcement nationally and trying to figure out the way -- the proper way of using this new evidence with a sensitive measuring?

PETER VALENTIN: Anecdotally, I have certainly had conversations with colleagues of mine and people -- and laboratory personnel in other jurisdictions to find out how they're approaching this, but, certainly, no other jurisdiction has had it come up in the way that we've seen it come up here in Connecticut so I couldn't purport to give you the right to handle this.

REP. O'BRIEN: Okay. Thank you.

PETER VALENTIN: My pleasure. Thank you very much. You have a good evening. I'll get the lights on the way out.

SENATOR GOMES: Brian Anderson.

February 24, 2009

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

BRIAN ANDERSON: Good evening, Chairman Gomes,

members of committee --

SENATOR GOMES: Did you hear what Representative

Aman said.

REP. O'BRIEN: I missed this (inaudible.)

SENATOR GOMES: He's going to cancel the meeting and

without him we don't have a quorum.

REP. O'BRIEN: Oh, that's right. Oh, well.

BRIAN ANDERSON: I'm here for AFSCME Council 4, a SB363 SB365 union of 35,000 Connecticut public and private employees. I'm here to testify in favor of House Bill 6187, an act mandating employers provide paid sick leave to employees. The respected Institute for Woman's Policy Research estimates that only 60 percent of Connecticut workers have sick leave. That means that over 655,000 workers in our state don't. Institute research shows that granting sick days economically benefits workers, employers, and our society in the long run.

Economic benefits aside, this is common sense public safety bill. When workers report to work sick, there's a good chance they can spread the sickness that makes even more people sick and continues to spread the sickness to more folks. This is a particular problem when these workers are in service industry jobs, such as working in a restaurant, hotel, or retail establishment. The sick worker can unwittingly and unintentionally spread the flu and other ailment to the very customers that they serve. Unfortunately, it is workers in just such jobs that often aren't getting paid sick days by their employers.

LABOR AND PUBLIC

lgg/sg/ckd

EMPLOYEES COMMITTEE

3:00 P.M.

We submit a fax sheet from the US Department of Health and Human Services concerning the deadly avian flu. It says the Center for Disease Control -- experts agree that it is not a question of if a pandemic will occur but when it will occur. It goes on to saying comparing avian flu outbreak in the 1918/1919 flu pandemic that if a pandemic of similar severity occurred today, 2 million Americans could die. This bill safeguards the public.

In summary, we support Senate Bill 362, an act concerning equal pay for equal work. Senate Bill 365, an act concerning captive audience meetings. We oppose Senate Bill 804, an act concerning municipal binding arbitration, rather than expanding the right to reject the words, we'd like binding arbitration to actually be binding, which is what the framers of the concept created with it. And that is end of my testimony.

A VOICE: (Inaudible.)

BRIAN ANDERSON: Well, it's not as much fun without Kia here.

A VOICE: (Inaudible.)

SENATOR GOMES: Meeting's adjourned -- hearing's adjourned.

SB 222, An Act Concerning the Tip Credit

On behalf of P.F. Chang's China Bistro, I write to ask you to fully consider the benefits for employers and businesses that employ tipped workers of passing legislation that would increase Connecticut's tip credit rate.

Given the shaky economy, sky-rocketing food prices, and an uncertain future, rising labor costs have had disastrous effects on the restaurant industry, where we're already operating on razor-thin profit margins. Connecticut already has an unemployment rate higher than the federal and has experienced a 47 percent increase in unemployment since last December.

A bill to increase the tip credit for workers who earn gratuities can help our restaurants retain workers and lower barriers to entry-level employment. Minimum wage increases, and high wage rates for workers who already make well above the minimum wage when tips are included, often take job opportunities away from many employees, as our restaurants are forced to reduce hours or eliminate jobs in order to accommodate for high labor rates. Unfortunately, in today's economy, many restaurants in the state and across the country have been forced to close their doors as a result of increasing labor and food costs. Research demonstrates that it is the least skilled employees who will have the most difficulty keeping and finding employment in this increasing competitive environment.

P.F. Chang's China Bistro takes great pride in the job opportunities we offer and the ability our employees have to grow within our organization. In many cases, employees rapidly increase their skill level, and their wages, tip income, and job responsibilities go up correspondingly. Research from the Miami University of Ohio and Florida University has shown that within the first 12 months of employment, two-thirds of entry-level employees receive a pay raise. Many of our employees have similar experiences and have options to move into management positions.

Thank you for your consideration,

David J. Fletcher

Market Partner, PF Chang's Northeast

Senator Prague, Representative Ryan and members of the Labor Committee. Good Afternoon. I am Irene Pia, Area Director of Operations for Chili's Grill & Bar. I represent 18 Casual Dining Restaurants in our State. We have done business in CT since 1987 and employ 1,349 residents. I am here today to present my support of SB 00222, An Act Concerning the Tip Credit.

The costs of doing business in our state are among the highest in the nation. We have one of the highest minimum wages and a lower tip credit. We are the ONLY state of all the New England States and NY that pays more than \$5 per hour to our service staff and pays an increased rate to bartenders.

The intent of Committee Bill No. 222 is to freeze the tipped wages at their current rate. To accomplish this, the bill increases the tip credit in 2010 when the minimum wage is set to increase again by 25 cents. For bartenders, the tip credit would increase from the current 11% to 13.75%. For servers we believe there was a drafting error in the tip credit. The language should increase the tip credit to 33.1 % to keep the tipped wage level. Otherwise, restaurants will be faced with yet another cost increase in 2010: \$.17 cents per hour for servers and \$.22 cents per hour for bartenders. The examples below illustrate some average expenses incurred without this enactment:

\$158 in additional labor expenses per week [\$136.0 in service wages + \$22.0 in bartender wages] \$8,200 in additional labor expenses annually [Actual \$8,216] \$156,000 annual expense to Chili's for the 19 restaurants in operation by 2010 [\$156,104]

These additional expenses to the restaurants are ultimately passed down to our consumers through increased menu prices and decreased service. I'm certain you all have experienced both. They affect our employees through reduced staffing levels and ultimately fewer jobs. There are many restaurants that have already cut back on the number of employees they utilize for every shift.

Just last week, I spoke to a concerned guest regarding the modest price increase we took in January [to offset the minimum wage increase that began on January 1st]. He couldn't understand "in this economy" how we could even consider raising our prices. Reflecting on many of the conversations I had with our young employees in early January. All of them the recipients of these wage increases; most of whom were unaware they even got one. As operators, we would prefer to pass some of the savings above along to the people who cook your food; most of whom work two full time jobs just to try and make ends meet.

We are not just about profits; we pride ourselves on being about "people". Since October of 2006 through this April, we will have opened 6 new restaurants in our state. These 6 restaurants alone have added 500 hourly and 24 managerial positions. Given the opportunity, we would put the \$156,000 saved from the example above to work toward building more restaurants, creating more job opportunities and providing the same steady value to our consumers that they enjoy today.

Thank you for your time.

						
			Bartender		-	
	Minimum Wage \$	Tipped Wage \$	Wage \$			
FEDERAL	\$6.55	\$2.13				
СТ	\$8.00	\$5.52	\$7.12			
NY	\$7.15	\$4.60				
MA	\$8.00	\$2.63				
NH	\$7.25	\$3.27				
RI	\$7.40	\$2.89				
VT	\$8.06	\$3.91				
ME	\$7.25	\$3.62				
						
		· 				
			· · · · · · · · · · · · · · · · · · ·		,	
		 				
						
						\
						-
L	<u> </u>					

Good afternoon, Senator Prague, Representative Ryan, and members of the Labor Committee. My name is David Rutigliano and I am executive chef and partner with the SBC restaurant & brewery, with locations in Stamford, Southport, Milford, Branford and Hamden. We employ 300 good people in CT. We are members of the CT Restaurant Association, and are proud to be a part of the great hospitality industry, which maintains 142,800 Connecticut jobs.

Two bills before you today have my support, and one does not.

I would first speak in support of SB 222 which would keep tipped employees' wages stable when the minimum wage moves to \$8.25 on January 1, 2010.

- Our tipped employees, servers and bartenders, claim between 20-30 dollars per hour. These wages are taxable to both the employee and the employer.
- Ct has the highest tipped employee hourly rate in the East
- The increase in wages on January 1st resulted in SBC eliminating 30 jobs within
 the company. This increased cost to us, for employees already earning far greater
 than minimum wage, has also made it very difficult to raise wages for non-tipped
 employees.

HB 6460 clarifies issues some of us run into with the labor department, and reclassifies bartenders as servers. It also will clarify the "side work" issues many employers have.

- A "bartender" performs the same duties as a server. The separate classification is from an old law concerning counter help.
- Bartenders are typically the highest paid tipped employees in the restaurant. Their separate classification in unwarranted and a financial burden to the restaurant, not only in the additional hourly wage, but also in accounting and payroll procedures.
- All servers perform certain duties, before guests arrive and after guests leave, that
 are related to the serving of food and beverages. We are asking that as long as
 their average hourly wage, including tips, is at or above the minimum wage for
 their entire shift that we are in compliance.

HB 6187

We at SBC vehemently oppose this proposed bill.

Mandating paid sick leave is onerous to small business, and will absolutely result in job loss in Connecticut. Specifically, restaurants operate differently than other industries; we are a "right now" business, serving our guests when they want to be served. I would have to replace the employee that calls out sick with another worker, thus paying twice to get the job done, and probably at the overtime rate. Restaurants are known for their flexible scheduling, and mandating sick pay intrudes on the restaurant's right to manage the employer-employee relationship to the better of both parties.

CT is already one of the most expensive states in the country to do business in. This bill will increase the cost of doing business and result in the loss of jobs and opportunity.

What opportunity will the next group of entrepreneurs have if the costs of self-actualization are so high that it will make it not worth it? We are already #1 in the country for the loss of 18-34 year olds. We need to make this state more attractive to business and encourage our young people to stay, and create jobs here, instead of moving to a state that has less restrictions. We all know what I am talking about, we have all had neighbors and friends move elsewhere in search of a better life, or more opportunity. We've had our neighbors and friends' children go off to college and not come back, other than to visit.

At SBC we are "Connecticut Grown." We were all born and raised here, got married and started families here, and this is where we decided to start our business. We want Ct to succeed and prosper. We just don't believe this is the way to go about it.

Thank you for your time. I am available for any questions you may have.



CONNECTICUT AFL-CIO

56 Town Line Road, Rocky Hill, CT 06067 860-571-6191 fax 860-571-6190

SB 365

HB 5521

SB 733

Testimony before the Labor and Public Employees Committee Tuesday, February 24, 2009 HB 5515 HB 6187

Senator Prague, Representative Ryan and members of the Labor and Public employees committee, my name is Lori Pelletier and I serve as the Secretary-Treasurer of the Connecticut AFL-CIO, which has over 900 affiliated local unions representing the working men and women from every one of our 169 cities and towns.

I am here to testify in opposition of the following proposed legislation:

S.B. No. 222 (COMM) Labor and Public Employees. AN ACT CONCERNING THE TIP CREDIT

and <u>H.B. No. 6460</u> (RAISED) Labor and Public Employees. AN ACT CONCERNING TIP CREDITS AND GRATUITIES. We oppose both of these bills because this penalty against workers whom rely on this income to support their families should not exist.

As this economy continues to contract, workers in the service industry particularly wait staff and bartenders will be hit the hardest. This is really an unfair tax on those workers and should be eliminated not enhanced. Maybe we should call for a "tip credit" on incomes over \$150,000/ year. Or maybe an increase in the "tip credit" on capital gain income, or better yet maybe we should double the cost of licenses and fees but just call it a "tip credit". Let's call a spade a spade and the tip credit is a regressive tax on some of the lowest wage earners in our state.

We also oppose, S.B. No. 804 (RAISED) Labor and Public Employees. AN ACT CONCERNING MUNICIPAL BINDING ARBITRATION. Binding arbitration does just what it is intended to do; it resolves contracts without going through a lockout or strike situation. If it's not broke don't fix it.

H.B. No. 5248 (COMM) Labor and Public Employees. AN ACT CONCERNING THE LEGISLATURE'S IMPACT ON EMPLOYMENT IN THE STATE. This bill is not getting at the problem of job creation in our state. For a number of years the labor community has asked for stronger enforcement provisions when companies are given state grants and loans. If we are truly concerned about job creation then we need to focus on education, training, infrastructure and quality of life issues.

Finally we also oppose H.B. No. 6333 (RAISED) Labor and Public Employees. AN ACT CONCERNING THE COLLECTION OF EMPLOYEE DNA. At the very least this is an invasion of privacy and at the worst it could be used to discriminate against workers. Forensic science doesn't need this to be successful, but this could be used to hurt workers, and for that reason we are opposed.

We support the following raised bills:

PRESIDENT
John W Olsen
EXECUTIVE VICE
PRESIDENT
Salvatore Luciano

SECRETARY-TREASURER Lori J. Pelletier EXECUTIVE SECRETARY Leo Canty GENERAL VICE PRESIDENT Brian Petronella

VICE PRESIDENTS
John A Altieri
Linda Armstrong
Tammie Botelho
Thomas Bruenn
Peggy Buchanan
Wayne J Burgess

Peter S Carozza, Jr Everett Corey Ben Cozzı Dık Days Kenneth DelaCruz John Dırzıus Mark Espinosa Bıll Henderson James Howell Clarke Kıng Elizabeth Kuehnel Thomas Ledoux Mike Livingstone Dwight Loines Kevin Lynch Steve Matthews John McCarthy Jeff Merrow Jean Morningstar Charles Page Sharon M. Palmer Steven Perruccio Michael Petosa Ronald Petronella Robert Proto Carmen Reyes Robert Santo Edward Sasso Ray Soucy Paul Wallace Kurt Westby Thomas Wilkinson <u>S.B. No. 362 (COMM)</u> Labor and Public Employees. AN ACT CONCERNING EQUAL PAY FOR EQUAL WORK.

In 1963 the Equal Pay Act was signed into law. Unfortunately there is a difference of 22.2 cents for every dollar earned less for women than their male counterparts. In our minority communities these numbers are even starker. This difference is not limited to just women who are not college educated. As shown in a 2008 report which points out "the median annual earnings of Connecticut women who have a four-year degree or more are \$55,000. Vs. \$77,000 for men in similar circumstances." It's time for Connecticut to stand up for women in the workplace and pass this legislation.

S.B. No. 365 (COMM) Labor and Public Employees. AN ACT CONCERNING CAPTIVE AUDIENCE MEETINGS. In 2007 employers spent \$8 Billion on attacking workers who were deciding to form a union with their coworkers. In 92% of these union certification drives the employers forced employees to attend these "captive audience" meetings. Workers were threatened, harassed and in many instances fired just because they wanted the right to belong to a union at work. We also saw during the 2006 and 2008 election cycles, employers holding "captive audience" meetings to tell employees who to vote for in those November elections.

- This bill prohibits employers from coercing employees into attending political, religious, or labor organizing meetings, and it is necessary because there is no existing law prohibiting these coercive meetings.
- It also prohibits the discharge or discipline of an employee for refusing to attend mandatory company meetings in the workplace for other than company business.
- Does not limit employers free speech on any subject, it would allow workers to return to their jobs and not be subjected to intimidating or harassing situations.
- 18 state legislatures are considering bills that would protect workers freedoms in the workplace. (Arizona, Arkansas, California, Colorado, Connecticut, Iowa, Maine, Massachusetts, Michigan, Missouri, Montana, New Hampshire, New Jersey, New York, Oregon, Washington, Wisconsin and West Virginia)

Attached is a copy of Attorney General Blumenthal's testimony before the Judiciary Committee on March 14, 2007. (In 2007 HB 7326 was submitted and is this year submitted as SB 365) In his written statement he addresses the issue of "federal preemption". I encourage the members of this committee to support this legislation, Connecticut workers are counting on it.

H.R. No. 5521 (COMM) Labor and Public Employees. AN ACT ELIMINATING CREDIT REPORTS AS A BASIS FOR EMPLOYMENT DECISIONS. Credit reporting is neither an exact science nor a fair one. The average person is not aware of how this system really works, so why employment should be tied to this secretive

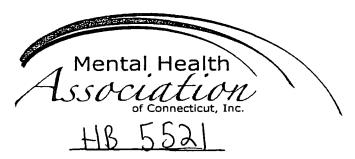
and exploitive practice. It discriminates against younger workers, women and those whom may have recently had minor financial difficulties. This bill is good government for working people.

S.B. No. 733 (COMM) Labor and Public Employees. AN ACT CREATING A CIVIL ACTION FOR A CONSUMER REPORTING AGENCY REPORTING A PROSPECTIVE EMPLOYEE'S ERASED CRIMINAL HISTORY. We all know the problems associated with credit reports and the damage misinformation can cause, this legislation would provide for legal challenges to an agency that reports information that was legally erased.

H.B. No. 5515 (COMM) Labor and Public Employees. AN ACT CONCERNING MUNICIPAL ORDINANCES ESTABLISHING WAGE AND OTHER STANDARDS FOR CONTRACTORS. When tax dollars are given out there should be strings attached. In its simplest form when municipalities give incentives aren't they a type of stimulus, or bailout? Allowing localities the discretion to do this makes sense.

H.B. No. 6187 (RAISED) Labor and Public Employees. AN ACT MANDATING EMPLOYERS PROVIDE PAID SICK LEAVE TO EMPLOYEES. Whether it's MRSA or the common cold the idea that workers are unable to stay home when they are ill is not a positive reflection on our state. Paid sick time is a family values issue.

Thank you to the Committee for holding this public hearing and if you have any question I'd be happy to address them.



Good afternoon, Chairman and members of the Labor and Public Employees Committee. My name is Domenique Thornton, I work for the Mental Health Association of CT, Inc., (MHAC), a private non-profit dedicated to service, education and advocacy for people with mental health disabilities. The Association sponsors a program called the Choices Supportive Employment for persons with mental health disabilities that creates a restorative environment within which individuals can be helped to achieve or regain the confidence and skills necessary to choose, get and keep job opportunities in the community. Choices supportive employment offers individualized support in choosing, getting and keeping jobs in the competitive job market. Serving 30 persons annually, the program places participants in competitive employment. Job Coaches assist clients on the job on a one-to-one basis. Choices provides community support and allows individuals who have psychiatric disabilities to achieve or regain the confidence and skills necessary to choose, get, and keep supportive, competitive job opportunities in the community. Employment offers an excellent means to a productive and meaningful life in the community.

MHAC is aware that a past history of poor credit could be a barrier to future employment for our clients. We have not recently seen any issues related to people being refused employment because of poor credit. However, we believe as the job market tightens, more employers may be increasingly selective in doing credit checks. We can anticipate that some of the people we work with may be refused employment because of poor past credit histories due to their mental health issues. We assist with learning budgeting and banking skills, but the damage to their credit rating may already have been done. Persons with mental health disabilities are protected from discrimination in the area of employment, public accommodation and credit practices. In light of the state's interest in promoting employment, we believe that poor credit history due to a mental health issue should not be used to deny employment. Thank you.

Who We Are

The Mental Health Association of Connecticut, Inc. is a statewide, non-profit agency committed to the promotion of mental health, the prevention of mental illness and improved care and treatment of children and adults with mental health needs. Contributions, including membership dues, donations, bequests, and allocations from Connecticut Health Charities and the United Way support the mission and work of the Association.

While some people experience severe and persistent symptoms that require hospitalizations, the majority can lead productive and meaningful lives in the community.

Community Education

The Mental Health Association provides education programs on mental health issues for the public. Presentations are given to schools, churches and civic organizations about mental health and mental illness, and how to access needed services. This service helps reduce stigma and increase community acceptance of persons with mental illness.

Choices

Mission Statement

"Choices Work Services provides community support and creates a restorative environment within which individuals who have psychiatric disabilities can be helped to achieve or regain the confidence and skills necessary to choose, get, and keep supportive, competitive job opportunities in the community."

The Mental Health Association of Connecticut, Inc. offers Choices: a work service program in Waterbury The program is based on the philosophy that everyone should be able to select what type of work they want to pursue. The program assists clients in assessing their job interests and skills, in identifying jobs in the community which match the clients interests and skills, and provides support on 'the job to ensure successful employment. Supportive employment hours are dependent on clients' work schedules which include evenings, weekends and holidays.

What We Do

Pre-Employment Services

Pre-Employment Services provide work experience to prepare those program participants who previously had little training and work experience to become competitively employed in the community. It includes a six-week course, which meets weekly to develop job and work readiness skills. While taking the course, clients gain work experience

through supportive unpaid employment. A job coach assists clients on the job on a one-to-one basis. When the program is completed, the client, staff and employer evaluate the progress that has been made, and the client either repeats the program or moves into the job market.

Supportive Employment

Supportive employment offers individualized support in choosing, getting and keeping jobs in the competitive job market Services include: assessment of job skills, matching job skills with employer needs, and on the job support by job coaches as needed. Serving over 30 people with psychiatric disabilities, the program places participants in competitive employment. A job club meets monthly for employed clients to share the benefits of peer support. Guest speakers are frequently invited to the job club.

Choices Work Services...

- Provides employers skilled workers who are on time, consistent, and more than willing to work.
- Matches clients' interests to employers' needs, a combination that provides mutual success and profit.
- Clients are backed by highly skilled and professional job coaches.
- The program has an established track record of nearly twenty years of providing reliable people to area employers.

Testimony on behalf of <u>Committee Bill No. 36</u>0, An Act Concerning Employment of Individuals with Autism Constance & Glenn Frishman Stonington, CT

This legislation will benefit the autism community and the Connecticut taxpayer as well for the reasons listed below:

- I. For the Autism community
 - 1. Increase employment opportunities
 - 1. Less than 15% of those with Autistic Spectrum disorders are appropriately employed
 - a. By appropriately employed I mean the individual has a job that he or she has the qualifications and training for.
 - b. Individuals with Autistic spectrum disorders, particularly Aspergers Syndrome are of above average intelligence but are very concrete, experience difficulty in discerning subtlety and nuance, and are extremely, almost excessively honest.
 - c. Because of the characteristics above and the fact that they often speak in a monotone they have difficulty with interviews.
- II. A. Increase independent living
 - 1. By entering the ranks of the employed those with Autism will be able to have a better standard of living
 - 2. Opportunity to contribute to their respective communities
- III. Benefits for the State of Connecticut
 - A. Employers need an incentive to hire individuals with Autism because these individuals, as a consequence of their disability, do not interview well.
 - B. By enabling members of the Autistic community to achieve employment the state will receive a return on its investment in training.

Page 2 of 2 pages

- C. Employment will change a consumer of state services to a contributor to state coffers.
 - 1. By paying taxes to the state
 - 2. By needing fewer services from the state, ex, job developers, assistance with preparation of resumes, interviewing. Those services are continued until the consumer finds employment.
 - 3. More possibilities for advancement once the employer gets "to know" the Autistic employee for his abilities not his disability.

Testimony on behalf of <u>Committee Bill No. 360</u>, An Act Concerning Employment of Individuals with Autism James Frishman Stonington, CT

I am here today to speak in favor of Committee Bill 360, An Act Concerning Employment of Individuals with Autism. I was diagnosed at age 5 and have received services from the state to the present at age 28. The services I received made it possible to learn ways to compensate for my disability. Computers provided with software specific to my needs made it possible for me to reach my potential. I could type with ease by third grade and hit 65 words per minute by the end of elementary school.

Transition planning by the Bureau of Rehabilitation Services and extensive testing provided me with the information as to what skills and which vocations would "play to my strengths and particular interests." The state provided services for all of this.

My determination and persistence coupled with appropriate services resulted in my Cum Laude graduation from Connecticut College and receiving my masters degree from the University of Rhode Island. I was hopeful that the end result would be employment in my field or at the very least employment using my skills.

Instead, after many interview and countless applications, I was not able to obtain a job that uses the skills I was trained for. At times I met with prejudice and told not to say I had Asperger's Syndrome. I found it difficult to hide certain characteristics of my disability such as tonal quality of my speech during interviews.

I applied for and passed the Connecticut State Librarian's exam and I also passed the Library Technical Assistant's exam as well. One library technical assistant's interview lasted two hours. I received no feedback from the interview so I am not sure what I needed to do differently.

I can cook, a little, balance a checkbook and need no assistance to live independently; however, I live with my parents because I cannot afford to live on my own. After so many years of services from the state, I would appreciate the opportunity to give back. This bill would help make this happen.

Commission on Human Rights and Opportunities

Memo

To: Labor and Public Employees Committee

From: Robert J. Brothers, Jr., Acting Executive Director

Date: February 24, 2009

Re: SB 362, AN ACT CONCERNING EQUAL PAY FOR EQUAL WORK

The Commission on Human Rights and Opportunities has reviewed <u>SB 362</u>. AN ACT CONCERNING EQUAL PAY FOR EQUAL WORK. The Commission salutes the Labor and Public Employees Committee for its continuing efforts to eliminate disparity in pay between women and men, but suggest that there is a better approach than this bill as written.

The apparent goal of this bill is to include within Connecticut statute those provisions of the United State Equal Pay Act encompassed in Federal law 29 USC § 206.

The language proposed does vary in very significant ways from its federal counterpart. In particular the existing word "solely" in line 4 becomes problematic when the additional clauses of "for any job that requires equal skill, effort and responsibility, and is performed under similar working conditions, as any job performed by an employee of the opposite sex" in lines 4 through 8 are added since this makes "solely" a qualifier which would conflict with settled federal case law.

Also the committee bill uses different terms from the federal act such as using "length or service" rather than the federal "seniority system." The implications to unions in Connecticut could be catastrophic.

Finally, CHRO would suggest if this bill is to move forward that it use the exact language of 29 USC § 206 so that settled law need not be again litigated at the state level.

CAHS

The Connecticut Association for Human Services 110 Bartholomew Avenue Suite 4030 Hartford, Connecticut 06106 www cahs.org Michael Rhode, President James P. Horan Executive Director 860.951.2212 x 235 860.951.6511 fax

Testimony before the Committee on Labor and Public Employees
Re: S.B. 362 - An Act Concerning Equal Pay for Equal Work
Submitted by Maggie Adair, Policy Director
Connecticut Association for Human Services
February 24, 2009

The Connecticut Association for Human Services (CAHS) is submitting testimony in support of S.B. 362. An Act Concerning Equal Pay for Equal Work.

CAHS is a statewide nonprofit organization that works to end poverty and to engage, equip, and empower all families in Connecticut to build a secure future. We promote policies that support families as they move along an economic continuum, from meeting basic needs, learning how to manage a family budget, avoiding predatory lending, building income and assets, obtaining an education, and landing a good-paying job.

S.B. 362 will ensure that women earn equal pay for equal work performed and hold employers accountable by requiring that they consider a number of factors before determining a person's salary.

*Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women working full-time, year-round earned 59 cents for every dollar earned by a man. In 2007, women earned 78 cents for every dollar earned by a man. In Connecticut, the figure is lower – women made 71 cents in comparison to their male counterparts.

Nationally, disparities among minorities are even greater. African-American women earned 70 cents for every dollars earned by a man in 2007. Hispanic and Latino women earned 62 cents for every dollar earned by a man.

In Connecticut, women make up just over half of the state's labor force. They make up 66.5 percent of nonprofit wage and salary workers, but their median earnings are \$34,192 compared to \$41,923 for men. Women make up 63.3 percent of local government workers; once again, their median earnings are \$40,201 compared to \$52,715 for men.

We can do better. This bill says that no employer can discriminate in the amount of pay given to an employee solely on the basis of sex for any job that requires <u>equal skill</u>, <u>effort and responsibility</u>, and is <u>performed under similar working conditions</u>, as any job performed by an employee of the opposite sex. The bill is reasonable and considers factors in determining wages and any differential, including length of service, merit ratings, quality and quantity of work, and education, training and experience.

CAHS urges the Committee to support S.B. 362

(*The statistics provided in this testimony are taken from a research brief written by the Permanent Commission on the Status of Women.)

COMMISSION OFFICERS Susan O. Storey, Char Tanya Meck, Vie Char Adnenne Farrar Houel, Secretary Elizabeth Donohue, Trassurer

COMMISSIONERS
Yvonne R. Davis
Barbara DeBaptiste
Carne Gallagher
Melanie O'Brien
Jean L. Rexford
Denise Rodosevich
Cindy R. Slane
Patricia E.M. Whitcombe
Cecilia J. Woods



HONORARY MEMBERS Connue Dice Patricia T. Hendel Patricia Russo

LEGISLATIVE MEMBERS Senator Andrew J. McDonald Senator John A. Kissel Representative Michael P. Lawlor Representative Arthur J. O'Neill

EXECUTIVE DIRECTOR Teresa C. Younger

Testimony in Support of S.B. 362, AAC Equal Pay for Equal Work

Submitted by	<u>Page</u>
Teresa Younger, PCSW Executive Director	2
Jessica Fenner, The Young Women's Leadership Program	5
Merle Harris	6
Audrey Scotti, American Association of University Women	7
Carol Virostek, American Association of University Women	8
Audra Weisel, National Council of Jewish Women- Connecticut	10
Meredith Williams, CT Chapter of the National Organization for Women	12

COMMISSION OFFICERS Susan O. Storey, Char Tanya Meck, Vice Char Adnenne Farrar Houel, Secretary Elizabeth Donohue, Treasurer

COMMISSIONERS
Yvonne R. Davis
Barbara DeBaptiste
Carrie Gallagher
Melanie O'Brien
Jean L. Rexford
Denise Rodosevich
Cindy R. Slane
Patricia E.M. Whitcombe
Cecilia J. Woods



HONORARY MEMBERS Connie Dice Patricia T. Hendel Patricia Russo

LEGISLATIVE MEMBERS Senator Andrew J. McDonald Senator John A. Kissel Representative Michael P. Lawlor Representative Arthur J. O'Neill

EXECUTIVE DIRECTOR Teresa C. Younger

Testimony of
Teresa C. Younger
Executive Director
The Permanent Commission on the Status of Women
Before the
Labor and Public Employees Committee
Tuesday, February 24, 2009

In Support of:
<u>S.B. 362</u> AAC Equal Pay for Equal Work

Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony in support of <u>S.B. 362</u>. AAC Equal Pay for Equal Work.

PCSW has been working for the past 35 years to establish pay equity for women, and therefore we strongly support S.B. 362. AAC Equal Pay for Equal Work, which would strengthen State law by providing an enhanced State enforcement law for employees discriminated against on the basis of gender.

Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time made 59 cents for every dollar earned by men.¹ In 2007, women earned 77.8 cents for every dollar earned by men; in Connecticut it was 71 cents.² That means that the wage gap has narrowed by less than half a cent per year.³

Women of color earned significantly less, with African-American women earning 70 cents and Hispanic women earning 62 cents for every dollar men earned.⁴

4 Ibid

¹ "The Wage Gap over Time: In Real Dollars Women See a Continuing Gap" <u>National Committee on Pay Equity</u> Accessed December 9, 2008 http://www.pay-equity.org/info-time.html

² Institute for Women's Policy Research. The Gender Wage Gap, 2007

³ National Committee on Pay Equity.

The Wage Project estimates that over a lifetime (47 years of full-time work) the wage gap amounts to a loss in wages for a woman of \$700,000 for a high school graduate, \$1.2 million for a college graduate, and \$2 million for a professional school graduate.⁵

The number of working women has risen from 18.4 million in 1950,6 to 67.8 million in 2007,7 and is anticipated to grow to 76 million by 2014.8 In Connecticut, women make up 51.3% of the state's labor force, 9 66.5% of private not-for-profit wage and salary workers, 10 and 63.5% of local government workers. 11

Today most mothers participate in the labor force. There is a pay gap for women due in part to their caregiving responsibilities over the lifecycle, since women take an average of thirteen years out of the workforce for family caregiving. Studies show that working mothers suffer a wage penalty for parenting. For women under the age of 35, the wage gap between mothers and non-mothers is larger than the gap between men and women. Mothers are 44% less likely to be hired than non-mothers for the same job given the same resume and experience. Additionally, mothers are offered an average of \$11,000 less than non-mothers with equal qualifications. Mothers are affected the greatest, making only between 56 cents and 66 cents to every man's dollar.

However, the wage gap is not solely due to women's caregiving responsibilities; even when women work in the same occupations as men for the same amount of time, they still do not earn equal pay. In 2007, certain professions showed a significant wage gap:¹⁶

- Female physicians and surgeons earned a whopping 41% less than their male counterparts.
- Females in professional and related occupations earned over 27% less than their male counterparts.
- Female college and university teachers earned over 25% less than those who were male.
- Female lawyers éarned 23% less than male lawyers.
- Females in sales and office occupations earned 23% less than similarly employed men.

⁵ Ibid.

⁶ U.S. Department of Labor, Bureau of Labor Statistics "Perspectives on Working Women: A Databook," Bulletin 2080, 1980.

⁷ U.S. Department of Labor, Bureau of Labor Statistics *Employment and Earnings, Annual Averages*, Table 11 "Employed persons by detailed occupation, sex, race and Hispanic or Latino ethnicity," 2006.

⁸ Mttra Toosi. "Labor Force Projections to 2014: Retiring Boomers", Monthly Labor Review Online. U.S. Department of Labor, Bureau of Labor Statistics, November 2005, Vol. 128, No. 11.

⁹ U.S. Census Bureau, American Fact Finder, Connecticut Selected Economic Characteristics 2005-2007.

¹⁰ U.S. Census Bureau, American Fact Finder, Connecticut Class of Worker by Sex and Earnings in the Past 12 Months (2007 Inflation-Adjusted Dollars) for the Civilian Employed Population 16 Years and Over: 2005-2007

¹¹ Ibid.

¹² Jeffrey R. Lewis, and Cindy Hounsell, eds, What Women Need to Know About Retirement Heinz Family Philanthropies and the Women's Institute for a Secure Retirement.

¹³ Shelley J. Correll et al., "Getting a Job Is There a Motherhood Penalty?" American Journal of Sociology, 112 5, March 2007

^{14 &}lt;a href="http://www.momsrising.org/manifesto/chapter7">http://www.momsrising.org/manifesto/chapter7

^{15 &}lt;a href="http://www.mothersmovement.org/features/krf_unterview/next_for_women_2 htm">http://www.mothersmovement.org/features/krf_unterview/next_for_women_2 htm

¹⁶ National Committee on Pay Equity

- Female elementary and middle school teachers earned nearly 10% less than similarly employed men, despite comprising 82% of the field.
- Female registered nurses earned more than 10% less than their male colleagues, although 90% of nurses are women.

Work and wage policies have not expanded to adapt to the existing and future workforce. You have an opportunity through this bill, to right an inequity that has gone on for far too long. We appreciate your attention to these matters, and look forward to working with you on these issues.

4

Steering Committee Officers: Jacqueline Kozın, Co Char Michelle Noehren, Co Char Christa Allard, Carrach Jilhan Gilchrest, Legslatre Kristen Pavlik, Tranny/Deulopmen



Steering Committee Members:
Sara Barczak
Michelle Dixon
Anna Doroghazi
Lauren Donais
Shoshanna Silverberg
Nicole Terry

Testimony of Jessica Fenner The Young Women's Leadership Program Before the Committee on Labor and Public Employees Tuesday, February 23, 2009

In Support of: S.B. 362, AAC Equal Pay for Equal Work

Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony on behalf of the Permanent Commission on the Status of Women's (PCSW) Young Women's Leadership Program (YWLP).

The YWLP is dedicated to understanding and voicing the needs of Connecticut's young women ages 18-35. Today I speak in favor of SB 362, as it addresses a number of these needs.

As a graduate student at the University of Connecticut School of Social Work this issue of equal pay for equal work will have a direct impact on my future career in the social service realm. The Wage Project estimates that over a lifetime (47 years of full-time work) the wage gap amounts to a loss in wages for a woman of \$700,000 for a high school graduate, \$1.2 million for a college graduate and \$2 million for a professional school graduate. ¹⁷ Meaning that I will be disproportionately penalized for furthering my education and being a woman.

On behalf of young women across the State I urge you to pass S.B. 362, which will hold employers accountable to explain wage disparities based on a bona fide factor other than sex. Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time, year-round made 59 cents on average for every dollar earned by men. In 2007, women earned 78 cents to men's dollar. That means that the wage gap has narrowed by a less than half a cent per year. In short, women and their families stand to lose hundreds of thousands of dollars over a lifetime of work in our country. S.B. 362 will provide the General Assembly an opportunity to help make measurable gains in closing the wage gap.

The PCSW and YWLP appreciate the Labor Committee's commitment to Connecticut's young women and look forward to working with the committee to address this and related issues in the future.

19 Center for American Progress Action Fund, Lifetime Losses. The Career Wage Gap. December 2008

 $^{^{17}}$ National Committee on Pay Equity, The Wage Gap Over Time: In Real Dollars Women See a Continuing Gap 18 National Committee on Pay Equity



CTLA 100 Wells Street, Suite 2H Hartford, CT 06103 Phone. (860) 522-4345 Fax: (860) 522-1027

www.ct-tla.org

POSITION STATEMENT OF THE CONNECTICUT TRIAL LAWYERS ASSOCIATION IN SUPPORT OF S.B. 362 CONNECTICUT'S EQUAL PAY ACT

The Connecticut Trial Lawyers strongly support passage of <u>S.B. 362</u>, which represents an enhancement of Connecticut's current Equal Pay Act

Women make up nearly 48% of Connecticut's workforce. Yet, despite great strides, women still only earn 78 cents for every dollar earned by men. Today, in these difficult times, there are more women than ever who are either the primary or sole providers for their households. Ending paycheck disparity is not just a women's issue, it is a family issue. This bill will help to accomplish the goal of pay equality for women.

The provisions of the bill are derived in large part from the federal legislation known as the Lilly Ledbetter Act which has recently been enacted, and the Paycheck Fairness Act which is still pending. Unlike Connecticut's currently existing Equal Pay Act, it clearly sets forth the standards, such as seniority, merit rating systems, and incentive-based compensation that allow for legitimate pay differentiation. Thus, the Act should make it easier for employers to justify legitimate pay differentials and establish pay scales that are in compliance with the law. However, the proposed bill also facilitates enforcement when an employee makes a showing of paycheck discrimination based on gender because it places the burden on the employer to demonstrate a legitimate basis for pay differentiation.

U.S. Department of Labor, U.S. Bureau of Labor Statistics, Report 1008 (2008) Commission on Human Rights and Opportunities, Connecticut Occupational Statistics (2000).

The Act also affords a more practical remedy for victims of wage discrimination. It clarifies that they may either seek a remedy through the Department of Labor or by initiating a civil action. It also clarifies the remedies that are available through a civil action, making it a more viable alternative for victims of wage discrimination. The Act recognizes that wage discrimination is a continuing violation, and does not penalize victims who have no knowledge of the violation by barring their claims for ongoing wage discrimination. The Act also recognizes that many persons do not come forward out of fear of retaliation and protects those who do come forward by providing a real and practical remedy for persons who have suffered retaliation for asserting claims of wage discrimination or opposing wage discrimination. The bill is also cost effective because it does not require exhaustion through either the Commission on Human Rights or the Department of Labor.

Finally, Connecticut's Equal Pay Act is necessary because it will cover many employees who are not covered by the federal Equal Pay Act and will be more economically accessible to lower wage earners than a federal remedy. Connecticut's Act will provide a more viable remedy for many employees.

Wage discrimination based upon gender impacts persons and families least able to cope with wage disparities in difficult economic times. This bill is a necessary and important component of any larger effort to deal with the current economic climate. We urge its passage.

Steering Committee Officers: Jacqueline Kozın, Co Char Michelle Noehren, Co Char Chrsta Allard, Oatrach Jillian Gilchrest, Legalatue Kristen Pavlik, Travang/Deudoprieni



Steering Committee Members:
Sara Barczak
Michelle Dixon
Anna Doroghaza
Lauren Donais
Telisha Joyner
Shoshanna Silverberg
Nicole Terry

Testimony of Jessica Fenner The Young Women's Leadership Program Before the Committee on Labor and Public Employees Tuesday, February 23, 2009

In Support of: S.B. 362, AAC Equal Pay for Equal Work

Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony on behalf of the Permanent Commission on the Status of Women's (PCSW) Young Women's Leadership Program (YWLP).

The YWLP is dedicated to understanding and voicing the needs of Connecticut's young women ages 18-35. Today I speak in favor of SB 362, as it addresses a number of these needs.

As a graduate student at the University of Connecticut School of Social Work this issue of equal pay for equal work will have a direct impact on my future career in the social service realm. The Wage Project estimates that over a lifetime (47 years of full-time work) the wage gap amounts to a loss in wages for a woman of \$700,000 for a high school graduate, \$1.2 million for a college graduate and \$2 million for a professional school graduate. Meaning that I will be disproportionately penalized for furthering my education and being a woman.

On behalf of young women across the State I urge you to pass S. B. 362, which will hold employers accountable to explain wage disparities based on a bona fide factor other than sex. Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time, year-round made 59 cents on average for every dollar earned by men. In 2007, women earned 78 cents to men's dollar. That means that the wage gap has narrowed by a less than half a cent per year. In short, women and their families stand to lose hundreds of thousands of dollars over a lifetime of work in our country. S. B. 362 will provide the General Assembly an opportunity to help make measurable gains in closing the wage gap.

The PCSW and YWLP appreciate the Labor Committee's commitment to Connecticut's young women and look forward to working with the committee to address this and related issues in the future.

 $^{^{\}rm l}$ National Committee on Pay Equity, The Wage Gap Over Time. In Real Dollars Women See a Continuing Gap $^{\rm l}$ National Committee on Pay Equity

³ Center for American Progress Action Fund, Lifetime Losses: The Career Wage Gap. December 2008

Dr. Merle W. Harris 71 Emily Way West Hartford, CT 06107

February 24, 2009

The Honorable Edith Prague
The Honorable Kevin Ryan
Labor & Public Employees Committee
Legislative Office Building
Hartford, CT 06106

Dear Senator Prague and Representative Ryan:

I am writing in support of <u>SB 362</u>. An Act Concerning Equal Pay for Equal Work This legislation addresses a pay equity issue that must be rectified Women deserve to receive equal pay for equal work.

Women have made progress in the Connecticut workforce, with women comprising 51.3% of the state's workers. The number of women in professional positions and in nontraditional fields has increased dramatically in recent years. This is due to the efforts of many people and organizations, particularly the Permanent Commission on the Status of Women.

However, although the number of women in the workforce has increased, there has only been minor progress in pay equity. National data show that in 1963, women who worked full-time, year-round made 59 cents for every dollar earned by men In 2007, nationally women earned 78 cents to men's dollar. In Connecticut, women's pay continues to be below men's pay for equal work. It is imperative that this gap be closed.

What is most troubling is what this difference in pay means over one's career. As shown by the national Wage Project, a woman with a college degree could lose as much as \$1.2 million based on the disparity of her salary at the beginning of her working life. This is unconscionable

Committee Bill Number 362

LCO No. 3070

An Act Concerning Equal Pay For Equal Work.

Senators Prague and Ryan and Distinguished Members of the Labor and Public Employees Committee:

There will be more qualified presenters giving testimony today on the statistical surveys and long labored studies that will justify that this bill has reached its time. Women earning 71 cents for every dollar earned by men doing the same work is not just unjust and dismissive of the work efforts of women, but it takes it toll on the quality of life for these women and the children they raise. PCSW, the WAGE project and others have been working on this inequity for a very long time, too long a time.

Over a life time of work, women earnings represent a loss of \$700,000 for high school graduates and \$1.2 million for college graduates, up to \$2 million for professional school graduates. (National Committee on Pay Equity).

Have you any idea as to what this cost means in quality of life for the women and children it represents? It means less money on a daily basis for the necessities of life like food, shelter and health care. It means a constant struggle to meet the demands of heat, clothing and schooling. It means always having to do less for less in order to survive.

As it affects the quality of life of women and children, it, also, affects all the negative aspects of poor or minimal health care, babies born at lower birth rates with more complications. Mothers not taking time off from work when they are ill, not only affecting the quality of their lives, but the number of years they live when illness is untreated or undertreated.

And who gets to help out when these mothers need help—grandmothers earning the same system. These grandmothers, who are living on less retirement because their benefits are affected negatively by their limited earning power during their working years, get to help raise their grandchildren on less. The negative spiral down doesn't end.

S. B. 362 will go a long way towards rectifying the inequity that exists today for women and children. We would make a giant step towards improving the living condition, health and future of our children in passing this bill.

Thank you for your consideration and your bravery in undertaking this measure at a time when we face economic hardship. Your commitment to the passage of <u>S. B. 362</u> means even more.

Audrey J. Scotti 950 Saybrook Road Middletown, CT 06457 860-343-0643

7

Written Testimony of Carol R. Virostek, Ph.D., Past President AAUW Connecticut

Senator Prague, Representative Ryan, and members of the Labor and Public Employees Committee:

I am writing to urge your support of Senate Bill. 362, An Act Concerning Equal Pay for Equal Work. The Equal Pay Act of 1963 was intended to put an end to gender wage discrimination, but, after 46 years, we know that did not happen. The pay gap is still very much with us. Today women earn 78 cents for every dollar earned by their male counterparts. The pay gap for African-American women and Latinas is even worse. The good news is that many citizens and legislators are working hard to eliminate it. I am an officer and board member of both the American Association of University Women and the YWCA, two of many organizations who lobbied our senators and representatives in Washington on a number of pay equity bills over the last couple of years. It should be a source of pride to all of us that Representative DeLauro and Senator Dodd are the recognized leaders on this issue and that the Ledbetter Fair Pay Act was the first bill signed by President Obama.

An AAUW briefing summarizes the impact: "... this landmark piece of legislation rights the wrongs done by the Supreme Court, regaining ground that was lost and ensuring that people who've been discriminated against can seek vindication without unreasonable time limitations. The Paycheck Fairness Act, which the Senate is currently debating, is a comprehensive bill that would create stronger incentives for employers to follow the law as well as strengthen penalties for violations, strengthen federal outreach, education and enforcement efforts, and prohibit retaliation against workers who ask about employers' wage practices. In essence, one bill fixes a past mistake, and the other gives new teeth to the law to ensure that such a mistake won't happen again."

Given the attention and commitment to pay equity on the national level and the leadership of our Congressional delegation, it is fitting that we address the issue on the state level to ensure that there is no discrimination, as the proposed bill states, "in the amount of compensation paid to any employee solely on

the basis of sex." "Why is this bill necessary?" you might ask. The answer is two-fold, one having to do with fairness when it comes to female employees and the other with accountability when it comes to employers.

We've been at this a long time and progress has been made. When the Equal Pay Act was signed in 1963, women who worked full-time earned only 59 cents for every dollar earned by men. Today women earn 78 cents for every dollar earned by men. It is an improvement, but it is a mere half a cent decrease in the pay gap per year, and it is a far cry from what is just and right for 51% of our population. Department of Labor unemployment statistics show that women tend to be hurt first and worst during economic downturns, such as we are experiencing now. But even worse is the accumulative effect of years of unfair pay – the loss of hundreds of thousands of dollars in income and even more in retirement benefits. In fact the poverty rate among elderly women is approximately 75 percent higher than for elderly men, leaving older women much more financially vulnerable in their retirement years.

Promoting the economic security of all Americans is critical, especially in these tough times, and equal pay for equal work is a necessary step towards achieving this goal. Senator Caligiuri is to be commended for proposing comparable legislation on the state level to legislative efforts on the national level. Please give Bill 362 your utmost consideration, and keep Connecticut in the forefront on issues of fair pay and fair play.



National Council of Jewish Women

Contact information:
Audra Weisel, NCJW CT State Public Affairs Chair (860) 675-4302
lettemeatcake@sbcglobal.net
February 20, 2009

National Council of Jewish Women, Connecticut Supports <u>SB 362</u>, AAC Equal Pay for Equal Work

In 1971, Bella Abzug, the first Jewish congresswomen, had August 26th declared Women's Equality Day. Today, women's equality still remains elusive. As our economy spirals downward, more women are drowning under the tidal wave of rising costs.

We know that economic security and women's empowerment are bound. That's why NCJW continues to work for economic parity as an essential path toward women's empowerment. We are deeply engaged in fighting to end gender-based pay discrimination, working in coalition with other faith-based communities, labor unions, and civil rights and women's groups. In recent months, NCJW members sent thousands of letters to Congress, organized rallies, and educated their communities and the press.

While the Equal Pay Act of 1963 went a long way to shrinking the wage gap, women still earn 77 cents on the dollar when doing the same work as men. Consider how that 23-cent difference adds up, paycheck by paycheck: Jack makes \$40,000 year as a store manager, Jill earns \$30,800 as a store manager; Jack is climbing the hill financially, Jill faces greater odds of descending into poverty.

This January, we came one step closer to eliminating the earnings gap when President Obama signed the Lilly Ledbetter Fair Pay Act, restoring the ability of victims of wage discrimination to seek redress in the courts. But there is another fundamental step needed to establish equal pay – making equal pay for equal work the law.

In the words of Bella Abzug: "Women have been trained to speak softly and carry a lipstick. Those days are over."

At NCJW we stopped speaking softly long ago, mobilizing our communities to support policies that ensure equality, economic independence, and, in turn, empowerment, for all women.

000433

At NCJW we take action -- and right now, that means helping to move our state and our country to a day when women's equality is no longer an oxymoron.

Please pass <u>SB 362</u> into law in Connecticut and give women a fighting chance to lift themselves out of poverty and be paid what they are worth.

The National Council of Jewish Women (NCJW) is a grassroots organization of volunteers and advocates who turn progressive ideals into action. Inspired by Jewish values, NCJW strives for social justice by improving the quality of life for women, children, and families and by safeguarding individual rights and freedoms. NCJW has over 90,000 members nationwide and 800 in Connecticut.



NATIONAL ORGANIZATION FOR WOMEN CONNECTICUT CHAPTER

135 Broad Street | Harmord, CT 06106 | et_now@yaboo com

Testimony of Meredith Williams Co-President The CT Chapter of the National Organization for Women

In Support of S.B. 362, AAC Equal Pay for Equal Work

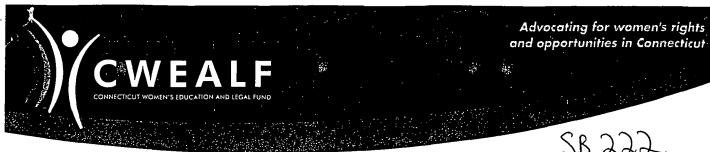
Senator Prague, Representative Ryan and members of the Labor committee, thank you for the opportunity to provide testimony on behalf of the CT Chapter of the National Organization for Women (CT NOW). CT NOW represents the interests of over 1500 women across state. Our mission is to impact and change attitudes, beliefs, and policies that harm women by fighting for political, economic, and social justice through education, organizing and action.

The issue of pay equity is very real and has an even greater impact on women and families in tough economic times. While strides have been made in closing the wage gap, women still make .77 cents for every dollar a man earns. This wage gap has serious implications for women's ability to be financially stable over the lifetime. According the Center for American Progress, lower earnings make it harder for women to provide education, child care, and basic supports for their children, as well as to build assets like homeownership. Additionally, because the wag gap multiplies over a woman's lifetime, there are very real and harmful effects on women's ability to retire.

The AFL-CIO and the Institute for Women's Policy Research created a report that found if women were paid fairly, the income of single women would increase by 13.4 percent, single mothers would take home 17 percent more and married women's earning would increase by 6 percent. These increases would lead to measurable reductions in poverty as well as an increase in the number of families living at economic self sufficiency.

CT NOW applauds the committee's commitment to bringing issues of equality to light. We strongly support this legislation and look forward to working with you on this and many other issues.

12



Labor Committee

Testimony in support of <u>Senate Bill No. 362</u>, An Act Concerning Equal Pay for Equal Work and Raise Bill No. 6187 An Act Mandating Employers Provide Paid Sick Leave to Employees

Submitted by Amy Miller, MSW, Program & Public Policy Director, Connecticut Women's Education and Legal Fund

February 24, 2009

Good afternoon. My name is Amy Miller, and I am the Program and Public Policy Director at the Connecticut Women's Education and Legal Fund. CWEALF is a statewide nonprofit organization dedicated to empowering women, girls, and their families to achieve equal opportunities in their personal and professional lives.

I am here today to urge your support on <u>Bill No. 362</u>. An Act Concerning Equal Pay for Equal Work, and <u>Raised Bill No. 6187</u>. An Act Mandating Employers Provide Paid Sick Leave to Employees.

For 30 years, CWEALF has advocated for gender equity for women in Connecticut, and we believe that the pay equity legislation will go a long way toward that goal. We also want to ensure that Connecticut employees receive benefits which will both ensure that they can take care of themselves and their families and help create a healthy and productive workplace. We believe that both of these bills make good business sense and enhance the quality of the lives of women and their families in Connecticut.

Bill No. 362 -- Pay Equity

The number of women in the workforce has increased dramatically over the course of 50 years from about 18 million in 1950 to 68 million in 2007. In 5 years, female workers will account for a staggering 76 million jobs. Women account for 46% of the national labor force, while in Connecticut, they account for 51.3%. Yet those who make up more than half of our state's workforce are being deprived of equal pay.

In CT, a woman earns 71 cents for every dollar a man makes. The numbers are lower for women of color. African American women earn about 62 cents and Latina women earn about 57 cents. If we assume that they work for 47 years full-time, a high school female graduate would lose \$700,000 in wages, while a college graduate would lose about \$1.2 million.

Both gender discrimination and other circumstances cause this pay inequity. Female-dominated fields, including nursing and teaching, are typically undervalued. Even in female-dominated occupations, male nurses and teachers earn 10% more than female

nurses and teachers. There also seems to be a penalty against motherhood in the work force. Mothers are 44% less likely to be hired than non-mothers, while single mothers earn only 56 to 66 cents for every dollar a man makes. Because they tend to be caregivers, women end up taking an average of 13 years out of the workforce.

With this legislation, Connecticut women will receive broad protection against workplace discrimination and be able to file state discrimination cases rather than federal cases. Closing the wage gap between men and women will also help the increasing number of CT families headed by a woman. Equal pay is crucial to these families.

"If we stay focused, as Lilly (Ledbetter) did, and keep standing for what's right, as Lilly did, we will close that pay gap and ensure that our daughters have the same rights, the same chances, and the same freedom to pursue their dreams as our sons." – President Barack Obama

Raised Bill No. 6187 -- Paid Sick Days

Raised Bill No. 6187. An Act Mandating Employers Provide Paid Sick Leave to Employees, would allow Connecticut workers at companies of 50 employees or more to take a paid day off to help recover from their illness or care for the illness of their children. While we strongly support the goals of this legislation, we would like to see this bill extended to businesses with 25 or more employees to ensure that food-service employees and other low-paid workers in the state get paid sick days. For example, only 20% of food service workers currently have paid sick leave.

According to a study by the Institute for Women's Policy Research, almost half of all American workers lack paid sick days. Even more employees do not have paid sick days to take care of a sick child. Of Connecticut's estimated 630,000 employees, about 40% do not get paid sick days. This means that these workers are left with the choice of staying home to take care of their or their child's illness without pay or going to work sick. For many, the trouble of losing a day's pay or the fear of losing their job forces them to go to work. Low-wage workers suffer the most, with more than 75% of low wage workers in Connecticut not having paid sick leave.

Workers showing up sick for work or students going to school sick pose serious problems. Their illnesses create a public health hazard because the sick employees or students are likely to spread illness or disease to other workers and students. Sick workers who show up to their jobs are more likely to suffer from their illness longer, and their spreading illnesses in the workplace results in increased employee work absences.

Employers who oppose this measure argue that mandating paid sick leave will incur great costs to the business and thus their businesses will suffer. However, studies show that the benefits of paid sick leave for businesses and employers outweigh the costs. A 2007 study by the Society for Human Resources Management shows that it costs U.S. employers \$118 billion a year when workers take paid sick leave, compared to \$180 billion when workers show up to work sick.

Businesses that provide paid sick leave also benefit from better productivity. Lost productivity was significantly higher when employees went to work sick than from missed work days due to illness. Businesses also benefit from productivity gains through better job satisfaction and loyalty and decreased health care dollars spent due to sickness or the sickness of family members.

Healthier workers are also beneficial for the economy and society in general. According to the National Partnership for Women and Families, if workers were provided with 7 paid sick days a year, our national economy would save a net \$8.2 billion per year. Some workers, especially low-wage workers and workers with families living under the poverty line, who lose wages or their jobs to take unpaid or unauthorized sick leave, may end up on unemployment, welfare, or other public assistance programs. Providing paid sick days will prevent these and more families from relying on these programs.

Businesses that cry out against this bill argue that this is not the right time to be imposing further measures on their already suffering conditions. But they and the State of CT must realize that, as facts and figures show, now is exactly the best time to provide the employees of Connecticut with paid sick leave because it pays to invest in people.

I also would like to address <u>Bill No. 222</u>. An Act Concerning the Tip Credit. This bill would increase the amount of tips that certain employees, including restaurant workers, would



Testimony of Jim Vigue Connecticut Employees Union Ind., SEIU Local 511 Regarding SB 365 and HB 6187

Good afternoon Senator Prague, Representative Ryan and members of the Labor and Public Employees Committee.

My name is Jim Vigue and I am the Political Director for Connecticut Employees Union Independent, SEIU Local 511 which represents approximately 4500 State employees in the Maintenance and Service Bargaining Unit.

RON McLELLAN
President

MICHAEL GRIFFIN
Vice President

LESLIE MADDOCKS
Secretary-Treasurer



SERVICE EMPLOYEES INTERNATIONAL UNION AFL-CIO, CLC

PO Box 1268
Middletown, CT 06457
860 344-0311
Fax 860 344-8648
Toll-Free 1-800-622-3359
web site http://www.ceui.org

I am here today to testify in favor of <u>Senate Bill 365</u> and <u>House Bill 6187</u>. Both of these bills would be a huge step forward for the working people in the State of Connecticut. I will address each bill separately for convenience of discussion.

Senate Bill 365, entitled "An Act Concerning Captive Audience Meetings" is legislation which CEUI, as well as the entire labor movement, whole heartedly stands behind. Too many workers in this State, as well as throughout the country, are forced to attend meetings at their workplace where employers are pushing their own religious or political beliefs onto their workers under the guise of what is termed a "business meeting". This bill would give workers in the State of Connecticut the right to opt out of these phony "business meetings."

Opponents of this bill may claim that such a bill would infringe on an employer's right to conduct and hold necessary business meetings.

However do not be fooled. This proposed legislation does not inhibit an employer's ability to conduct legitimate, business related meetings, nor does it serve as a complete bar on holding mandatory business meetings.



What this legislation DOES do is protect workers from being forced to attend workplace meetings that are solely designed to scare, intimidate, and harass workers.

One's religious preferences, as well as their particular political views are personal matters. As such, an employer should have no right to impose its religious or political views on its employees, nor should employees fear reprisal if they do not conform to such! Therefore, I stand in strong support of this legislation and hope to see it enacted this legislative session.

RON McLELLAN
President

MICHAEL GRIFFIN
Vice President

LESLIE MADDOCKS
Secretary-Treasurer



SERVICE EMPLOYEES INTERNATIONAL UNION AFL-CIO, CLC

PO Box 1268
Middletown, CT 06457
860 344-0311
Fax: 860 344-8648
Toll-free 1-800-622-3359
web site http://www.ceui.org

In addition to Senate Bill 365, I would also like to take a moment to speak in favor of House Bill 6187, entitled "An Act Mandating Employers to Provide Paid Sick Leave to Employees." As a representative of State employees who currently earn sick leave days, I stand today in support of all other workers in Connecticut who deserve and need this same benefit in order to effectively provide for their families.

This legislation is designed to promote the health and well being of Connecticut's workforce. This bill provides a benefit desperately needed by some of our most vulnerable citizens-lower wage workers that live paycheck to paycheck and cannot afford to take a day off without pay No employee should have to risk their health, or those of their coworkers, to go to work when they are ill. Not only does this increase the chance that they will remain ill longer, but they also risk infecting their co-workers, which inevitably affects the work product of businesses.

While opponents of this bill contend that paid sick days will place an undue burden on small businesses, I respectfully disagree. First, this will be earned time accrued by employees based on how long they work for a business. Therefore, an employer will only be subject for payment up to



the amount of sick time accrued by an employee. Further, this bill will create a more stable, healthy, and productive workforce by promoting an employees health over fear of a missed paycheck. As such, this is a benefit not only to the employees, but also the employers.

The time has come to right the wrongs that have been done for too long to the working people of Connecticut. This legislation will help put an end to the barbaric and inhumane treatment of our working class, and give them some added peace of mind that they will be able to provide for their families.

RON McLELLAN
President

Thank you for your time and consideration.

MICHAEL GRIFFIN Vice President

Jim Vigue

LESLIE MADDOCKS
Secretary-Treasurer



SERVICE EMPLOYEES INTERNATIONAL UNION AFL-CIO, CLC

PO 8 ox 1268
Middletown, CT 06457
860 344-0311
Fax 860 344-8648
Toll-Free 1-800-622-3359
web site http://www.ceur.org

COMMISSION OFFICERS Susan O. Storey, Char Tanya Meck, Vue Char Adrienne Farrar Houel, Secretary Elizabeth Donohue, Tressure

COMMISSIONERS
Yvonne R. Davis
Barbara DeBaptiste
Carne Gallagher
Melanie O'Brien
Jean L. Rexford
Denise Rodosevich
Cindy R. Slane
Patricia E.M. Whitcombe
Cecilia J. Woods



HONORARY MEMBERS Connie Dice Patricia T. Hendel Patricia Russo

LEGISLATIVE MEMBERS Senator Andrew J. McDonald Senator John A. Kıssel Representative Michael P. Lawlor Representative Arthur J. O'Neill

EXECUTIVE DIRECTOR
Teresa C. Younger

Testimony of
Teresa C. Younger
Executive Director
The Permanent Commission on the Status of Women
Before the
Labor and Public Employees Committee
Tuesday, February 24, 2009

In Support of:
S.B. 362, AAC Equal Pay for Equal Work
H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees

Senator Prague, Representative Ryan and members of the committee, thank you for this opportunity to provide testimony in support of S.B. 362, AAC Equal Pay for Equal Work and H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees.

S.B. 362. AAC Equal Pay for Equal Work

PCSW has been working for the past 35 years to establish pay equity for women, and therefore we strongly support S.B. 362. AAC Equal Pay for Equal Work, which would strengthen State law by providing an enhanced State enforcement law for employees discriminated against on the basis of gender.

Since the Equal Pay Act was signed in 1963, the wage gap has been closing at a very slow rate. In 1963, women who worked full-time made 59 cents for every dollar earned by men. In 2007, women earned 77.8 cents for every dollar earned by men; in Connecticut it was 71 cents. That means that the wage gap has narrowed by less than half a cent per year.

³ National Committee on Pay Equity.

¹ "The Wage Gap over Time: In Real Dollars Women See a Continuing Gap" <u>National Committee on Pay Equity</u> Accessed December 9, 2008 http://www.pay-equity.org/info-time.html

² Institute for Women's Policy Research. The Gender Wage Gap, 2007.

Women of color earned significantly less, with African-American women earning 70 cents and Hispanic women earning 62 cents for every dollar men earned.4

The Wage Project estimates that over a lifetime (47 years of full-time work) the wage gap amounts to a loss in wages for a woman of \$700,000 for a high school graduate, \$1.2 million for a college graduate, and \$2 million for a professional school graduate.5

The number of working women has risen from 18.4 million in 1950,6 to 67.8 million in 2007,7 and is anticipated to grow to 76 million by 2014.8 In Connecticut, women make up 51.3% of the state's labor force, 9 66.5% of private not-for-profit wage and salary workers, 10 and 63.5% of local government workers. 11

Today most mothers participate in the labor force. There is a pay gap for women due in part to their caregiving responsibilities over the lifecycle, since women take an average of thirteen years out of the workforce for family caregiving. 12 Studies show that working mothers suffer a wage penalty for parenting. For women under the age of 35, the wage gap between mothers and nonmothers is larger than the gap between men and women.¹³ Mothers are 44% less likely to be hired than non-mothers for the same job given the same resume and experience. Additionally, mothers are offered an average of \$11,000 less than non-mothers with equal qualifications. 4 Single mothers are affected the greatest, making only between 56 cents and 66 cents to every man's dollar. 15

However, the wage gap is not solely due to women's caregiving responsibilities; even when women work in the same occupations as men for the same amount of time, they still do not earn equal pay. In 2007, certain professions showed a significant wage gap:16

⁴ Ibid.

⁵ Ibid.

⁶ U.S Department of Labor, Bureau of Labor Statistics. "Perspectives on Working Women: A Databook," Bulletin 2080, 1980

US Department of Labor, Bureau of Labor Statistics. Employment and Earnings, Annual Averages, Table 11 "Employed persons by detailed occupation, sex, race and Hispanic or Latino ethnicity," 2006.

⁸ Mura Toosi. "Labor Force Projections to 2014. Returing Boomers", Monthly Labor Review Online. U.S Department of Labor, Bureau of Labor Statistics, November 2005, Vol. 128, No. 11

⁹ U.S. Census Bureau, American Fact Finder, Connecticut Selected Economic Characteristics 2005-2007.

¹⁰ U.S Census Bureau, American Fact Finder, Connecticut Class of Worker by Sex and Earnings in the Past 12 Months (2007 Inflation-Adjusted Dollars) for the Civilian Employed Population 16 Years and Over 2005-2007 11 Ibid.

¹² Jeffrey R. Lewis, and Cindy Hounsell, eds, What Women Need to Know About Retirement. Heinz Family Philanthropies and the Women's Institute for a Secure Retirement.

¹³ Shelley J. Correll et al., "Getting a Job: Is There a Motherhood Penalty?" American Journal of Sociology, 112.5, March 2007

^{14 &}lt;a href="http://www.momsrising.org/manifesto/chapter7">http://www.momsrising.org/manifesto/chapter7.

^{15 &}lt;a href="http://www.mothersmovement.org/features/krf_interview/next_for_women_2.htm">http://www.mothersmovement.org/features/krf_interview/next_for_women_2.htm. 16 National Committee on Pay Equity

- Female physicians and surgeons earned a whopping 41% less than their male counterparts.
- Females in professional and related occupations earned over 27% less than their male counterparts.
- Female college and university teachers earned over 25% less than those who were male.
- Female lawyers earned 23% less than male lawyers.
- Females in sales and office occupations earned 23% less than similarly employed men.
- Female elementary and middle school teachers earned nearly 10% less than similarly employed men, despite comprising 82% of the field.
- Female registered nurses earned more than 10% less than their male colleagues, although 90% of nurses are women.

Work and wage policies have not expanded to adapt to the existing and future workforce. You have an opportunity through this bill, to right an inequity that has gone on for far too long.

H.B. 6187, AA Mandating Employers Provide Paid Sick Leave to Employees

PCSW encourages passage of <u>H.B. 6187</u> which would require employers of 50 or more employees to provide paid sick leave to their employees for the an employee's or an employee's child's sickness, and to handle sexual assault or family violence issues.

Here are three quick facts on paid sick leave:

- 40% of Connecticut employees have no paid sick days.¹⁷
- 77% of low-wage earners lack paid sick days.¹⁸
- 78% of employees working in food service and accommodations lack paid sick days.

These three facts significantly impact the lives of women in the State of Connecticut.

40% of Connecticut employees have no paid sick days.

Women represent 51.3% of Connecticut's labor force.²⁰ Of the female population ages 20 to 64, 75.6% (1,063,307) are in the labor force, of which 66% have children under the age of 6 years old.²¹

¹⁷ Vicky Lovell. Everyone Gets Sick, Not Everyone Has Time to Get Better National Partnership for Women and Families April 2008

¹⁸ Vicky Lovell. Time to be Sick: Why Everyone Suffers When Workers Don't Have Paid Sick Leave Institute for Women's Policy Research, May 2004.

Vicky Lovell. Everyone Gets Sick, Not Everyone Has Time to Get Better National Partnership for Women and Families. April 2008.
 U.S. Census Bureau, American Fact Finder. Connecticut Selected Economic Characteristics: 2005-2007

²¹ U.S. Census Bureau, American Fact Finder. Connecticut Selected Economic Characteristic

77% of low-wage earners lack paid sick days.

According to the Family Economic Self-sufficiency Standard (FESS), 20% of Connecticut working families do not have enough income to meet their basic costs of living.²² Of the 20%, female head of households represent 29% vs. 14% of male head of households.²³

78% of employees working in food service and accommodations lack paid sick days.

Nationally, only 14% of hospitality and food service employees, 43% of retail employees, and 61% of healthcare employees have paid sick leave.²⁴ In Connecticut, these industries are dominated by women, as women represent 51.8% of sales and related occupations, 78.1% of personal care and service occupations, and 81.2% of healthcare support occupations.²⁵

In 2006, the PCSW commissioned a poll, conducted by the University of Connecticut's Center for Survey Research & Analysis, and found that more than half of Connecticut workers (56%) worry about losing pay or their job if they are sick; and, 36% worry about having trouble at work because of taking time off to care for a family member.²⁶

Employees with no paid sick leave must decide whether to go to work ill or take unauthorized time off without pay, which may result in the termination of their job. Lack of paid sick leave is a problem not only for employees, but also for their co-workers, employers and families. Employees who go to work ill are not only unable to perform at their usual level of productivity, but they also risk spreading their illness to co-workers. A recent Cornell study estimates that this situation costs our national economy \$180 billion annually in lost productivity which exceeds the cost of absenteeism and medical and disability benefits.²⁷

Paid sick leave is an essential health care policy for all businesses. Employers' efficiency is raised when healthy workers are able to perform at their highest levels of productivity. This is not only the right thing to do, it is the financially sensible route: with the current state of economic turmoil, the business community cannot afford to risk lower productivity.

²² Diana M. Pearce, Ph.D. Overlooked and Undercounted Where Connecticut Stands. Prepared for the Permanent Commission on the Status of Women, June 2007.

²⁴ CT ACORN Paul Sick Days. Healthy Workers, Healthy Families Fact Sheet, 2008.

^{**} Connecticut Department of Labor. Connecticut Occupational Statistics of the Civilian Labor Force based on 2000 Census.

²⁶ University of Connecticut Center for Survey Research and Analysis. Making Ends Meet A Worry for the Majority of Connecticut Residents Prepared for the Permanent Commission on the Status of Women, October 2006

¹⁷ Ron Goetzal, et al. Health Absence, Disability, and Presenteeism Cost Estimates of Certain Physical and Mental Health Conditions Affecting U.S Employers. Journal of Occupational and Environmental Medicine, April 2004.

We appreciate your attention to these matters, and look forward to working with you on these issues.



HB 6187

Testimony SHARON M. PALMER

Labor and Public Employees Committee

February 24, 2009

Good afternoon, Senator Prague, Representative Ryan and members of the Committee. I am Sharon Palmer, President, AFT Connecticut, a diverse 28,000 member union representing professionals in both the public and private sector.

I am here today to remark briefly on several bills and put AFT Connecticut on record regarding our positions.

<u>Bill 362 - Equal Pay for Equal Work</u> - This bill is long overdue. AFT Connecticut fully supports this bill and hopes it will move forward with strong support from this Committee and the General Assembly.

<u>Bill 365 - Captive Audience</u> - AFT Connecticut strongly believes this bill is as important as card check (Employee Free Choice Act) legislation being considered by Congress. The ability of employers to stall an organizing campaign, threaten, brow beat, lie and conduct captive audience meetings has severely hampered the freedom of unions to organize. We have an AFT Connecticut organizer testifying today who will tell you of his experiences in organizing campaigns. Passage of this legislation will make a difference, please support it.

Bill 804 - Municipal Binding Arbitration - We all know Connecticut has non-binding, binding arbitration. While we work under this current process, we believe the union should have the ability to reject an arbitration decision in the same manner as a local legislative body. It is clearly unfair and unbalanced for the parties not to have equal rights. While we have additional concerns this legislation would go along way toward correcting the process. We also believe the same correction should be made to the Teacher Negotiation Act.

AFT Connecticut

Healthcare Higher Education Public Employees PSRP Teachers

35 Marshall Road Rocky Hill, CT 06067 860/257-9782 Fax 860/257-8214 Toll Free: 888/398-3373 www aftet org

Sharon Palmer

Melodie Peters

Leo Canty
SECOND VICE PRESIDENT

Thomas Bruenn SECRETARY-TREASURER

VICE PRESIDENTS John Altıerı Dennis Bogusky Cathy Carpino Joanne Chapin David Cicarella Art Costa, Jr Tom Culley Kathie Daly M Kevin Fahey Patti Fusco Betty Gadson Phyllis Kornfeld Paul Krell **Edward Lang** Ann Lohrand John Malsbenden Jean Morningstar Harry Rodriguez Kathleen Sanner Barbara Smyth Rick Tanası Sadie Williams



Bill 6187 - Paid Sick Leave - AFT Connecticut strongly supports this bill even though we have very few members without paid sick leave. As a civilized, developed nation and state we need to catch up with the rest of the developed nations. America has the most productive workers in the world. People need to be able to take care of themselves and their families. In the big picture we all benefit from that. Please support this bill.

Thank you for your time and the hearing opportunity.

G \TESTIMONY\PALMER - 022409 Labor & Public Employ Comm - EQUAL PAY, CAP AUD,BIND ARB, PD SICK doc

Fast of the River Chambers of Commerce Association

ERCCA

"Working Together Works Wonders"

East Hartford Chamber of Commerce Glastonbury Chamber of Commerce Greater Manchester Chamber of Commerce North Central CT Chamber of Commerce South Windsor Chamber of Commerce Tolland County Chamber of Commerce

TESTIMONY DENISE CARTER EAST OF THE RIVER CHAMBERS OF COMMERCE ASSOCIATION BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

SB-365, AN ACT CONCERNING CAPTIVE AUDIENCE MEETINGS

The East of the River Chambers of Commerce Association (ERCCA) opposes SB-365, which undermines the ability of employers to communicate with employees regarding important workplace issues.

Many of our member companies, because of the nature of their business, must be able to communicate with their employees about issues that may be considered political in nature because they involve discussions about how to position the company in the event new laws or policies are enacted.

Not only must employees know about these potential changes, employers rely on their input in shaping workplace policies or in repositioning or retooling the company to respond to those changes to remain competitive. For example, companies that contract with the government to provides goods and services or are suppliers to companies with large defense contracts, have to be able to discuss how changes in government policy will affect employees and the company's bottom line.

Many management styles are now team-oriented and rely on everyone in the company, from the janitor on up, to weigh in on how to reorganize operations, change assembly lines, develop a marketing campaign, etc. These types of management styles are recognized in various certification programs, such as ISO 9000, which is a highly valued international quality management standard that helps foster international trade, SB-365 would undermine the ability of employers to use this quality management style.

SB-365 is also preempted by the federal National Labor Relations Act (NLRA), which states that it is not an unfair labor practice for an employer to express certain views or opinions.

ERCCA therefore respectfully requests your rejection of this bill.



Testimony Robin Wilson President & CEO Quinnipiac Chamber of Commerce Before the Labor Committee February 24, 2009

<u>SB-365</u>, AN ACT CONCERNING CAPTIVE AUDIENCE MEETINGS

The Quinnipiac Chamber of Commerce *opposes* SB-365, which will prohibit employers from requiring employees to attend meetings with their employers to discuss political or religious issues.

Many companies have mandatory staff meetings where issues affecting the workplace are discussed. Because government imposes and considers numerous laws and regulations affecting the workplace, many issues affecting employees are political in nature – health insurance benefits, wage and hour issues, government contracting, base closings, medical leave, etc.

Employees have a tremendous stake in understanding how these policies may impact their job and their future. By informing employees about the impact of proposed policies on their job, employers are engaging employees in an important dialogue that will enable them to respond to such policies with sensitivity and knowledge. A good example of this is the effort to save Connecticut's sub base.

Recognizing this, the National Labor Relations Act (NLRA), outlines how employers may communicate with their employees. Regarding employer speech, section 8(c) of the NLRA states: "The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this act, if such expression contains no threat of reprisal or force or promise of benefit."

Moreover, although the NLRA does not have an express preemption provision, courts have found preemption when a state attempts to regulate (1) activities the NLRA arguably protects or prohibits, in order to prevent conflict between state regulation and Congress' integrated scheme of regulation or (2) areas left to the control of the free play of economic forces, which protects against unsettling the balance of interests set by the NLRA. According to a report by the legislature's Office of Legislative Research (OLR), "...it appears likely that, based on the history of the NLRA and court rulings, that the NLRA would preempt the bill's provisions as they relate to labor organizing."

We therefore urge you to reject <u>SB-365</u>.



SB-365

February 24, 2009

Sarazin General Contractors, Inc. opposes the passage of SB-365. We oppose this bill because it is overly broad and would unreasonably restrict employers' ability to disseminate important information to employees.

We are particularly concerned with this legislation as it would bar legitimate and important communication from employer to employee, even when it is in the employees' best interest to be made aware of the employer's concern.

This bill goes too far down the road in limiting the protected right of freedom of speech and restricting employers in day-to-day operations.

This law is not only preempted by federal law, which has been thoughtfully crafted and refined over decades of case law to guarantee and protect employee rights while maintaining a careful balance in the critical areas of free speech and employee access to information, its anti-business message would discourage employers who have the option to relocate from moving to or staying in Connecticut.

Debra Miller Sarazin

Donald Son

President

6 COMMERCE DRIVE NORTH WINDHAM, CT 06256 T-860-4564-576 F-860-456-8937 <u>WWW.SARAZIN.COM</u>

An affirmative action equal opportunity employer

Secure Eco Shred of CT 33 Delmar Drive Brookfield, CT 068 04 203-775-4500 toll free 877.747.3369 www.secureecoshred.com

Dear Members of the Labor Committee,

I am strongly against SB- 365- Captive Audience Meetings. This one is a real beauty. Have legislators in Hartford read the Constitution lately? What I should say is are they looking to rewrite the constitution? This piece of legislation is basically about individuals seeking to hardball small business owners into compliance with the upcoming Employee "FREE?" Choice Act.

The very gesture of such a piece of legislation speaks volumes. Supporters of this bill know that the very inception of such legislation will spell trouble for the majority of small business owners and thus put them in a position where they would exercise their constitutional right to speak to their employees regarding their position on the matter.

So, the supporters of SR = 365 had this great idea. While we are waiting for The Employee "Free?" Choice Act to pass thru Congress, we will quickly pass the SR= 365 to make it Illegal for Small Business Owners to speak to their Employees.

Frankly, many politicians have never ran a business of any kind- never truly struggled to balance a REAL BUDGET where you cannot just increase taxes to make up for your irresponsible spending, and can not understand the impact this type of legislation has upon businesses.

Why doesn't each legislator in support of this legislation and the Employee Free Choice Act COME CLEAN? Admit what this piece of legislation really is. This bill takes away our ability to SPEAK! Why don't you just force your way into each of our businesses with HAND CUFFS, in essence that is what you are doing!!!!

So be aware that when the dust settles from this outrageous attempt at legislation - I hope all the supporters of these bills have plenty of open positions in their offices (that the tax payers support) to grant jobs to the masses of unemployed small business employees - that will account for every small business that closes or down sizes their operation.

I thank you for this opportunity to address this very important issue.

Sincerely,

Elaine V. Smith



CONNECTICUT

TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
OPPOSING
SB-365, AAC CAPTIVE AUDIENCE MEETINGS
BEFORE THE
LABOR & PUBLIC EMPLOYEES COMMITTEE
FEBRUARY 24, 2009

The National Federation of Independent Business (NFIB), Connecticut's and the nation's leading small-business advocacy association, respectfully submits the following comments opposing SB-365. An Act Concerning Captive Audience Meetings:

Small business strongly opposes <u>SB-365</u>, An Act Concerning Captive Audience Meetings, which would ban mandatory employer-sponsored meetings when those meetings are held for the purpose of communicating the employers' opinions on religious or political matters, including labor-organizing activities. Passage of this legislation would not only harm existing small business in Connecticut, but also discourage entrepreneurship and relocation of new businesses to the state.

NFIB believes that this measure: (1) is federally preempted by the National Labor Relations Act as an interference with employer speech and the balance struck between employees and employers under such; (2) could promote new and costly civil litigation; and (3) would prevent employers from communicating the importance of participating in the political process, especially with regard to issues affecting business.

The proposed legislation would adversely impact small business owners and their workers who may discuss politics, religion or other issues with customers or vendors in a small business environment as violating workers' rights. Businesses would also be prohibited from discussing legislation that may affect the business and / or the jobs it provides for employees with those employees. Passage of this legislation at anytime, let alone in this critical economic climate, would be throwing up just one more roadblock that makes it difficult for Connecticut's small businesses to succeed.

Additionally, NFIB believes that many of the provisions contained in <u>SB-365</u> are ambiguous, overly broad, and subject to varying interpretations. For example: Who determines the "primary purpose" of the communication? (lines 22-23); What exactly is a "casual conversation"? (line 67); etc. Actual compliance with a law such as <u>SB-365</u> would be virtually impossible for many small and closely-held businesses, thus exposing the business to potentially costly complaints and frivolous litigation.

National Federation of Independent Business — CONNECTICUT 25 Capitol Avenue • Hartford, CT 06106 • 860-216-8810 • Andrew Markowski@nfib org • www NFIB com/CT



STATEMENT REGARDING Senate Bill 365: AAC Captive Audience Meetings

Labor and Public Employees Committee February 24th, 2009

The MetroHartford Alliance is Hartford's Chamber of Commerce and the region's economic development leader. Our investors include businesses of all sizes, health care providers, institutions of higher education, and 34 municipalities. The Alliance's mission is to ensure that the Hartford Region competes aggressively and successfully for jobs, talent and capital so that it thrives as one of the country's premier places for <u>all</u> people to live, work, play, and raise a family.

Senate Bill 365 directly conflicts with national labor law and policy. Section 8(c) of the National Labor Relations Act offers fair protection to "insure both to employers and labor organizations full freedom to express their views to employees on labor matters." Per this act, employers must already comply with strict federal regulations regarding employer-employee communications. In 2004, the Connecticut General Assembly considered this concept and chose not to pursue it. In the bill summary, the Office of Legislative Research referenced the existing protections of the NLRA, "The NLRA guarantees the employer's right to express an opinion about unionization as long as the employer does not also threaten reprisal or promise a benefit." In fact, National Labor Relations Board, created under the NLRA, exists to administer this law and oversee allegations of unfair labor practices nationwide.

Not only is <u>Senate Bill 365</u> arguably preempted by federal law, it also goes a step further in the wrong direction by incorporating an expanded restriction on communication for employers of all sizes, including non-profits. This restriction is written to include conversations about "political matters," which are defined as "political party affiliation or the decision to join or not join any political, social or

community group or labor organization." This broad definition raises concerns about the ability of employers to keep employees informed about important issues affecting their jobs. Particularly at this time of economic uncertainty when the policy decisions made by our elected officials have a very direct impact on the business environment, employers must be able to freely communicate, within the existing restrictions of the NLRA and oversight of the NLRB, with employees regarding significant business matters and workplace issues at mandatory staff meetings.

Connecticut is already one of the most costly states in the nation to do business. By attempting to frustrate the purpose of existing federal law, Senate Bill 365 would further decrease our ability to be competitive in an increasingly unstable marketplace. Recently, Connecticut received unfortunate notoriety in *Forbes* and *Expansion Management*, magazines widely read by corporate site selectors who make recommendations on business relocation decisions. Consistently, our state is ranked at or near the bottom of such lists with regard to the cost of doing business and the cost of living in general. Even proposing legislation such as <u>Senate Bill 365</u> sends a message that not only further substantiates those dismal rankings, but communicates to Connecticut's existing employers that we are not a friendly place for them to remain or expand. At this time of intense global competition for jobs, capital and talent, it is important for Connecticut to send a pro-growth message to incumbent businesses considering expansion as well as those looking to relocate.

As an economic development organization and the capital city's chamber of commerce, we ask that you consider the *highly* anti-competitive implications that proposals such as Senate Bill 365, even at the committee level, have on our collective efforts to grow jobs and to retain and recruit talent. We ask you to work with us to help Connecticut stand out as a *premier* place to do business and create jobs, and take steps to help us strengthen our economy for future growth.

For these reasons, we are opposed to Senate Bill 365.



TESTIMONY OF CONNECTICUT HOSPITAL ASSOCIATION SUBMITTED TO THE LABOR AND PUBLIC EMPLOYEES COMMITTEE Tuesday, February 24, 2009

SB 365, An Act Concerning Captive Audience Meetings

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit written testimony on SB 365, An Act Concerning Captive Audience Meetings.

SB 365 would prohibit any person engaged in business who has employees from requiring its employees to attend employer-sponsored meetings that have as their primary purpose communications concerning religious or political matters. SB 365 defines political matters as including the decision to join any labor organization. SB 365 should not be enacted for the following reasons.

First, SB 365 is preempted by the National Labor Relations Act (NLRA) and would be invalid if enacted. In March 2006, the Connecticut Office of Legislative Research concluded that "it appear[ed] likely" that the NLRA preempted the labor organizing provisions of Substitute HB 5030, a precursor of SB 365 that contained very similar language to SB 365. More recently, in 2008, the West Virginia Legislature put on hold HB 4132, yet another bill similar to SB 365, in light of the June 2008 United States Supreme Court decision in Chamber of Commerce v. Brown, 128 S. Ct. 2408. In Brown, the United States Supreme Court held that the NLRA preempted California laws that prohibited private employers who received state funds from using the money to deter union organizing.

The doctrine of preemption arises from the Supremacy Clause of the United States Constitution and it invalidates state laws that frustrate the purpose of national legislation or impair the efficiency of federal agencies entrusted to discharge the duties for which they were created. The NLRA was enacted in 1935 in large part because Congress wanted to provide an administrative mechanism to peacefully and expeditiously resolve questions concerning union representation. Section 7 of the NLRA affords employees the right "to self-organization" and "to form, join, or assist labor organizations," and "to refrain from ... such activities." Section 8 creates a network of prohibitions on employer and union conduct that has a reasonable tendency to interfere with employees' Section 7 rights.

Section 8(c), which was an amendment to the NLRA, sets forth an explicit "free speech" exemption for employees and employers alike, which provides that "the expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any provisions of [the Act], if such expression contains no threat of reprisal or force or promise of benefit." The United States Supreme Court has ruled that Section 8(c) is a codification of the First Amendment of the United States Constitution.

In 1948, following the passage of Section 8(c), the NLRB reversed an earlier ruling in which it prohibited employers from compelling attendance at employer speeches on self-organization, and approved the use of employer captive audience speeches provided the union was given an opportunity to reply in similar circumstances. In 1953, the NLRB further refined its position and held that "an employer does not commit an unfair labor practice if he makes a preelection speech on company time and premises to his employees and denies the union's request for an opportunity to reply," provided the captive audience speech is not delivered within 24 hours preceding an election. The NLRB has consistently applied this rule since that time and it has received approval from the United States Supreme Court. Indeed, in the recent Brown decision, the United States Supreme Court established the law of the land when it noted that "Congress' express protection of free debate [on issues dividing labor and management] forcefully buttresses" its holding that the NLRA preempted California laws prohibiting private employers' use of funds earned from the state to deter union organizing through noncoercive speech. Accordingly, it is simply not the case, as some have argued in the past regarding previous iterations of this proposed bill, that federal law does not protect an employer's right to hold mandatory meetings with its employees to advise them concerning its position on labor organizing activities - federal law absolutely protects that right. There can be no question that SB 365 seeks to overturn federal labor policy that was established by the NLRB more than 57 years ago and is, therefore, preempted.

Second, SB 365 would have the unintended effect of subjecting employees to conduct currently unlawful under the NLRA. For example, SB 365 does not prohibit employers from asking employees voluntarily to attend meetings or participate in communications regarding union activities and employees are free to choose to attend or participate in those communications as they so wish. Under the proposed law, employees would be put in the position of identifying themselves to their employer and co-workers as supporting or being against unionization when they choose or choose not to attend meetings. Such self-identification would run counter to the protection afforded by secret ballot elections and would interfere with the established body of NLRB law protecting employees in these circumstances. With mandatory attendance at meetings, employees are not put in this position.

Third, enactment of SB 365 would interfere with employees' rights by creating impediments to the union organizing process since the inevitable outcome would be an increase in unfair labor practice charges and lawsuits until the law is set aside as preempted. Furthermore, SB 365 limits employees' rights to be presented with an alternative view and information that a union would not provide. The Second Circuit Court of Appeals, which has appellate jurisdiction over Connecticut district courts, eloquently noted this when it articulated that Section 8 (c), in addition to preserving an employer's right to freedom of speech, "also aids the workers by allowing them to make informed decisions while also permitting them a reasoned critique of their unions' performance."

SB 365, which is not neutral but seeks to limit the free speech rights of employers but not of unions, appears to have its genesis in a belief that federal law does not provide a balanced approach to labor relations. Although critics have argued that the NLRA allows employers an undue opportunity to influence employees to reject unionization, it is the job of the United States Congress and not the State of Connecticut to amend federal law. There is certainly a benefit in having a national labor relations policy. Federal law encourages collective bargaining and

000457

establishes a framework that is fair, impartial, and carefully regulated to protect the rights of employees. The federal body of law has been thoughtfully crafted and refined over decades of case law to guarantee and protect employee rights while maintaining a careful balance in the critical areas of free speech and employee access to information. If SB 365 is enacted, not only would it be preempted by federal law, its anti-business message would discourage employers who have the option to relocate from moving to or staying in Connecticut.

Thank you for your consideration of our position.

For additional information, contact CHA Government Relations at (203) 294-7310.

RICHARD BLUMENTHAL ATTORNEY GENERAL



55 Elm Street P.O. Box 120 Hartford, CT 06141-0120

SB 365

Office of The Attorney General State of Connecticut

TESTIMONY OF ATTORNEY GENERAL RICHARD BLUMENTHAL BEFORE THE JUDICIARY COMMITTEE MARCH 14, 2007

I appreciate the opportunity to support House Bill 7326, An Act Concerning Captive Audience Meetings.

This proposal would protect employees from coercion by an employer to attend a meeting to discuss religious or political issues. Importantly, the legislation would not prohibit an employer from holding meetings to discuss such topics or taking other means of communicating the employer's position on these topics. It would bar an employer from forcing employee attendance at such meetings. Moreover, the legislation specifically exempts certain conversations and meetings that further legitimate employer interests.

Employees and employers must have a cooperative working relationship. Attendance at meetings is often necessary to ensure that everyone understands business issues. Topics such as religion and politics are irrelevant to that cooperative relationship.

Concerns have been raised about whether the National Labor Relations Act preempts states from passing such a law. A general exercise of state labor regulation such as contained in House Bill 7326 is constitutional and I will vigorously defend it. I have attached to my testimony, my letter to the co-chairs of the Labor and Public Employees Committee explaining my reasoning for concluding that this legislation should not be rejected on preemption grounds.

Preemption is disfavored by the courts. Every state law is presumed to be constitutional. No court nor the National Labor Relations Board has issued any definitive ruling applying current federal law to captive audience state statutes. Preemption concerns should not dissuade this committee from supporting <u>House Bill 7326</u>.

I urge the committee's favorable consideration of <u>House Bill 7326</u> as an important employee protection.

State of Connecticut

RICHARD BLUMENTHAL
ATTORNEY GENERAL



Hartford

March 14, 2007

SB 365

The Honorable Edith Prague
The Honorable Kevin Ryan
Co-chairs, Labor and Public Employees Committee
Legislative Office Building
Hartford, Connecticut 06106

Dear Senator Prague and Representative Ryan:

I am writing in response to your letter requesting an opinion on whether substitute House Bill 5030, An Act Concerning Captive Audience Meetings from the 2006 General Assembly session, is preempted by the National Labor Relations Act. I am aware that there is substitute language for a proposed bill, House Bill 7326 from the 2007 session, that similarly prohibits mandatory employee meetings for political or religious reasons but includes in the definition of political matters "the decision to join or not join any lawful, political, social or community group or activity or any labor organization."

Although I cannot provide you with a formal legal opinion, as Conn. Gen. Stat. § 3-125 limits formal opinions to legislative leadership, I have reviewed the case law regarding preemption of state laws by the National Labor Relations Act (NLRA). Since State laws are presumed to be constitutional, and no cases specifically preempt captive audience state laws, the General Assembly should not withhold approval of this proposed legislation because of preemption concerns.

As a starting point, the court will presume that a state law is constitutional. The Connecticut Supreme Court has stated that "in any constitutional challenge to the validity of a statutory scheme, the [statutory scheme] is presumed constitutional ... and [t]he burden is on the [party] attacking the legislative arrangement to negative every conceivable basis which might support it..." Batte-Holmgren et al., v. Commissioner of Public Health, et al., 281 A.2d 277, 914 A.2d 996 (2007), quoting State v. Long, 268 Conn. 508, 534, 847 A.2d 862, cert. denied, 543 U.S. 969, 125 S.Ct. 424, 160 L.Ed.2d 340 (2004).

The scope of NLRA preemption is unclear because there is no express preemption language in the NLRA. Moreover, there is a general presumption that Congress did not intend to displace state law. Building & Construction Trades Council v. Associated Builders and

The Honorable Edith Prague
The Honorable Kevin Ryan
Co-chairs, Labor and Public Employees Committee
March 14, 2007
Page 2

Contractors of Massachusetts/Rhode Island, 507 U.S. 218 (1993). As a result, case law has evolved over time to set forth two bases for NLRA preemption of state law.

The first line of preemption was first articulated by the United States Supreme Court in the case of *Machinists v. Wisconsin Employment Relations Commission*, 427 U.S. 132 (1976). Under this case law, known as the *Machinists* line of case law, states are barred from prohibiting or encouraging the use of economic weapons regarding labor relations. In the *Machinists* case, for example, the state was precluded from interfering with a union's refusal to work overtime which was intended to put economic pressure on the employer during labor negotiations.

The second basis for NLRA preemption of state law begins with the United States Supreme Court decision in San Diego Building Trades Council v. Garmon, 359 U.S. 236 (1959). Under this case law, the Garmon line of case law, states are prohibited from regulating activity that the NLRA protects under section 7 of the NLRA or prohibits as an unfair labor practice under section 8 of the NLRA. In the Garmon case, the United States Supreme Court ruled that the California state court could not hold the union civilly liable for peacefully picketing in front of the employer's place of business for purposes of exerting economic pressure on the employer.

In reviewing the cases that cite NLRA preemption under the Garmon or Machinists analysis, there is no ruling by the United States Supreme Court nor Second Circuit Court of Appeals — which is the federal appellate court for Connecticut — on any state regulation of mandatory employer meetings. For example, among the Second Circuit Court of Appeals cases involving NLRA preemption, the court has remanded a challenge to restrictions on employer use of state funds to influence union organizing, Healthcare Association of New York State et al. v. Pataki, et al., 471 F.3d 87 (2nd Cir. 2006); found a state law concerning the imposition of prevailing wages was not preempted, Rondout Electric v. NYS Department of Labor, 335 F.3d 162 (2nd Cir. 2003); found that employer registration of an apprentice program was preempted, Building Trades Employer's Educational Association v. McGowan, 311 F.3d 501 (2nd Cir. 2002); and found union refusal to register seamen convicted of narcotics violations was not preempted, Figueroa v. National Maritime Union of America, AFL-CIO, 342 F.2d 400 (2nd Cir. 1965).

Although this legislation pertains generally to employer meetings involving religious and political discussions, it may have some impact on the employer-employee relationship regarding labor negotiations or union organizing, because the language prohibits an employer from requiring an employee to attend a meeting on issues concerning union organizing.

The mere fact that state regulation may affect labor negotiations or union organizing does not mean it is necessarily preempted by the NLRA. Rather, a court reviewing a preemption challenge to this legislation would need to engage in an analysis under *Garmon* or *Machinists*. The statute would have to be reviewed in light of how it is applied in particular circumstances.

The Honorable Edith Prague
The Honorable Kevin Ryan
Co-chairs, Labor and Public Employees Committee
March 14, 2007
Page 3

As a result, this legislation is presumed to be constitutional and, if passed by the General Assembly, I will vigorously defend the law against any challenge based on federal preemption.

Very truly yours,

RICHARD BLUMENTHAL

RB/pas



Connecticut Business & Industry Association

Testimony of Kia F. Murrell, CBIA Before the Committee on Labor & Public Employees February 24, 2009

S.B. 365 AAC Captive Audience Meetings

I am Kia Murrell, Assistant Counsel at the Connecticut Business and Industry Association (CBIA) which represents the interests of more than 10,000 companies across the state, the vast majority of which are businesses of 50 or fewer employees.

CBIA generally supports any legislation that does not increase the costs of doing business in the state or unreasonably increase administrative burdens on employers in dealing with employment and workplace issues. Unfortunately, S.B. 365 is a measure that would be very problematic for employers because it would present a tremendous burden on their ability to effectively communicate with their employees; therefore we oppose this legislation.

Captive Audience measures like **S.B.** 365 effectively prohibits employers from discussing matters deemed "political" with their employees some staff meetings. The term "political" is so broadly defined that it would prohibit communications about social and community events, matters affecting government operations or government contracts, charitable campaigns and any other issue that may fall under a collective bargaining agreement.

If the term "political" is broadly construed, then almost any and every topic could fall within its purview and therefore be off limits in the workplace. If that occurs, S.B. 365 would restrict employers from informing their employees about many issues affecting political developments at the State Capitol and elsewhere that affect jobs and the workplace, employee health and safety, government contracts, employee health benefit plans, and a vast array of other subjects. This in turn would force employees to obtain information about issues affecting their jobs and workplace elsewhere.

Also, in regulating employer-employee communications about matters that fall under a collective bargaining agreement, S.B. 365 may be pre-empted by federal law, specifically the National Labor Relations Act. Congress created the National Labor Relations act (NLRA) to encourage a healthy relationship between private-sector workers and their employers and to "insure both the employers and labor organization full freedom to express their views to employees on labor matters." National Labor Relations Act, Section 8(c).

The NLRA is administered by the National Labor Relations Board (NLRB) a federal agency which exercises exclusive authority over the law governing relations between unions and private sector employers. Accordingly, *states are precluded from governing any area of law covered by the NLRA*.

The Office of Legislative Research also recognized in a 2006 report:

"The National Labor Relations Act (NLRA) generally governs labormanagement relations in the private sector. Regarding employer speech, section 8(c) of the NLRA states: "The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this act, if such expression contains no threat of reprisal or force or promise of benefit."

The NLRA does not have an express preemption provision but courts have found preemption when a state attempts to regulate (1) activities the NLRA arguably protects or prohibits, in order to prevent conflict between state regulation and Congress' integrated scheme of regulation or (2) areas left to the control of the free play of economic forces, which protects against unsettling the balance of interests set by the NLRA.

We could not find a case on this precise issue. Thus we cannot provide a definitive answer. But it appears likely that, based on the history of the NLRA and court rulings, that the NLRA would preempt the bill's provisions as they relate to labor organizing." (Office of Legislative Research Report 2006-R-0204)

Inasmuch as **S.B.** 365 would restrict employers from communicating freely with their employees in mandatory staff meetings, it is pre-empted by the NLRA.

In today's global economy, businesses are under great pressure to adapt quickly to changing economic situations and competition. The ability to openly communicate with employees about matters affecting government operations, the community-at-large or other factors impacting company operations is crucial to a business' survival and competitiveness in many cases. Employers often use staff meetings to keep employees informed, so legislation that limits such communication will ultimately hurt employers and employees alike.

For the above reasons, we urge the Committee to reject S.B. 365.

Richard G. Willard, Jr.

"Personal Attention to Businesses & Individuals Since 1991"

Life & Health Insurance Groups ♠ Individuals The Original GIFT HSA™

78 Beaver Road, Suite 2D, Wethersfield, CT 06109
Ph. 860.989.9305 Fax. 860.563.5520

February 24, 2009

Honorable Members of the Labor Committee Legislative Office Building Harford, CT 06106

Re: Small Business Opposition to SB-365, An Act Concerning Captive Audience Meetings

Dear Committee Members:

My name is Rick Willard. I volunteer to serve as Chairman of the Connecticut Leadership Council for the National Federation of Independent Business (NFIB). I am also the owner of Griswold, Willard & Strong in Wethersfield. Previously I managed our family business, Comstock, Ferre & Co., also in Wethersfield. I have worked for and with small businesses for nearly my entire professional career.

A non-profit, non-partisan organization, NFIB is Connecticut's and the nation's leading small business advocacy group. NFIB's mission is "To promote and protect the *right* of our members to own, operate and grow their businesses." In Connecticut, NFIB represents thousands of small and independent business owners and their workers involved in all types of industries: including manufacturing, retail trade, wholesale trade, transportation, professional services and agriculture. In short, NFIB represents the "Main Street" businesses in every city and town across our state.

Recognizing the vital role that small & independent businesses play in Connecticut's economy, both I and NFIB oppose SB-365, An Act Concerning Captive Audience Meetings.

This measure would ban employers from talking with their employees at regular, required staff meetings about many issues. Some of these issues include:

- developments at the state Capitol on issues affecting the employees' jobs and workplace;
- government contracts; and
- aspects of the employees' health benefits plan.

This bill would deal a devastating blow to the state's business and economic climates by:

- sending a clear message that Connecticut is not a business-friendly state;
- banning grassroots campaigns, and
- promoting confusion in the workplace over the communication of matters important to every employee, such as proposed legislation, and terms and conditions of employment.

The National Labor Relations Act (NLRA) was created in 1935 in large part because Congress wanted to provide an administrative mechanism to ensure balance in the workplace. Under the NLRA employees already have ironclad workplace protections and the Connecticut Fair Employment Policies Act restricts how employers can communicate with their employees.

For all of these reasons, we do not believe that SB-365 is necessary.

Small businesses in Connecticut are responsible for creating over 90% of all new jobs in Connecticut during the last ten years. Unfortunately, the state has also witnessed a record number of small businesses closing their doors. While this can be attributed to a variety of economic woes, passage of this measure will reinforce the notion that Connecticut is an unfriendly state to do business.

Thank you for your consideration of my comments, and I ask that you reject SB-365.

Sincerely,

Rick Willard Chairman NFIB/Connecticut Leadership Council

000466

ROBERT MADORE
DIRECTOR
REGION 9A UAW
111 SOUTH ROAD
FARMINGTON, CONNECTICUT 06032-2560
PHONE (860) 674-0143
FAX (860) 674-1164



INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

RON GETTELFINGER, President

0

ELIZABETH BUNN, Secretary-Treasurer

February 24, 2009

To: Senator Prague, Representative Ryan and Members of the Labor and

Public Employees Committee

From: Robert Madore, Director

Beverley Brakeman, Community Action Program Representative

Re: SB 365 AAC Captive Audience Meetings - Support

My name is Beverley Brakeman and I am here on behalf of our Director Robert Madore to urge your support of SB 365 AAC Captive Audience Meetings.

This bill is an important way for Connecticut to show its support of workers by prohibiting employers from coercing and threatening them into silence - effectively stripping them of their hard earned workplace rights and opportunities.

Several years ago, the UAW was involved in helping a group of workers from Chef Solutions in East Haven, CT to form a union. Two union elections were held as the result of a majority of workers signing cards indicating they wanted to form a union. During both elections there were probably over 20 unfair labor practice violations filed with the National Labor Relations Board by the UAW having to do with captive audience meetings.

These union busting meetings were mandated for all employees during the organizing drive. Any employees who stood up to speak up or object were thrown out and further threatened with job loss. Unfortunately, due to the intensity of these meetings, employees became so frightened about losing their jobs that despite the majority of cards signed, the elections were lost.

A union election is unlike elections most people are used to. The employer has 24 hour 7 day per week access to the "voters" giving themselves the upper hand in steering the employees against the union through fear tactics and intimidation.

The UAW strongly supports legislation that would allow all workers to choose freely without intimidation and retaliation to form a union. This bill we believe will level the playing field for employees wishing to form a union.

Please show your support for Connecticut's workers and pass this bill. Thank you.

opeiu494

000467



TESTIMONY OLE KUSHNER HERMANSON

LABOR AND PUBLIC EMPLOYEES COMMITTEE FEBRUARY 24, 2009

In Favor of Senate Bill 365 An Act Concerning Captive Audience Meetings

My name is Ole Hermanson I am an organizer. I help workers form their own unions. I am here to testify in support of Senate Bill 365, an act concerning captive audience meetings. In my six years at AFT Connecticut I have worked on many organizing campaigns. Most of them have been at non-profit organizations, mostly hospitals. I have never worked a campaign in the last six years where the employer did not use an anti-union campaign that included captive audience meetings. Management uses these meetings to coerce and intimidate workers.

In the organizing drive that is going on right now at Rockville General Hospital Management held a Captive Audience meeting in the Emergency Department. The manager singled out one nurse and said "If Michelle, here, asks you to sign a union card she isn't your friend and if she pressures you, you have the right to say "no" to her and tell me about it." Michelle asked why she was being singled out and the manager said, "Well you went to a union meeting, didn't you?" Michelle has since stopped coming to union meetings or taking calls from organizers and she has told her coworkers that she is afraid that if she does anything to support organizing that she will lose her job.

Captive audience meetings are a powerful tool that management uses to pressure people not to exercise their legal right to make their own decisions about joining a union and they should be stopped.

AFT Connecticut

Healthcare Higher Education Public Employees PSRP Teachers

35 Marshall Road Rocky Hill, CT 06067 850/257-9782 Fax 860/257-8214 Toll Free 888/398-3373 www aftet org

Sharon Palmer

Melodie Peters

Leo Cancy SLCOND VILL PRESIDENT

Thomas Bruenii SIGNITARY IREASURER

VICE PRESIDENTS John Altien Dennis Bogusky Cathy Carpino Joanne Chapin David Cicarella Art Costa Jr Ton Culley Kathie Daly M Kevin Fahey Pata Fusco Betty Gadson Phyllis Kornfeld Paul Kiell Edward Lang Ann Lobiand John Malsbenden Jean Morningstai Harry Rodriguez Kathleen Sanner Barbara Smyth Rick Tanasi Sadie Williams

Operu376aflcio





Connecticut Alarm & Systems Integrators Association

TESTIMONY OF JOHN YUSZA, JR. CONNECTICUT ALARM & SYSTEMS INTEGRATORS ASSOCIATION (CASIA) BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

The Connecticut Alarm & Systems Integrators Association (CASIA) <u>opposes</u> <u>SR-365</u>, An Act Concerning Captive Audience Meetings, that restricts employers in Connecticut from being able to disseminate important information to their employees.

Because the vast majority of employers in our industry are small employers, we are concerned with this proposal that could be used to ban or severely limit important communication from the employer to the employee, even in situations where the information being circulated is in the best interest of the employee.

Employers are already under very strict federal guidelines and threat of penalty on how they may communicate with their employees, so we believe that this measure is unnecessary.

Connecticut must drastically improve our prospects for job creation and economic growth. Passage of this measure will not achieve that. Therefore, we urge <u>rejection</u> of <u>SB 365</u>.

Thank you for the opportunity to present comments today.

CASIA, a statewide trade association established in 1974, is comprised of alarm companies working together to protect lives and property through the responsible use of electrical security and fire alarm systems. Our members are professional and technically skilled and experienced in integrated systems for intrusion and fire systems, closed circuit television, telephone, intercom, home theater, access control systems and computer wiring.



Independent Electrical Contractors of New England, Inc.

TESTIMONY OF LISA HUTNER EXECUTIVE DIRECTOR INDEPENDENT ELECTRICAL CONTRACTORS OF NEW ENGLAND BEFORE THE LABOR & PUBLIC EMPLOYEES COMMITTEE FEBRUARY 24, 2009

As a trade association that represents many small employers, IEC <u>opposes SB 365</u> – AAC Captive Audience Meetings. The proposal would restrict employers in Connecticut from meeting with their employees about "political, religious or labor-organizing activities."

SB-365 would prohibit employers from requiring their employees to attend meetings or participate in communications that deal with subjects such as developments at the state Capitol on issues affecting their jobs and workplace, government contracts and aspects of their health benefits plan. To all intents and purposes, this proposal could be used to ban legitimate communications from the employer to the employee, even when the information to be communicated is in the best interest of the employee.

In Connecticut, job losses have been enormous, with jobs being lost in almost every industry sector in the state. Furthermore, all indications are that this situation could get worse before the economy and jobs begin to rebound. With unemployment at 7%, this is not the time for the legislature to pass legislation that will drive businesses out of the state.

We live in a global economy, where companies must be able to adapt quickly to and ever-changing situations and markets. Because of this fact, many companies need to speak regularly with their employees at mandatory meetings to keep them apprised of workplace and industry concerns and their impact on the company's health & well being. Proposals to take this freedom away from employers reinforce the message that Connecticut is a place unfriendly to business.

Contrary to what the bill's proponents have implied, there are mechanisms at both the federal and state level that provide the balance and fairness that this bill is purported to be striving for. Under the National Labor Relations Act, there are strict guidelines regarding how employers may communicate with their employees. Additionally, the Connecticut Fair Employment Practices Act ensures that employees' "workplace freedoms" are not violated.

SB = 365 will discourage companies from expanding or relocating in Connecticut, which are all critical to building and retaining a strong economy. While we encourage our member companies to treat employees fairly and offer them a mutually agreeable wage and benefits package, we oppose the captive audiences measure.

The Independent Electrical Contractors of New England is the premier trade association representing Connecticut, Massachusetts and Rhode Island independent electrical contractors aggressively working with the industry to establish a free environment for merit shop -- a philosophy that promotes the concept of free enterprise, open competition and economic opportunity for all.

1800 Silas Deane Highway, Suite 10, Rocky Hill, CT 06067 (860) 563-4953 Fax (860) 563-5453 Toll Free (866) GO IEC NE 345 West Street, Ludlow, MA 01056 (413) 583-2400 email: exdir@iecne.org www.iecne.org



TESTIMONY OF ROBERT MACCA LEGISLATIVE CHAIR CT PLUMBING, HEATING & COOLING CONTRACTORS ASSOCIATION BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

The Connecticut Plumbing, Heating & Cooling Contractors Association (CT-PHCC) opposes SB-365, An Act Concerning Captive Audience Meetings.

In our industry many businesses speak frequently with their employees at mandatory staff meetings to keep them informed of key workplace and industry issues. If this measure were to pass, we would no longer be able to do this.

Under the proposed legislation, banned topics could include development at the state Capitol on issues affecting an employees' job or workplace. An example of how this could affect our industry is if legislation that pertains to the Apprenticeship Job Training Program were being debated or had passed, we would no longer be able to discuss this with our employees and the affect that it would have on their jobs and the industry.

The Connecticut Fair Employment Practices Act and the National Labor Relations Act have strong guidelines about how employers may communicate in the workplace. Furthermore, there is threat of penalty for employers that do not comply.

CT-PHCC believes that this proposal is overly broad and that it is unnecessary. Therefore, we urge the committee to **reject SB-365**.

Thank you for allowing me to comment today.

CT-PHCC is a not-for-profit trade association that represents the professional plumbing, heating and cooling contractors in the state of Connecticut. CT-PHCC and its members are committed to protecting the health and safety of the public. Contractors who belong to the association have demonstrated reliability and trustworthiness and are licensed by the state of Connecticut.





259 WOLCOTT ROAD / WOLCOTT, CT. 06716

CT Lic. E1-122002

February 24, 2009

To Members of the Labor Committee:

The NLRA was enacted in 1935 in large part because Congress wanted to provide an administrative mechanism to peacefully and expeditiously resolve questions concerning union representation.

Section 8 of the NLRA creates a network of prohibitions on employer and union conduct that has a reasonable tendency to interfere with employees' Section 7 rights. Section 8(c) sets forth an explicitly free speech exemption for employees and employers alike, which provides the expressing of any views, argument or opinion, or the dissemination thereof, whether in written, printed, graphic or visual form, shall not constitute or be evidence of an unfair labor practice under any provisions of the act, if such expression contains no threat of reprisal or force or promise of benefit. Following the passage of 8 (c), the NLRB in 1948, approved the use of employer captive audience speeches, provided the union was given an opportunity to reply in similar circumstances.

In 1953, the NLRB further refined its position and held that an employer does not commit an unfair labor practice if he makes a pre-election speech on company time and premises to his employees and denies the union's request for an opportunity to reply, provided the captive audience speech is not delivered within 24 hours preceding an election. The NLRB has consistently applied this rule since that time and it has received approval from the United States Supreme Court.

With that historical context, we oppose this bill for the following reasons:

- 1. It is preempted by the NLRA and would be invalid if enacted.
- 2. It would have the unintended effect of subjecting employees to conduct currently unlawful under the NLRA, i.e. voluntarily asking employees to attend meetings. Under the proposed law, employees would be put in the position of identifying themselves to their employer and co-workers as supporting or being against unionization when they choose or choose not to attend or participate. Such self-identification is a form of polling and would run counter to the protection afforded by secret ballot elections and established NLRB law protecting employees in these circumstances.





259 WOLCOTT ROAD / WOLCOTT, CT. 06716

CT Lic. E1-122002

- 3. It would interfere with employees' rights by creating impediments to the union organizing process by increasing unfair labor practice charges and lawsuits.
- 4. It would prohibit the employer's "agents, representatives and designees" from engaging in any of the same conduct that is prohibited for employers, and because of unclear definitions, elected politicians who speak before employees at the invitation of an employer, run the risk of violating the law when they express an opinion that is consistent with the employer's on issue of unionizing, social organizations, religion or politics.

This law is not only preempted by federal law, which has been thoughtfully crafted and refined over decades of case law to guarantee and protect employee rights while maintaining a careful balance in the critical areas of free speech and employee access to information, its anti-business message would discourage employers who have the option to relocate from moving to or staying in Connecticut.

Sincerely,

Peter J Sheekan

Peter J Sheehan Member Manager CPE Electric LLC

Page 2

Office: 203-879-6569

State of Connecticut SBE Certified

Fax: 203-879-5572

February 18, 2009

Legal Assistance Resource Center of Connecticut 44 Capitol Avenue Suite 301 Hartford, CT 06106

SB 733

RE: Criminal Background Check Bill

Dear Legal Assistance,

My name is Brenda James who committed an assault in the 3rd degree in 1996 against my alleged fiancé at the time. My sentence was 45 days incarceration with a two-year probationary period. I completed a program called ADRC with some extended domestic counseling for abused women.

I am writing because I applied for a Pardon with the State of Connecticut Board of Pardon and Paroles through a mediation service program called the Connecticut Pardon Team, Inc., and their main office is located in Norwich, Connecticut. The founders name is Jacqueline Caron whom I work for as a volunteer Liaison for the city of Hartford and she has always been supportive and informative.

I applied for a Pardon in February of 2005 and received a Pardon Certificate in 2006.

I have been struggling to obtain employment, a new residence, and other perks with having a clean record since my initial application. I have worked very hard over the past 13 years to change my life and to become an accomplished individual my children and family could be proud of.

I have obtained a college education, no other criminal offenses, volunteering, and my faith in a higher resource than myself. What I am attempting to communicate in this letter is to inform you of my diligent effort to turn away from provocation on numerous occasions. I choose to abide by the rules and laws that govern the state as well as the nation.

I made an inexcusable mistake and my mistake has not been forgotten by the many predatory agencies that take my offense and recycle inaccurate information for a profit. In the meantime, I am constantly feeling embarrassed and a shame of my offense as my life has changed and I have grown wiser with my age to make better decisions. I seemingly to be continuously fighting my past offense every time I apply for a new job, a new home, and a new life.

I am struggling to make my earned Certificate of Pardon have the value that it is entitled to receive. I am advocating for a collaboration of the judicial system and the Background Check Agencies such as; RentGrow in

Massachusetts, Info Cubic in Colorado and another agency called ChoicePoint out of Georgia to stop relentlessly circulating inaccurate information against my name. My certificate of Pardon has little validity if these agencies are continuing to circulate my offense because it depreciates the value, the respect, and the lawmaker's decision of the State of Connecticut Certificate of Pardon. I am by their terms no longer being held accountable for an offense that I committed more than a decade ago.

I also would like to include that I am doing the footwork that the agencies are hired and being paid to do. I always have to send them proof of my certificate as a courtesy for free which I do not have to release a copy of my certificate and have received no restitution for my efforts. Once the inaccurate information is disclosed against me I sometimes get a letter of rejection, excessive charges and/or no follow up response. It takes weeks and by then the company has chosen someone else. I have missed out many chances for a new beginning which is the unwritten or spoken peace of mind that is attached to a certified pardon.

Every time I have applied for a job or anywhere an inaccurate criminal report of my offense circulates against me. This is a national problem because my offense is showing up inaccurately outside of the state of Connecticut. The anatomy of the pardon application ask for a list of cities, states that any offenses may have occurred but mines took place in the state of Connecticut and has been circulated in more that one other state. I am constantly being flagged causing me to be constantly scrutinized.

The last application was for a job with a company in Massachusetts, the company hired an agency and my criminal background came back with an offense but the information being reported is inaccurately. The decision to hire me is pending. I have had to provide proof of my Pardon by faxing or mailing a copy of my Pardon Certificate to each agency before they will remove the falsification on my background.

I would like to file a civil complaint against the above agencies who have supposedly received their information through the Court Operations administration facilitated by Mr. Larry Dorsey regarding this issue. I have called the judicial agency various times regarding this matter. I left a message for Rep. Lawlor, Sen. McDonald and spoke to other staff members but no one seems to be able resolve this problem.

I can count the many sleepless nights, and just stressed about my information being inaccurately circulated. The information is always wrong and most of the time has an exaggerated description attached. I do not want you to think that I am downplaying the offense because I am not trying to do that and my remorse is real. The frustration of constant inaccurate information being distributed against me **every time** incorrectly but yet it should not be **disclosed at all** since the receipt of a sealed certificate of a pardon.

The impression that I am sensing from all of this is that no matter where I go it is evident that I am being flagged, and it has been this way for quite sometime. I confidently thought my approved pardon would change this response.

This inaccurate information has change perspective employers response towards me, it has caused me to become very discouraged, and it is ruining my life. These agencies have made it difficult for me and it opens another door of prejudgment against me before allowing an employer, a realtor, and any other organization that does a background check on me a fair opportunity to get to know a matured me. They are cheating the clients that have hired these agencies to do a thorough research. I also depend on these agencies to do a competent and thorough research.

It feels awfully challenged because as a reformed individual I can not seem to get a fair chance.

I have been turned down for numerous job(s). I have been sometimes pressured out of positions and/or terminated because of my criminal history. I have been charged an excessive amount of money for a security deposit or rental fees in a better location to discourage me from renting. I can not make a decent rate of pay due to my background history. I am currently working as an entry level clerk and I have one college degree, a pending higher degree, and a certification in Health administration with various skills and some public safety training. The few good paying employer(s) are not comfortable to take a chance with me because of my inaccurate criminal history.

I continue to take lower wage paying jobs because I have a family and refuse to give up. I have volumes to offer an employer that is willing to give me an opportunity and any additional training without holding my offense against me.

My suggestion is -Agencies that are hired to do background checks should affirmatively audit their data collection for inaccuracies before disclosing information to their clients. Penalties should be applied for inaccuracies and make the agencies accountable by refunding fees. It has cost me money to have my background check and additional money whenever inaccuracy is disclosed on my criminal background but it is also causing me to have a deformities of my character.

Information should not be forwarded against reformed and certified pardon recipients unless they have a new offense but any offense that has been expunged should no longer be public information data because it sets a double standard. It also contradicts the efforts of the State of Connecticut Board of Pardon and Paroles.

I applaud the Board of Pardon and Paroles for making a law that enforces criminal offenses to end after time served and an opportunity to start over but if the fruition of their authority is not sufficient then who can society trust.

It is certainly not the above agencies who refute the professionalism of their duties by consistently reporting a circulation of inaccurate criminal background information and causing people like me to be unhappier in an already difficult circumstance? ©

I would like to take this matter to a civil level and I was informed that the legal aid agency has a pending suit petitioning against this issue to my defense. I want a refund of my monies spent for my background to be disclosed inaccurately. I would like to be a part of the solution because I want to change this discriminatory act. It has cost me years of hardship financially and despair even now today than it deserves. It is not fair and I have been patiently waiting for a compliance law to be created.

<u>Please References</u>: Public Act. # 08151 signed by Governor Jodi Rell on 6/12/2008 effective October 2009 and prior to the above Public Act. # 0853

I can provide proof and written documents to back up my claim in support of this letter. I am also having this letter notarize.

In conclusion, please have someone contact me regarding this matter. I can be reached at (860) 727-8169 or (860) 752-8566 please leave me a message.

Respectfully yours,	
Brenda James	
	date
Brenda James	
	date
Notary of Public	
Cc: Greater Hartford Legal Assistand Hartford, CT 06105	ce 999 Asylum Avenue, 3rd Floor

Files

ghla Greater Hartford Legal Aid

Testimony of Alexis N. Highsmith, Greater Hartford Legal Aid, Inc.
In Support of SB 733, AAC Creating a Civil Action for a Consumer Reporting Agency Reporting A Prospective Employee's Erased Criminal History
February 24, 2009

Good afternoon members of the committee. My name is Alexis Highsmith. I am an attorney at Greater Hartford Legal Aid. I am here to testify in support of SB 733. This bill creates a civil action for employees and potential employees who are victims of inaccurately reported criminal histories by consumer reporting agencies. Connecticut's Legal Services Programs support this bill but with suggested amendments that we have discussed and agreed to with Senator Looney who proposed this concept. I am also here to support HB 5521, which prohibits employers from using credit reports as a basis for employment decisions. I will first address SB 733.

In my work at Legal Aid, I represent clients applying for pardons from the Board of Pardons and Paroles. These are people who have stayed out of trouble and made positive contributions to their families and communities for many years. My clients encounter barriers to employment, housing, and other benefits because of their criminal records. The pardons process is daunting. The written application is overwhelming and the hearing is intimidating. Getting through this process and receiving a pardon is quite an accomplishment. A pardon proves they have been rehabilitated under the law and is supposed to mean that their criminal record is erased and no longer subject to disclosure.

Two years ago, the legislature mandated that consumer reporting agencies must use the most accurate and updated information available when disclosing criminal records to prospective employers (CGS §§ 31-51i(h)(2)(B); 54-142(e). Since the passage of the initial legislation in 2007, policy makers and advocates have worked with the consumer reporting agencies to insure that the implementation of these new requirements are not unduly burdensome for the CRAs. Unfortunately, some of the companies have still not fully complied with the law and have disclosed to prospective employers conviction information that has been erased.

Legal Services has seen numerous cases where clients have been denied employment because their supposedly erased records have shown up on their criminal background checks. We have learned that many of the larger CRAs contract with smaller agencies to gather information on criminal histories. These subcontractors are not necessarily following the requirements of the law which call for any entity that is disclosing "criminal matters of public record" to purchase updated information from the Judicial Department monthly and to use this information to update and permanently delete any erased records. We have also seen these same violations amongst smaller independent credit agencies.

Just last week, a Legal Aid client was denied a job as a certified nurse assistant based on a background report generated by a consumer reporting agency that showed her old convictions even though she had been granted a full pardon in July 2008. The legislature cannot accomplish its goal of promoting the employability of rehabilitated individuals unless there are enforcement mechanisms built into the language that prohibits disclosure of erased records. Individuals must have a remedy available to them for situations where a consumer reporting agency provides inaccurate information to a potential employer.

In its current draft, SB 733 gives a job applicant a private right of action against a consumer reporting agency if it discloses inaccurate information. While this is a positive step, it does not fully advance the legislature's intended goals. We propose that additional language allow a party the right to sue an employer who is in violation of the protections outlined in the erasure statute. I have attached proposed language to amend this bill accordingly. By including employers in this language, the legislature can completely recognize the employment rights of people with erased records. An employer must also honor an applicant's rehabilitation.

I am also here in support of HB.5521, which would prohibit employers from utilizing credit reports as a basis for employment decisions. Employers currently have unfettered discretion to deny a job applicant employment because of their poor credit history. The use of credit reports has an adverse impact on poor people, who have lower credit scores. However, a poor credit score is not indicative of a poor or unsatisfactory employee.

I ask that you support SB 733 and HB 5521, as it is strong public policy to foster employment rights of individuals with erased records and those with poor credit histories.

Thank you for your support of SB 733 and HB 5521.

Alexis N. Highsmith

PROPOSED LANGUAGE

An Act Concerning the Use of Criminal Conviction Information.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2009) Any aggrieved person may enforce the provisions of section 31-511 and section 54-142e of the general statutes as revised to 1/1/09, by means of a civil action. Any employer, employer's agent, representative or designee or consumer reporting agency or its agent, representative or designee that violates any provision of section 31-51i or section 54-142e of the general statutes as revised to 1/1/09, or who aids in the violation of any provision of said sections shall be liable to the person aggrieved for special and general damages, together with attorney's fees and costs.

SENATOR MARTIN M. LOONEY Majority Leader

> Eleventh District New Haven & Hamden



State Capitol Hartford, Connecticut 06106-1591 132 Fort Hale Road New Haven, Connecticut 06512 Home. 203-468-8829 Capitol: 860-240-8600

Toll-free: 1-800-842-1420

www.SenatorLooney.cga.ct.gov

February 24, 2009

Good afternoon Senator Prague, Representative Ryan and members of the Labor and Public Employees committee. I am here today to testify in support of two bills, SB 733, An Act Creating A Civil Action For A Consumer Reporting Agency Reporting A Prospective Employee's Erased Criminal Record and SB. _365. An Act Concerning Captive Audience Meetings.

_SB_733, An Act Creating A Civil Action For A Consumer Reporting Agency Reporting A Prospective Employee's Erased Criminal Record would allow a prospective employee who has been harmed by the release of inaccurate background check information to bring a civil action against the responsible party. Over the last two years, the Connecticut General Assembly passed two public acts (07-243 and 08-53) to address the fact that when the Judicial Branch sold conviction information to private entities that performed background checks for employers (for a fee) the records were not updated when a pardon had been

granted or charges had been nolled. These acts were extraordinarily important because producing background checks with outdated information can have devastating consequences for residents who have straightened out their lives and are making every attempt to be productive citizens of our state. SB 733 would create a remedy when a prospective employee is harmed by negligent behavior of persons providing background checks. Initially the proposed bill was misunderstood and not drafted to my specifications; I have attached my suggested substitute for SB 733 at the end of this testimony.

SB 365. An Act Concerning Captive Audience Meetings would prevent employers from firing or otherwise disciplining employees who would prefer not to be compelled to listen to employer speeches about religion or political matters, including labor organizing. The First Amendment to the Constitution guarantees the rights to freedom of speech and assembly. These freedoms include the right not to assemble or listen to coercive speeches.

This legislation would protect an employee from economic sanction if the employee chooses not to listen to an employer's political or religious views.

Political views are defined to include views about the decision to join a political, social or community group or activity, including the exercise of the rights to join or not to join a labor union. For example, the legislation would protect an employee who declines to participate in a meeting called by an employer to express anti-union views. Physical restraint is actionable under current state law, yet a threat

to fire an employee if he or she does not attend a coercive meeting is not actionable. There is no good reason for this distinction: coercion is coercion, whether it is physical or economic. And it is wrong.

It should be the policy of our state as expressed in legislation to prevent employer coercion as to political matters, and we need to include speech about joining a union as well, because unionization is a political topic. It concerns a distinct approach to governing the economy. It is based on the view that there is a conflict of interest between employers and workers in this society, and that workers are better protected by acting collectively than individually. Those are political views. Therefore we should not discriminate against labor by leaving the statute silent on this point. We need to stand up against the opercion of employees into listening to speeches about matters other than how to do their jobs, such as whether the employee should join a particular church, union or political party. Our best constitutional tradition underscores this principle.

I also believe that there should be an exemption for certain types of entities. An organization devoted to religion should be able to require its employees to adhere to the same faith that the organization espouses and to observe its tenets and practices; an organization formed for the sole or dominant purpose of political action should be able to require its employees to adhere to and work in support of the organization's political tenets and program; and an educational

institution should be able to require student instructors to attend lectures on political or religious matters which are part of regular coursework for which all students are responsible. These exemptions would appear reasonable.

I have always believed that assertions that this type of legislation would be preempted by the National Labor Relations Act (NLRA) were mistaken. States may place conditions on entities that receive state money in order to support or encourage compliance with state public policy. Section 8(c) of the NLRA provides that it is not an unfair labor practice for an employer to express a view about unionization, which could include giving a speech in opposition to unionization. 8(c) does not, however, grant employers the right to require that employees be gathered against their will to listen to such views. Nothing in the proposed legislation limits what employers can say or where an employer can say it. Rather, the legislation would make it unlawful for an employer to force an employee, through the threat of physical or economic restraint, to listen to employer views on the subject of unionization or other political issues. A state is not preempted from providing protection to employees who choose not to be compelled to attend meetings where they may be subjected to an employer's propaganda on political topics. Protection from such abuse is certainly essential where there is a substantive financial relationship between the state and the employer. Clearly, where the employee believes that the communication concerns an issue such as health, safety, or economic interests there would be

nothing in the bill to impede meetings or any other form of communication.

Neither Congress nor the courts have ever determined that captive audience speeches are to be encouraged.

The Connecticut General Assembly and the courts have a long tradition of support for the use of the police power to protect employees from coercion in the workplace and to protect privacy interests. This bill stands in that proud tradition.

A worker does not relinquish all of his or her First Amendment Rights merely because he or she is in the workplace. Certainly the state can and should offer these protections to employees of state supported entities.

000485

An Act Concerning the Use of Criminal Conviction Information.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2009) Any aggrieved person may enforce the provisions of section 31-51i and section 54-142e of the general statutes as revised to 1/1/09, by means of a civil action. Any employer, employer's agent, representative or designee or consumer reporting agency or its agent, representative or designee that through negligent or willful conduct violates any provision of section 31-51i or section 54-142e of the general statutes as revised to 1/1/09, or who aids in the violation of any provision of said sections shall be liable to the person aggrieved for special and general damages, together with attorney's fees and costs.

ORMED PROFESSIONAL FIRE FIGHTERS ASSOCIATION OF CONNECTICUT

Affiliated with International Association of Fire Fighters 30 Sherman Street, West Hartford, CT 06110 Office: (860) 953-3200 Office Fax: (860) 953-3334

PRINCIPAL OFFICERS
Peter S Carozza, Jr., President
Louis P. DeMici, Secretary
Dominic M. Cutaia, Treasurer



PAUL J. RAPANAULT DIRECTOR Legislative / Political Affairs 5 Oak Hill Drive North Branford, CT 06471 (203) 592-4524

February 24, 2009

Dear Senator Prague, Representative Ryan and members of the Labor and Public Employees Committee,

My name is Paul J. Rapanault. I am the Director of Legislative and Political Affairs for the Uniformed Professional Fire Fighters Association of Connecticut. Our 4,000 members serve in 50 fire departments throughout the state.

I am addressing you today in <u>OPPOSITION</u> to <u>H.B. 804</u> AAC MUNICIPAL BINDING ARBITRATION. Since the passage of binding arbitration, the system has proven itself to work. Why would a municipal employee organization contribute equally if the city or town rejects an arbitration decision? This bill is a thinly veiled disguise designed for the purpose of defraying the costs to the municipalities associated with rejecting an arbitrated settlement and in turn would make it MORE LIKELY that the municipality rejects decisions creating an unjust and costly burden on the employee group.

Fire fighters believe in the Binding Arbitration system, even though municipalities prevail the majority of the time in arbitrated cases. We are willing to abide by the decisions handed down by arbitrators and we think municipalities should also. We do not believe that any party should be able to reject an arbitrated award, a "second bite of the apple" so to speak.

Professional Fire Fighters urge your opposition to this radical change to the binding arbitration statute. Let it work as it was designed to.

In addition, we <u>SUPPORT S.B. 365</u> AAC CAPTIVE AUDIENCE MEETINGS and <u>H.B. 6187</u> AAC MANDATING EMLOYERS PROVIDE PAID SICK LEAVE TO EMPLOYEES. The fairness of both of these bills is evident. Employers should not be able to threaten and harass employees just because they want to join a union and workers should not be forced to work ill or be kept from attending to loved ones who are injured or sick. Some legislation just makes sense. Both of these bills do.

Thank you for your consideration.

Paul J Rapanault Legislative/Political Affairs

Walter M O'Connor, President Emeritus

Raymond D Shea, President Emeritus Santo J Alleano, Jr, Vice President Emeritus



900 Chapel St., 9th Floor, New Haven, Connecticut 06510-2807 Phone (203) 498-3000 • Fax (203) 562-6314 • www.ccm-ct.org

THE VOICE OF LOCAL GOVERNMENT

TESTIMONY

OF THE

CONNECTICUT CONFERENCE OF MUNICIPALITIES

TO THE

LABOR AND PUBLIC EMPLOYEES COMMITTEE

February 24, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to testify before this joint committee on issues of concern to towns and cities.

Raised Bill 804 "An Act Concerning Municipal Binding Arbitration"

Raised Bill 804 would allow unions the right to reject arbitration awards and also stipulate that such organizations split the costs of the binding arbitration that follows with the municipality.

Raised Bill 804 is the opposite of binding arbitration reform — and the opposite of the much-needed relief local governments seek in order to sustain critical programs and services throughout this economic downturn.

Connecticut towns and cities are going through very challenging fiscal times. As the need for services increases, state aid to towns and cities has not kept pace. This has resulted in increased property taxes and cutbacks in local services.

There is a mechanism that enables the State to provide much-needed relief to municipalities at no cost: reform of the binding arbitration laws for municipal employees. Reform can occur without compromising the integrity of the systems. It can be done in a way that is fair to both employees <u>and</u> employers.

Background

In 1975, the General Assembly mandated compulsory binding arbitration in collective bargaining impasses between municipalities and employee unions (Municipal Employee Relations Act – MERA, CGS Sections 7-467 through 7-478). In 1979, the mandate was extended by enacting a separate arbitration law for school board employees (Teacher Negotiation Act – TNA, CGS Section 10-153).

These laws were designed to provide finality to collective bargaining impasses while avoiding public employee strikes and disruption of services.

Under these two laws, decisions of an arbitration panel are binding upon the parties involved. Towns and cities must appropriate funds necessary to comply with a panel's decision.

In 1992, the General Assembly made several changes to the two laws including, (1) providing local legislative bodies the one-time authority to reject, by two-thirds vote, teacher and municipal employee arbitration awards, and (2) allowing consideration of other demands on the financial capability of the municipal employer when determining ability to pay awards (in addition to considering the public interest and simple financial capability of the public) These reforms provided some relief, but more needs to be done.

Compulsory binding arbitration is an impasse resolution procedure designed to bring labor negations or disputes to a conclusion without public employee strikes and service disruptions. And, in these regards, the laws have been successful. However, the cost of this labor peace to residential and business taxpayers is seen by many as excessive. Municipalities are at times pressed into agreeing to higher contract agreements during regular negotiations out of fear of being burdened with even larger and more costly awards through the binding arbitration mandate.

The current process does not pay adequate attention to the fiscal health of municipalities, that is, whether it's residents and businesses can afford these arbitration awards. In addition, the State has mandated that towns and cities follow one process, while the State itself follows another. After the State rejects an award, the parties go back anew to the bargaining table. CCM seeks changes to add fairness, transparency and consistency to the local and state binding arbitration process.

CCM Proposal - Parity

CCM recommends a much-needed "fresh start" approach to the municipal binding arbitration process, and proposes the following reform:

Modify the binding arbitration law under the Municipal Employee Relations Act (MERA) and the Teacher Negotiation Act (TNA) by providing a measure of parity with the state system:

- (a) Maintain the power of local legislative bodies to reject arbitrated awards by a two-thirds vote, but provide that the arbitration process would begin anew in the event of such a rejection instead of going to a second, final and binding arbitration panel, and
- (b) Allow local legislative bodies to reject stipulated board of education/teacher agreements. Stipulated agreements are voluntary agreements between boards of education and teachers within the arbitration process that are incorporated into arbitration awards. There are thus no "last best offers" from each side on the issues that were previously at impasse, thereby denying arbitrators a choice on such issues. The present law provides a loophole that allows such stipulated awards to escape local legislative body review.

Why This Proposal Is Appropriate and Fair

- It creates a binding arbitration system that is consistent at the state and local levels.
- A two-thirds majority vote is difficult to achieve in any legislative body. It sets a very high bar to overcome. Of course, collective bargaining votes are on the record, oftentimes in rooms crowded with interested parties. This scrutiny ensures that serious consideration is given to both sides for all awards. It also ensures a proper system of checks and balances a standard to which the state legislature has adhered.
- Provides that municipal elected officials, representing the residents of communities, be accorded a reasonable opportunity to ensure that the taxpayers' interest is given adequate consideration.

• It makes the decision-making process transparent and open to public input and scrutiny. In addition, the proposal ensures that both parties get a fresh start by requiring that negotiations begin anew. It encourages both parties to work together until there is a resolution that is mutually acceptable to the parties.

Remember, an arbitrator's decision now constitutes a state mandate on the community, and can force substantial changes in municipal taxation, municipal service levels, policy priorities, and the ability to manage the work force. Arbitrators are unelected and usually not residents of the communities that their awards impact.

The reforms proposed by CCM would help restore balance to the system. They would maintain the essential components of the present compulsory binding arbitration mandate, but empower the local elected representatives of the residents and businesses that pay the bills to start the process anew if they determine the municipality can't afford an arbitrator's award. In tight economic times such as these, it is more important than ever to protect the public interest.

In addition to parity among the state and local processes – CCM urges you to consider the following proposals as additional means of assisting local governments during this difficult fiscal climate:

Streamline the State Arbitrator process by amending state statutes to allow a single, neutral arbit	ter to
oversee proceedings. Modify the State appointment process to ensure parties are assigned a single arbite	:r – at
random - from a pool of up to five neutral, permanent members and that a predetermined fee schedu	ile be
codified – to be paid by both parties.	

- Establish timetables and firm deadlines for municipal negotiations and binding arbitration similar to those used under the TNA to (1) limit the size of habilities for retroactive pay and benefits, and (2) protect against last-minute modifications of "best final" offers. This a prudent and reasonable reform to the current process.
- Amend local binding arbitration statutes to help curtail local expenditures by:
 - (1) Ensuring certain arbitration criteria be reviewed which takes into account current economic trends and projected data that impedes towns' ability to pay going forward,
 - (2) Inserting a definition of "public interest" that includes an irrebuttable presumption that the public is not willing to increase personnel costs (including salaries and fringe benefits) for Town or Board of Education employees at rates in excess of general fund expenditures for local government services over the average of the last three fiscal years.
 - (3) Eliminating item-by-item decisions on economic and fringe benefit issues. Instead, ensure that these two separate issues are addressed under their respective categories as a whole.
 - (4) Ensuring the negotiation of fringe benefits involving Town and BOE bargaining units mirror the State process and be conducted on a coalition basis.

CCM urges you to (1) amend Raised Bill 804 to include our suggested reform proposals, or (2) take no action on Raised Bill 804.

If you have any questions, please call Bob Labanara or Ron Thomas of CCM, at (203) 498-3000



STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

SENATOR TONI BOUCHER
TWENTY-SIXTH SENATE DISTRICT

LEGISLATIVE OFFICE BUILDING ROOM 3701 HARTFORD, CT 06106-1591 CAPITOL (860) 240-0465 TOLL FREE (800) 842-1421 FAX: (860) 240-0036 E-mail Toni Boucher@cga ct.gov ASSISTANT MINORITY LEADER

RANKING MEMBER
TRANSPORTATION COMMITTEE
SELECT COMMITTEE ON CHILDREN

MEMBER
EDUCATION COMMITTEE
FINANCE, REVENUE AND BONDING COMMITTEE

February 24, 2009

Chairman Edith Prague, Chairman Kevin Ryan, Ranking Member Anthony Guglielmo, Ranking Member Selim Noujaim and other distinguished Members of the Joint Committee on Labor and Public Employees

Thank you for the opportunity to provide testimony in support of HB 5180. An Act Concerning Out of State Employment of Connecticut Minors.

Many Connecticut residents' live in close proximity to other state lines and have opportunities to work across our state borders. However, a constituent has informed me current Connecticut statutes hinder minors seeking out of state employment.

Under current general statutes, the State Board of Education establishes procedure for the superintendent of schools to furnish any employer a certification of age for any minor. This certificate is crucial because employers require this from minor employees. Currently, these certificates are restricted to in-state jobs.

HB 5180 amends the general statutes to include out of state employers and requires superintendent of schools or their designee to furnish certification of age to in-state and out of state employers. Connecticut minor should not be hindered in their effort for employment, and this proposal remedies this issue by expanding the procedure for furnishing employers certificates of age.

This change in statutes is especially important in this historical time of job losses when families may require everyone of working age to work, and minors must have the ability to access jobs whenever they are available.

Sincerely.

Toni Boucher State Senator

тв sв

RE: Proposed Bill 5180

February 24,2009

Thank you for the opportunity to address the Committee concerning the proposed change to <u>Bill 5180</u>.

My experience with this Bill has been purely accidental after two of my daughters were denied necessary working papers for their employer: Butternut Ski Resort in Great Barrington, MA, where our family spends winter weekends. Ridgefield Public School refused to supply them with the papers because their employer was not in CT. We went to the website to research the CT Dept of Labor which does not mention a stipulation about CT-only employers. The girls missed work during the ensuing weekends until we got papers from MA. Although this proved to be frustrating, it has also been constructive. It became apparent that many other students were having the same unnecessary obstacles placed in the way of productive work.

It is almost impossible to discern if one is violating a law until you run into a problem because the contradictory regulations between 31-23, 5180 and the Dept of Labor. I am still left with the nagging concern about a law that includes language which only allows fourteen year olds to work at a golf course. That of course begs the question of, how many girl caddies are there and does that foreclose on fourteen year old female rights? Are we really saying that in CT our fourteen year students are only capable of working at golf courses? Why?

I appreciate and applaud the effort to simplify this issue and make it easier for our young people to use their time constructively.

Thank you for your time.

Sincerely,

Di Masters 100 South Salem Rd Ridgefield, CT





165 Capitol Avenue Hartford, CT 06106-1658

___Raised Bill 5185_ An Act Concerning State Agency Permissive In-State Contracting Preferences

Labor & Public Employees Committee February 24, 2009

The Department of Administrative Services (DAS) wishes to share the following concerns regarding Raised Bill 5185, An Act Concerning State Agency Permissive In-State Contracting Preferences.

Raised Bill 5185 proposes to modify the state contracting statutes that relate to competitive bidding. Specifically, the bill amends the statute that currently requires that contacts be awarded to the lowest responsible qualified bidder by allowing contracting agencies to give a preference to companies that employ exclusively Connecticut residents to complete the contracts with the State.

DAS understands that the intent of this bill is to encourage companies to hire Connecticut residents; however, currently, the bill appears to create the opposite incentive. As drafted, companies that agree to employ only Connecticut residents may receive a percent <u>increase</u> to their bid before the agency determines which is the lowest bid. This process seems to guarantee that companies that **refuse** to employ only Connecticut residents will **always** be the lowest bidders.

More importantly, however, DAS believes that the overall impact of Raised Bill 5185 could harm, rather than help, Connecticut employers and employees. Numerous Connecticut companies – both large and small – employ individuals who live outside of Connecticut's borders. Therefore, although these companies are located in Connecticut (paying taxes to Connecticut and providing economic benefits to the towns where they are based) and have many Connecticut employees, they would not be eligible for this preference.

Moreover, even Connecticut companies with an exclusively Connecticut-based workforce may be harmed by the creation of this preference because it may well lead neighboring states to retaliate by imposing their own protectionist measures. Receiving a preference from the state of Connecticut will not necessarily compensate a Connecticut business that has lost opportunities to sell goods and services to New York, Pennsylvania or Massachusetts.

An Affirmative Action/Equal Opportunity Employer

DAS also has serious concerns about the ability to administer the preference outlined in <u>Raised Bill 5185</u>. This bill amends section 4e-48, which creates a mandatory reciprocal preference scheme. Inserting the *permissive* in-state workers preference into the *mandatory* reciprocal preference statute creates confusion and invites inconsistency. Further, the administration of this preference is likely to make the bidding process even more complex for vendors and to cause even further delays in the award of contracts.

Raised Bill 5185 also leaves several practical questions unanswered. For example:

- Who would audit whether or not companies are, in fact, employing only Connecticut residents for the completion of the various state contracts?
- Would a manufacturing company be eligible to receive the preference if the component parts being assembled by Connecticut workers were themselves created by non-Connecticut workers?
- What would happen if, sometime after a contract is awarded, the vendor becomes unable to employ exclusively Connecticut residents (i.e. one or more of the vendor's employees moved out of state during the term of the contract)?

Finally, DAS believes that <u>Raised Bill 5185</u> is likely to increase contracting costs for the State of Connecticut by encouraging agencies to award contracts to companies other than the lowest bidders.

<u>Substitute Language</u>. DAS understands that the Committee has drafted substitute language for this bill, and we had the opportunity to briefly review this substitute language before today's hearing.

In general, the substitute language creates a state contracting preference for vendors based upon the estimated state income tax paid by employees working for the vendors. Although DAS has not had time to review this language in depth, we have serious concerns about our ability to administer and audit the criteria outlined in the proposal. Certainly this language will make an already complicated bidding and evaluation process even more so for both vendors and contracting agencies. Additionally, the proposed substitute language is also likely to decrease competition for state contracts, which would result in increased contracting costs for the state.

Thank you for the opportunity to provide comments on <u>Raised Bill 5185</u>. Please direct any questions about this testimony or other DAS legislative issues to Andrea Keilty (713-5267); <u>andrea.keilty@ct.gov</u>.

Testimony of the Operating Engineers Local 478 before the Committee on Labor and Public Employees

On Committee Bill 5185

February 24, 2009

The Operating Engineers Local 478 is testifying today in favor of AAC Concerning State Agency Permissive In-State Contracting Preferences We are also recommending that the Committee take this bill beyond the current scope by eliminating the language that limits the preference to contracts won only by bidders from states that also have preferences. We ask this to help in-state construction companies that are currently competitively bidding for work against companies from adjoining states like New York, Massachusetts and Rhode Island that do not have Local Preference statutes.

In-state companies hire local workers, use local suppliers and return their profits to the community. They support programs like Little League, help with local charities and add to the livability of our towns and cities. When construction slows down, companies from adjoining states with no stake in our communities begin reaching beyond their local markets to seek work They bring their workforce with them, depriving Connecticut workers of the opportunity to work on jobs that their local and state taxes are paying for. Workers from adjoining states are willing travel to work in Connecticut because of the generally higher wages that the state pays. In Connecticut the average wage of a construction worker is \$42,000 per year. In Rhode Island it is \$38,000, in mid state New York it is \$36,000, and in western Massachusetts the average wage is \$39,000. Workers are willing to travel an extra hour per day for the higher wages, and contractors will bring workers with whom they are familiar rather than to take a chance on hiring from the local market. Unionized construction companies can be required to hire local workers, but there is no control on non union contractors. They can and will employ who they want from wherever they want. There are also other factors in bids by out of state companies that give them advantages. Liability and Workmen's Compensation insurance can cost less in other states. This gives a foreign corporation a cost saving that will show up in the final price of a bid also.

Something that should be considered, however, is the definition of an in state contractor. It should mean a company with their headquarters in Connecticut, not just a business address. Renting an office in the state and putting a secretary in it one month prior to submitting a bid would seem to satisfy the resident bidder language in this bill. This will do little to help construction contractors that are paying property taxes, motor vehicle registration fees, business taxes and all of the other fees associated with living and doing business in our state. An out of state corporation can spend one month's rent to find out if they have won a bid, and leave if they do not. Joint ventures also have to be addressed. Large out of state businesses can partner with

local contractors that will perform only a small portion of the work and claim to be a resident contractor by using the smaller companies address. This can be addressed by requiring the local partner in a joint venture to perform the majority of the work to be done, or to receive the majority of the proceeds paid out. DECD money that the state pays should be covered by this statute also.

To show that this is a problem in the construction industry, I have attached bid sheets from jobs that have recently been awarded in the state that would have gone to local companies if this law was in effect, and two that are currently in the bidding process. One that is bidding is a private job which would not be affected, but is serves to show what may be coming towards us as the economy deteriorates further. I have also attached a list of states with resident contractor statutes and abstracts of the statutes. This bill is a good idea for Connecticut companies and the workers they employ, and we hope you will move it forward.

PA1 T122900107 **BID STAGE:LOW BID**

New Construction GREAT NECK ELEMENTARY SCHOOL PHASE II OF IV LOCATION: Waterford, CT (New London Co.) 165 Great Neck Rd **CONTRACTING METHOD: Competitive Public Bids** BIDS OPENED: February 2, 2009 OWNER: Town of Waterford 15 Rope Ferry Rd, Waterford, CT 06385 (860)442-0553 FAX# (860)442-9037 CM: <u>O & G Industries GC Bid Division</u> 112 Wall St, Torrington, CT, 06790 (860)489-9261 FAX# (860)496-4227 PRINTER: Crest Graphics 220 Farmington Ave, Farmington, CT, 06032 (860)677-8817 FAX# (860)677-6504 SIZE: New Construction, 75,000 SF, two stories DIVISION: Div2 site construction Div3 concrete Div4 masonry Div5 metals Div7 roofing & siding panels, thermal & moisture protection Div8 door & windows, entrances & storefronts, windows Div9 acoustical treatment, finishes, paints & coatings or painting, wall finishes Div13 fire suppression Div14 conveying systems, elevators Div15 hvac, mechanical, plumbing fixtures & equipment Div16 electrical or electric CONTACT: Larry Schilling, Pre-construction manager, with CM, (860)496-4849 CONTACT: Tara Grieco with CM, (860)626-6454 Plans: Printer
PLAN DEP \$200 00 Not Refundable A Pre-bid Meeting was held on January 7, 2009 at 2:00 PM at Town Hall Auditorium, 15 Rope Ferry Rd, Waterford Industry Type Educational

Apparent Low Bidders:

1. <u>John Strafach & Sons</u> \$753,200 00 FAX# (401)596-9435 ,P.O Box 1278, Westerly, RI 02891 (401)596-4115 2. <u>McCarthy Concrete Co</u> \$788,800.00

Industry Sub Type Elementary School

3. Hop River Concrete \$790,200.00

4. WJ Mountford Co \$837,000 00

5. Noble Construction & Management \$945,750 00

6. Waterbury Concrete Foundations \$989,000 00

7. Waterbury Masonry & Foundation Inc \$1,025,000 00

8. RJB Contracting \$1,041,200 00 9. G Donovan Associates Inc \$1,057,000 00 10. McDowell Building Foundation \$1,360,000 00

Drywall & Acoustical

1. A & A Drywall & Acoustics \$1,362,000 00

FAX# (203)783-1967,66 Quirk Rd Ste 1, Milford, CT 06460 (203)878-3392

2. Partitions Inc \$1,420,305 00

3. SG Milazzo & Company \$1,434,932.00

4. Acoustics Inc \$1,523,000 00

5. CGM Acoustics Inc \$1,600,000 00

6. Connecticut Acoustics \$1,630,847 00 Electrical

1. Electrical Contractors Inc \$1,829,900 00

FAX# (860)549-7948 ,3510 Main St, Hartford, CT 06120 (860)549-2822 2. <u>Ferguson Electric</u> \$1,871,000 00 3. <u>Dicin Electric</u> \$1,948,750 00

4. State Wide Electric, Inc. \$1,952,376 00

5. <u>C & H Electric Inc</u> \$2,039,000 00 6. <u>Bonner Electric</u> \$2,268,396 00 7. <u>Arthur A Horton Inc</u> \$2,794,000 00

1. <u>Thyssenkrupp Elevator Corp</u> \$66,800 00 FAX= (203)799-7769 ,55 Robinson Blvd, Orange, CT 06477 (203)799-7800 2 KONE_Elevators Inc \$71,900 00

Fire Protection

CDCNews details job display

Page 1 of 1

PA1 U012200124 BID STAGE:LOW BID

New Construction
SPELLMAN PARK RESTROOM
LOCATION: Stonington, CT (New London Co)
CONTRACTING METHOD: Competitive Public Bids
BIDS OPENED: February 5, 2009
OWNER: Jown of Stonington Finance Department
152 Elm St, Stonington, CT 06378
(860)535-5070 FAX# (860)535-0602
DIVISION:
Div2 basic site materials & methods, site construction
Div3 concrete, precast concrete
Div13 pre-engineered structures, special construction
Div15 basic mechanical materials & methods, mechanical, plumbing fixtures & equipment
Div16 electrical or electric
NOTES: Includes a precast concrete building 11 FT x 23 FT 2 IN x 8 FT
Plans: Owner, Beth-Ann Stewart at bstewart@stonington-ct gov
Industry Type. Governmental
Industry Sub Type: Park Buildings Comfort Stations
Apparent Low Bidders:
1. Modular Connections \$61,952 00
1090 Industrial Blvd, Bessemer, AL 35022 (205)980-4565
2. United Concrete Products Inc \$62,272 00 WALLING FORD
3. Old Castle Precast \$72,230 00

First Reported January 22, 2009 Last Published Feb 6 2009

©COPYRIGHT 2008, CONSTRUCTION DATA COMPANY, ALL RIGHTS RESERVED This material may not be published, broadcast, rewritten or distributed

Report 3 02/18/2009

Dodge Report

Dodge #05-821887 - 19

Report Date: 2/18/2009 Last Date: 2/6/2009 First Date: 8/24/2005

BIDDING

Type of Work: Alterations/Renovations

Project Estimate: \$11,000,000

Bid Date: 3/5/2009

Water Pollution Control Facility (Upgrades) Stafford, CT (Tolland Co.) River Road, 06076

Status:

Add Bidders - GC Bids to Owner March 5 at 10 AM (EST)

Method of Contracting: GC to be Competitively Bid

Minority Business Enterprise Women in Business Enterprise

Owner

Town of Stafford Water Pollution Control Authority. Kevin Leslie, Chairman. 1 Main St, Stafford Springs, CT 06076-1412 USA (860-684-1763)

Owner's Agent

Town of Stafford. Allen Bacchiochi, First Selectman. Warren Memorial Town Hall, 1 Main Street, Stafford, CT 06076-1412 USA (860-684-1777)

Engineer

Camp Dresser & McKee Inc. Steve Segal. 100 Great Meadow Road, Putnam Park, Suite 104, Wethersfield, CT 06109-2355 USA (860-808-2253, Fax: 860-529-8102)

Notes: Internet Site: http://www.cdm.com - Email: media@cdm.com

Plans (Architectural, Electrical, Mechanical) By: Engineer

Reprographer

Joseph Merritt & Company Inc. 650 Franklin Ave, Hartford, CT 06114-3031 USA (860-296-2500, Fax: 860-947-3288)

Previously Reported Bidders on GC

C H Nickerson & Company Inc. 49 Hayden Hill Rd, PO Box 808, Torrington, CT 06790-2309 USA (860-489-0455, Fax: 860-496-0481)

Carlin Contracting. 454 Boston Post Rd, Waterford, CT 06385-1510 USA (860-443-8337, Fax: 860-443-9638) Delray Contracting Co.. 9 Lake Ln, Ellington, CT 06029-3044 USA (860-870-8100, Fax: 860-870-9554) Waterline Industries Corp. 145 Batchelder Rd, Seabrook, NH 03874-4402 USA (603-474-7477, Fax: 603-474-8578)

Additional Bidders on GC

Kovacs Construction. 297 White St, Danbury, CT 06810-6934 USA (203-743-4022, Fax: 203-790-1326)

Methuen Construction Co Inc. 40 Lowell Rd, Salem, NH 03079-4029 USA (603-328-2222, Fax: 603-328-2322)

R H White Construction Co Inc. 41 Central St, PO Box 404, Auburn, MA 01501-2304 USA (508-832-3295, Fax. 508-832-7084)

Cianbro Corporation. 40 E Dudley Town Rd, Bloomfield, CT 06002-1410 USA (860-286-3000, Fax: 860-286-3064) Weston & Sampson CMR Inc. 5 Centennial Dr, Peabody, MA 01960-7906 USA (978-532-1900, Fax: 978-573-4023)

Ralph Camputaro & Son Excavating. 1 Enterprise Dr, North Branford, CT 06471-1355 USA (203-483-0330, Fax: 203-483-7518)

Daniel O'Connell's Sons Inc. PO Box 267, Holyoke, MA 01041-0267 USA (413-534-5667, Fax: 413-536-6915) Walsh Construction Co. of Illinois/Northeast Div. Paul Coogan. 2 Commercial St Ste 201, Sharon, MA 02067-1659 USA

(781-793-9988, Fax: 781-793-9009)

Loureiro Contractors. 100 Northwest Dr. Plainville, CT 06062-1559 USA (860-747-6631, Fax: 860-747-9330) O & G Industries Inc. Bldg & Const Mgmt Division. 112 Wall Street, Torrington, CT 06790 USA (860-489-9261, Fax:

Associated Construction Co.. 1010 Wethersfield Ave, Hartford, CT 06114-3149 USA (860-296-4114, Fax: 860-296-7206) Ozonia North America. Kathy Dambrosio. 491 Edward H Ross Dr, Elmwood Park, NJ 07407-3118 USA (201-794-3100, Fax: 201-794-3358)

Jett Industries Inc. PO Box 219, Rte 7, Colliersville, NY 13747 USA (607-433-2100, Fax: 607-433-2430) RJB Contracting Inc. Ray Barbieri. 368 Winsted Rd, PO Box 389, Torrington, CT 06790-2931 USA (860-496-7503, Fax: 860-482-4541)

Bond Information: 5% Bid Bond, 100% Performance Bond, 100% Payment Bond Plans From: , \$225 charge. plus tax & shipping - payable to Reprographer

February 18, 2009

Converght @1995-2009 The McGraw-Hill Companies Service is only for internal use by subscriber nursuant to contract

BIDDING

1

Ben Cozzi 02/11/2009

Dodge Report

Dodge #09-400643 - 4

Report Date: 2/6/2009 Last Date: 1/30/2009 First Date: 1/6/2009

Type of Work: Alterations/Renovations

Project Estimate: H

Bid Date: 2/17/2009

Shelton (CT) Wal-Mart Supercenter #2163-112 (Remodel) (WM2163)

(A) EMS

(B) Refrigeration

Shelton, CT (Fairfield Co.) 465 Bridgeport Ave, 06484-4751

Status

Revised bidders - GC Bids (by invitation only) to Owner February 17at 12 PM (CST)

Target Start Date: 04/2009
Target Completion Date: 07/2009

Method of Contracting: Invited to Bid Competitively

Owner

Wal-Mart Stores Inc. C/O Construction Dept #8702. Ashlı Amos, Dept 8702. 2001 SE 10th St, Bentonville, AR 72712-6489 USA (417-883-6600, Fax: 866-730-6151)

Architect/Structural Engineer/Mechanical Engineer/Electrical Engineer

Boice Raidl Rhea Architects. Boyd Rau, Contact. 6700 Antioch Rd Ste 300, Merriam, KS 66204-1200 USA (913-262-9095, Fax 913-262-9044)

Notes: crhea@brrarch.com

Previously Reported Bidders on GC

- Aberthaw Construction Co. Dave Hutchinson. 672 Suffolk St Ste 200, Lowell, MA 01854-3608 USA (978-654-4500, Fax: 978-654-4249)
- Callahan Inc. Ian Carpenter, Chief Estimator. 80 First St, Bridgewater, MA 02324-1054 USA (508-279-0012, Fax: 508-279-0032)

 EMJ Corporation/New England. Chet Wojcik, Estimator. 800 South St Ste 370, (Watermill Center), Waltham, MA 02453-1478 USA
- (781-891-0101, Fax: 781-891-5559)
 Pyramid Contracting Inc. 31 Humbert St, North Providence, RI 02911-2721 USA (401-349-0799, Fax: 401-349-0804)
- R L Spencer. Richard Bruno. 8051 Cazenovia Rd Ste B, Ste B, Manlius, NY 13104-2009 USA (315-682-7734, Fax 315-682-9341) Zlotnick Construction Inc.. 161 Storrs Road, Mansfield, CT 06250 USA (860-456-3221, Fax 860-456-3981)

 (A) Previously Reported Bidders
- Pettus Mechanical. Tony Robertson. 600 Ford Rd, Muscle Shoals, AL 35661-1112 USA (256-389-8181)
- RS Services, Inc. 7806 N Highway 81, Duncan, OK 73533-8795 USA (580-255-6800)
- Weston Technology 9 Lincoln Rd, Holderness, NH 03245-5114 USA (603-759-6060, Fax: 603-536-1503)
- (B) Previously Reported Bidders
- AAA Refrigeration Services Inc. 1804 Nereid Ave, Bronx, NY 10466-1224 USA (718-324-2231)
- ABC Refrigeration & Air Conditioning Inc. 6619 Joy Rd, East Syracuse, NY 13057-1107 USA (315-455-7083, Fax: 315-455-5924)

Plans From:

Plans on File: Hartford, CT (47) Plans on SCAN: 90400643

Proposed Contracting Method: Invited to Bid Competitively

Construction Details:

Additional Features: Interior Renovations - Cast in place concrete - Masonry mortar - Structural steel - Cold formed metal framing - Metal Fabrications - Plastic materials - finish carpentry - Architectural woodwork - Building insulation - Sheet metal flashing and trim - Fiber fireproofing - firestopping - Joint seals - Steel doors - Overhead doors - Coiling doors - Flexible traffic doors - Door hardware - Glazing - Gypsum Board - Ceramic tile - Quarry tile - Acoustical Paneling - Resilient flooring - Resilient base & accessories - Carpet - Paint - Toilet compartments & accessories - Wall & corner guards - Signage - Food service equipment -Fire Protection - Division 15 - Division 16

February 16, 2009

Converglit ©1995-2009 The McGraw-Hill Commanies | Service is only for internal use by subscriber nursuant to contract



State-by-State Review of Local Preference Bids List Based on Lexis Database Search Conducted November, 2008 Research Completed by Center for Governmental Research (CGR)

States WITHOUT a Percentage or Dollar limit on Local Preference Bids
Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin

States WITH a Percentage or Dollar limit on Local Preference Bids

1) Alaska

TITLE 36. PUBLIC CONTRACTS
CHAPTER 30. STATE PROCUREMENT CODE
ARTICLE 2. COMPETITIVE SEALED BIDDING
Alaska Stat. § 36.30.170 (2008)

Sec. 36.30.170. Contract award after bids

- (a) Except as provided in (b) -- (h) of this section, the procurement officer shall award a **contract** based on the solicited bids with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria set out in the invitation to bid.
- (b) The procurement officer shall award a **contract** based on solicited bids to the lowest responsive and responsible bidder after an Alaska bidder **preference** of five percent, an Alaska products **preference** as described in AS 36.30.322 -- 36.30.338, and a recycled products **preference** under AS 36.30.337 have been applied. In this subsection, "Alaska bidder" means a person who
 - (1) holds a current Alaska business license;

Long Island Index 2009

Page 1

- (2) submits a bid for goods, services, or construction under the name as appearing on the person's current Alaska business license;
- (3) has maintained a place of business within the state staffed by the bidder or an employee of the bidder for a period of six months immediately preceding the date of the bid;
- (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under former AS 32.05, AS 32.06, or AS 32.11 and all partners are residents of the state; and
- (5) if a joint venture, is composed entirely of ventures that qualify under (1) -- (4) of this subsection.

2) California

- (a) Whenever the state prepares a solicitation for a contract for goods in excess of one hundred thousand dollars (\$100,000), except a contract in which the worksite is fixed by the provisions of the contract, the state shall award a 5-percent preference to California-based companies who demonstrate and certify under penalty of perjury that, of the total labor hours required to manufacture the goods and perform the contract,
 - 1) at least 50 percent of the hours shall be accomplished at an identified worksite or worksites located in a local agency military base recovery area.

OR

- 2) not less than 90 percent of the labor hours required to perform the contract shall be accomplished at an identified worksite or worksites located in a local agency military base recovery area.
- (c) Where a bidder complies with subdivision (a) or (b), the state shall award
 - 1) a 1-percent preference for bidders who certify under penalty of perjury to hire persons living within a local agency military base recovery area equal to 5 to 9 percent of its workforce during the period of contract performance;
 - 2) a **2-percent** preference for bidders who shall agree to hire persons living within a local agency military base recovery area equal to 10 to 14 percent of its workforce during the period of contract performance;

- 3) a **3-percent** preference for bidders who shall agree to hire persons living within a local agency military base recovery area equal to 15 to 19 percent of its workforce during the period of contract performance; and
- 4) a **4-percent** preference for bidders who shall agree to hire persons living within a local agency military base recovery area equal to 20 or more percent of its workforce during the period of contract performance.
- (d) The maximum preference a bidder may be awarded pursuant to this chapter and any other provision of law shall be **15 percent**. However, in no case shall the maximum preference cost under this section exceed **fifty thousand dollars (\$50,000)** for any bid, nor shall the combined cost of preferences granted pursuant to this section and any other provision of law exceed one hundred thousand dollars **(\$100,000)**. In those cases where the **15-percent** cumulated preference cost would exceed the one hundred thousand dollar **(\$100,000)** maximum preference cost limit, the one hundred thousand dollar **(\$100,000)** maximum preference cost limit shall apply.

3) Louisiana

a) If a nonresident contractor bidding on public work in the state of Louisiana is domiciled in a state that provides a percentage preference in favor of contractors domiciled in that state over Louisiana resident contractors for the same type of work, then every Louisiana resident contractor shall be granted the same preference over contractors domiciled in the other state favoring contractors domiciled therein whenever the nonresident contractor bids on public work in Louisiana.

4) Montana

- a) If there are no out-of-state bidders for a contract subject to competitive bid under this part, the contract may be awarded to the lowest and best responsible bidder that is a county resident and that makes a bid that is no more than \$500 or 3% higher, whichever is less, than the bid of the lowest responsible bidder that is not a county resident.
- b) If there is one or more out-of-state bidders for
 - 1) a contract for construction, repair, or maintenance of a building, road, or bridge that is in excess of \$ 50,000 and that is subject to competitive bid under this part, or
 - 2) a public contract for the purchase of goods, THEN a resident bidder must be allowed a preference on a contract against the bid of a nonresident bidder from any state or country that enforces a preference for resident bidders. The

preference given to resident bidders of this state must be **equal** to the preference given in the other state or country.

5) Nevada

- 1. Except as otherwise provided in subsection 10 and NRS 338.143; , 338.1442; and 338.1446, a local government or its authorized representative shall award a contract for a public work for which the estimated cost exceeds \$250,000 to the contractor who submits the best bid.
- 2. Except as otherwise provided in subsection 10 or limited by subsection 11, the lowest bid that is:
 - (a) Submitted by a contractor who:
 - (1) Has been found to be a responsible and responsive contractor by the local government or its authorized representative; and
 - (2) At the time he submits his bid, has a valid certificate of eligibility to receive a preference in bidding on public works issued to the contractor by the State Contractors' Board pursuant to subsection 3 or 4; and
 - (b) Not more than 5 percent higher than the bid submitted by the lowest responsive and responsible bidder who does not have, at the time he submits the bid, a valid certificate of eligibility to receive a preference in bidding on public works issued to him by the State Contractors' Board pursuant to subsection 3 or 4, shall be deemed to be the best bid for the purposes of this section.
- 3. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a general contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the general contractor has, while licensed as a general contractor in this state:
 - (a) Paid directly, on his own behalf:
 - (1) The sales and use taxes imposed pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this state, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this state that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each consecutive 12-month period for 60 months

immediately preceding the submission of the affidavit from the certified public accountant;

- (2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this state of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or
- (3) Any combination of such sales and use taxes and governmental services tax; or
- (b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:
 - (1) License as a general contractor pursuant to the provisions of chapter 624 of NRS; and
 - (2) Certificate of eligibility to receive a preference in bidding on public works.
- 4. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a specialty contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the specialty contractor has, while licensed as a specialty contractor in this state:
 - (a) Paid directly, on his own behalf:
 - (1) The sales and use taxes pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this state, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this state that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant;
 - (2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this state of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or

- (3) Any combination of such sales and use taxes and governmental services tax; or
- (b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:
 - (1) License as a specialty contractor pursuant to the provisions of chapter 624 of NRS; and
 - (2) Certificate of eligibility to receive a preference in bidding on public works.
- 5. For the purposes of complying with the requirements set forth in paragraph (a) of subsection 3 and paragraph (a) of subsection 4, a contractor shall be deemed to have paid:
 - (a) Sales and use taxes and governmental services taxes paid in this state by an affiliate or parent company of the contractor, if the affiliate or parent company is also a general contractor or specialty contractor, as applicable; and
 - (b) Sales and use taxes paid in this state by a joint venture in which the contractor is a participant, in proportion to the amount of interest the contractor has in the joint venture.
- 6. A contractor who has received a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to subsection 3 or 4 shall, at the time for the renewal of his contractor's license pursuant to NRS 624.283, submit to the Board an affidavit from a certified public accountant setting forth that the contractor has, during the immediately preceding 12 months, paid the taxes required pursuant to paragraph (a) of subsection 3 or paragraph (a) of subsection 4, as applicable, to maintain his eligibility to hold such a certificate.

6) Virginia

a) Whenever the lowest responsive and responsible bidder is a resident of any other state and such state under its laws allows a resident contractor of that state a percentage preference, a like preference shall be allowed to the lowest responsive and responsible bidder who is a resident of Virginia and is the next lowest bidder. If the lowest bidder is a resident contractor of a state with an absolute preference, the bid shall not be considered. The Department of General Services shall post and maintain an updated list on its website of all states with an absolute preference for their resident

contractors and those states that allow their resident contractors a percentage preference, including the respective percentage amounts. For purposes of compliance with this section, all public bodies may rely upon the accuracy of the information posted on this website.

b) Notwithstanding the provisions of subsections A and B, in the case of a tie bid in instances where goods are being offered, and existing price preferences have already been taken into account, preference shall be given to the bidder whose goods contain the greatest amount of recycled content.

7) Wyoming

a) If a contract is let by the state, any department thereof, or any county, city, town, school district, community college district or other public corporation of the state for the erection, construction, alteration or repair of any public building, or other public structure, or for making any addition thereto, or for any public work or improvements, the contract shall be let, if advertisement for bids or request for proposal is not required, to a resident of the state. Unless an alternate design and construction delivery method is used, if advertisement for bids or request for proposal is required the contract shall be let to the responsible certified resident making the lowest bid if the certified resident's bid is not more than **five percent (5%)** higher than that of the lowest responsible nonresident bidder.

b) Every board, commission or other governing body of any state institution, and every person acting as purchasing agent for the board, commission or other governing body of any state institution or department, and every county, municipality, school district and community college district, shall prefer in all purchases for supplies, material, agricultural products, equipment, machinery and provisions to be used in the maintenance and upkeep of their respective institutions, supplies, materials, agricultural products, equipment, machinery and provisions produced, manufactured or grown in this state, and supplies, materials, agricultural products, equipment, machinery and provisions supplied by a resident of the state, competent and capable to provide service for the supplies, materials, agricultural products, equipment, machinery and provisions within the state of Wyoming. Preference shall not be granted for articles of inferior quality to those offered by competitors outside of the state, but a differential of not to exceed five percent (5%) may be allowed in cost of contracts less than five million dollars (\$5,000,000.00) for the Wyoming materials, supplies, agricultural products, equipment, machinery and provisions of quality equal to those of any other state or country.



Connecticut Business & Industry Association

Testimony Of
Jesmin K. Basanti, CBIA
Before the Committee on Labor and Public Employees
Legislative Office Building
Hartford, Connecticut
February 24, 2009

Good Afternoon Senator Prague, Representative Ryan and all other members of the Labor and Public Employees Committee. My name is Jesmin Basanti, Staff Attorney for the Connecticut Business and Industry Association (CBIA). CBIA represents approximately 10,000 member companies in virtually every industry and the vast majority of our member companies have fewer than 50 employees.

Protectionist measures do not work. As well intentioned as they may be, they only reduce cost-effectiveness and hinder commerce, which is exactly what HB 5185, An Act Concerning State Agency Permissive In-State Contracting, would do. And for this reason we urge the committee to oppose this measure.

Section 1 (b) sends a negative message and as written the section would add a per cent increase to an original bid of a nonresident bidder if that nonresident bidder would give preference to a bid in their home state. Thereby, potentially increasing the lowest original bid, at a time when the state is trying to cut costs and save money everywhere they can. When it would seem that the purpose of such a measure is to increase the number of state contracts being awarded to Connecticut companies, it would only cause the state to pay more money for the same result when we do not have to. Now is not the time to increase contracting costs.

Furthermore, section 1 (c), states "a state contracting agency may add a per cent increase, up to five per cent, to the original bid of any bidder who agrees to exclusively employ state residents in the completion of that contract." As drafted that provision reads more like a penalty than an incentive. Although CBIA would be supportive of measures that increase job growth in Connecticut, as drafted we oppose this measure.

Rather than adopting protectionist measures in the name of "retaining jobs," Connecticut's legislature should focus on tried and true economic growth measures such as reducing costs, developing a skilled workforce and creating a dependable infrastructure.

HB 5185 is a protectionist measure that will harm the Connecticut economy, therefore, we urge you to <u>reject it</u>. Thank you for granting me the opportunity to testify today.

350 Church Street • Hartford, CT 06103-1126 • Phone 860-244-1900 • Fax: 860-278-8562 • Web: cbia.com
10,000 businesses working for a competitive Connecticut



State of Connecticut

HOUSE OF REPRESENTATIVES

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE LINDA SCHOFIELD

SIXTEENTH ASSEMBLY DISTRICT

3 RYAN CIRCLE SIMSBURY, CT 06070 TELEPHONES HOME. (860) 651-8739 CAPITOL (860) 240-8585 TOLL FREE 1-800-842-8267

MEMBER EDUCATION COMMITTEE HUMAN SERVICES COMMITTEE INSURANCE AND REAL ESTATE COMMITTEE

Chairman Ryan, Chairwoman Prague, and esteemed members of the Committee -

Thank you for the opportunity to testify on HB 5013.

As a former state employee, responsible for the Medicaid Program, I was involved in the process of sub-contracting with numerous companies for claims processing, medical review, and other services. We had an excellent contract administrator who made sure we followed the exact letter of the law at all times to assure a fair bidding process and to avoid any potential for lawsuits from disgruntled losing bidders.

To the best of my recollection, we never gave extra points to those bidders who located jobs within CT versus those who did the work from afar. I assume this was because our contract administrator did not feel such a criteria for awarding points would be "litigation-proof." Our criteria stuck solely to cost and qualifications.

Having checked with our legal dept here, it appears that it might not be illegal to award extra points to bidders who locate jobs in CT, but it isn't clearly acceptable either. I submitted this bill to clarify that state agencies could, if they so choose and if it's appropriate to the nature of their need for contractual work, award extra points to the bidders who locate jobs in CT.

I propose that such points be essentially equal to the value of the income tax that will be paid by the CT workers. In other words, the value of that CT income tax would be deducted from the bidders' price for the overall work the contractor would perform. This simple empirical method is fair and based on easily calculated and verifiable figures.

No company is unfairly advantaged or disadvantaged simply because of the locus of their headquarters, since any company could choose to put or hire the workers for a CT project in CT. So, for example, if two equally qualified companies bid to run a call center, and each bid the same price, but the CT domiciled company planned on placing the call center in India, and the NJ domiciled company planned on opening a call center in CT, then the NJ company would win the bid.

000509

Even if our economy were not in trouble this approach would make sense. Our State government should promote in-state economic prosperity. But given our current fiscal situation, this seems even more important.

Thank you for your consideration of this bill.

Linda Schofield State Representative, 16th District



STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

SENATOR L. SCOTT FRANTZ
MINORITY WHIP
THIRTY-SIXTH DISTRICT

TOLL FREE: 800-842-1421 OFFICE 860-240-8800 FAX 860-240-8306 E-MAIL Scott.Frantz@cga ct gov RANKING MEMBER COMMERCE COMMITTEE

MEMBER APPROPRIATIONS COMMITTEE

PROGRAM REVIEW &
INVESTIGATIONS COMMITTEE
TRANSPORTATION COMMITTEE

Date: February 24, 2009

To: Senator Prague

Representative Ryan Senator Guglielmo Representative Noujaim

Members of the Labor Committee

From: Senator L. Scott Frantz

Re: <u>HB 5248. An</u> Act Concerning the Legislature's Impact on Employment in the State.

Good Afternoon Senator Prague, Representative Ryan, Senator Guglielmo, Rep. Noujaim, and members of the committee. I am L. Scott Frantz, Senator from the 36th district. I am here today to testify in favor of House Bill 5248. AN ACT CONCERNING THE LEGISLATURE'S IMPACT ON EMPLOYMENT IN THE STATE.

In this time of economic crisis, when businesses both small and large across our state are facing pressures from all sides to defy the odds and succeed, we, as a legislature, need to be cautious in our approach and our actions so as to not tip the scales in a way that will negatively impact employers. The businesses of Connecticut are dealing with a greatly weakened economy, slowed sales, tightened credit markets, and a shrinking consumer confidence level. Many are struggling to retain workers, to make payroll, to stay afloat. We need to reach out to them, to help them, and at the very least, to not harm them further, whether intentionally or not.

It is the recognition of our ability here in the General Assembly to impact businesses through our actions, or inactions that is the impetus of this bill. In our good faith efforts to pass new laws, we often come up against another law – the law of unintended consequences. This maxim states that whenever an action is taken, there will be impacts that were not foreseen. Laws passed with the very best intentions can often result in unanticipated hardships – a recent example was the attempt to get all municipal public meeting minutes and agendas placed on town websites. This well intention law, to create greater access to public information, was seemingly innocuous. But after passage, we learned that it was forcing smaller towns to hire new employees, or to simply shut down existing municipal websites because they could not abide by this mandate. So, our attempt to create greater public access to certain documents actually ended up making that access more difficult in some small towns where websites were shuttered. That was not the anticipated result when the law was enacted.

That sort of unseen impact happens all too frequently. In order to prevent it, or to at the very least, to minimize it, we need to have all the pertinent facts and data before we pass new laws. It is always wiser to have more information, not

less, when making an important decision. In light of that, this bill would require that any proposal passed by the legislature contain a job impact statement. Such a statement would include information regarding the potential effect on employment as well as unemployment, including the number of jobs lost or gained and shall, where possible, identify the additional costs to the employer per employee created by the bill. In this economy, with businesses facing all sorts of struggles to survive, we cannot risk passage of any proposals that will create unforeseen hardships for those businesses that will result in the loss of precious jobs in our state.

To provide an example of unintended consequences, and I stress that this is only a hypothetical and in no way testimony against a certain proposal, let me use Senate Bill 711, AN ACT CONCERNING THE ELIMINATION OF STATE FINANCIAL ASSISTANCE FOR COMPANIES THAT REDUCE RETIREMENT BENEFITS. I use this bill only because it is on today's Committee meeting agenda and is familiar to the members. This bill has a worthy and admirable goal of protecting the benefits of retirees. But, if in this economy, a company struggling to stay afloat is forced to temporarily reduce retiree benefits, they must automatically pay back any and all state funds that they have received, plus a penalty. For that struggling company, paying back all that funding could put them out of business — with the unintended result of not only the retirees we seek to protect losing all their benefits, but the current employees losing their jobs and benefits as well. So in our efforts to protect those who might need our help, we may unintentionally create a climate or a situation where something worse may occur.

This session, we have recognized the need for more information into the consequences of our actions by requiring racial impact statements on any proposal that will impact our prison population. The data contained in these reports will offer guidance to us if we ponder changes to the criminal justice laws. With the troubles we as a legislature are facing, and the problems our businesses and employers are dealing with in this economic climate, we need all the guidance we can muster so as to not create harm when we merely want to help.

Thank you for your time and consideration.



Connecticut Business & Industry Association

Testimony of Kia F. Murrell, CBIA Before the Committee on Labor & Public Employees February 24, 2009

H.B. 5248 AAC The Legislature's Impact on Employment in the State

I am Kia Murrell, Assistant Counsel at the Connecticut Business and Industry Association (CBIA) which represents the interests of more than 10,000 companies across the state, the vast majority of which are businesses of 50 or fewer employees.

CBIA generally supports legislation that controls the costs of doing business and encourages job growth and economic development in the state. We believe that **H.B. 5248.AAC** The Legislature's Impact on Employment in the State is such a measure because in proposing that the legislature consider the impact of its actions on employment and job creation before it enacts legislation, this proposals is a positive step towards encouraging legislative initiatives that will help to speed our economic recovery during one of the most difficult economic times in recent history.

Therefore, we support this legislation.



HOUSE OF REPRESENTATIVES

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE LAWRENCE F. CAFERO, JR. ONE HUNDRED FORTY-SECOND DISTRICT

LEGISLATIVE OFFICE BUILDING SUITE 4200 HARTFORD, CONNECTICUT 06106 TELEPHONE CAPITOL. (860) 240-8700 TOLL FREE 1-800-842-1423 FAX. (860) 240-0184 REPUBLICAN LEADER

Good Morning Chairperson Prague, Chairman Ryan, Ranking Members Noujaim and Guglielmo and members of the Labor and Public Employees Committee. I would like to thank the committee for raising House Bill 5248. An Act Concerning the Legislature's Impact on Employment in the State.

HB 5248 is a proposal that can help the legislature assess the impact a proposed law may have on jobs and our economy. Including a jobs impact statement on our fiscal notes will help us determine whether a bill will help or hurt the state.

During these difficult times we as a legislature must ensure that everything we do is for the good of the people. The Secretary of State has indicated that a record number of businesses - over 13,000 - closed last year. These closings force companies, large and small, to layoff employees, and lines at the unemployment office grow longer. The state of Connecticut must protect its citizens as best as possible.

Certainly, a large portion of recent job losses are out of our control and are a product of the global recession. However, some of those job losses may have been a direct result of legislation we adopted two or more years ago. The point is that we don't know because we don't require that such information be provided before we vote on bills. We can't afford to just let businesses close and job opportunities dry up without fully vetting the impact legislation may have on jobs, business and our economy.

One of our responsibilities as legislators is to look out for the best interest of the state and its budget. As you know, we do that by requiring fiscal notes on all bills prior to taking a vote as a full assembly. What's missing from the analysis of our proposed laws is some recognition that we also have an obligation to look out for the best interest of our citizens as well – that means ensuring that we protect jobs whenever we can. A job impact statement will give us a clear view of the effects our legislation will have on Connecticut jobs.

In order to cover our current budget deficit and produce a new two-year budget, we are going to have to find new and innovative ways to save money and yet maintain our vital core services. We must take the necessary steps to ensure what we are doing does not make things worse.

Thank you. I available to answer any questions you might have.



CONNECTICUT STATE COUNCIL

SERVICE EMPLOYEES INTERNATIONAL UNION CTW, CLC

Main Office:

77 Huyshope Avenue Hartford CT 06106 360 251 6091 Fax 860 548 1935

777 Summer Street 5th floor, Suite 501 Stamford CT 06901 203 602 6615 F₄x 203 964 0428

February 24, 2009

Statement by Paul Filson, Director of Service Employees International Union (SEIU) Connecticut State Council opposed to of HR 5248— AN ACT CONCERNING THE LEGISLATURE'S IMPACT ON EMPLOYMENT IN THE STATE, and in support of SB 365—AN ACT CONCERNING CAPTIVE AUDIENCE MEETINGS, and in support of HB 6187 AN ACT MANDATING EMPLOYERS PROVIDE PAID SICK LEAVE TO EMPLOYEES

Good Afternoon, Co-Chairs, Senator Prague, Representative Ryan and distinguished members of the Labor and Public Employees Committee. I appreciate the opportunity to testify today. My name is Paul Filson and I am Director of SEIU's Connecticut State Council. The State Council represents over 55,000 members in Connecticut. SEIU is Connecticut's largest union. We represent health care workers, building service workers, public employees and community college professors and staff. SEIU believes that HR 5248 is unworkable and unrealistic and whole heartedly supports putting an end to captive audience meetings in SR 365 as well as granting paid sick days to hard working residents of Connecticut in HR 6187.

An Act concerning the Legislatures impact on employment in the state, as currently conceived in HR 5248 would be ill advised. It is too broad, in that it affects all bills with fiscal notes no matter how big or how small. Each year there are well over 1000 bills with fiscal notes. The idea that there be an employment impact analysis on certain bills with a fiscal notes or certain tax expenditure bills does have some merit.

I support the idea that the General Assembly should be very mindful about its impact on jobs. Bills with fiscal notes that reach the floor of the House and Senate must almost always go through debate in the various committees of cognizance including the large Appropriations Committee. Very few Bills become law that, have not been vetted with regards to their impact on employment. Bills that might affect employment that come to mind include minimum wage laws, health insurance mandate laws and laws

affecting the health and safety of workers. Debate about their impact on employment is omnipresent before those Bills become law.

Impact statements are much more needed when it comes to the overall budget of the State of Connecticut. There is little consideration about the affect on overall employment in the State of Connecticut from cuts in spending and from service cuts. Even worse, there is little understanding about the true affect on employment, before tax credits for corporations are enacted. While the General Assembly may understand the immediate affect of cutting 1000 workers from the public's payroll, it probably does not understand the multiplier affect such cuts have in the general communities around the state. Another Bill HR 6546, before the Labor Committee in a few days, will address this serious omission and is much more reasonable and workable than HB 5248.

SEIU has supported SB 365 in the past. Employers should not have the right to force workers to attend meetings that have nothing to do with the performance of their jobs. Such meetings about politics or religion or labor organizing should simply be optional. SB 365 has reasonable exemptions for certain employers. This Bill is broad and should not be preempted by Federal labor law.

SEIU has also supported requiring paid sick days for larger employers in HB 6187. Creating a level playing field for all employers in the state is fair and would not make any one employer uncompetitive with another. Paid sick days are humane and in the end good public policy - discouraging employee turnover, increasing productivity and ultimately helping workers cope with their health concerns in a way that does not compromise their ability to pay bills.



TESTIMONY ROBERT MACCA LEGISLATIVE CHAIR CT PLUMBING, HEATING & COOLING CONTRACTORS ASSOCIATION BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

The Connecticut Plumbing, Heating and Cooling Contractors Association (CT-PHCC) opposes HR-5515 which would allow towns and cities to adopt wage and benefit standards for Contractors.

The vast majority of our members provide plumbing services in the residential market, which has slowed down considerably due to the economy. Permits for new home construction plunged 25 percent in Connecticut in 2008, marking the fourth straight year of declines. Customers are also very nervous about undertaking any renovations or remodeling projects.

As predominately small businesses, we are working hard to make ends meet and cutting costs where possible in order to keep our employees on the payroll and our doors open. Many small business owners are not even drawing salaries for themselves because they need to make sure they have the revenues to pay their employees.

We need to reward companies that manage to keep their doors open in this economy, rather than penalize them. Our members pay their fair share of taxes, volunteer on boards and commissions, in the Technical High Schools or in their communities or with charities. Adding to the cost of doing business will make it impossible for small businesses to continue to volunteer and donate time and resources to worthwhile causes.

Businesses must be positioned to help drive the state's economic recovery. Allowing towns to set wage and benefit standards will only drive business into the ground.

CT-PHCC is a not-for-profit trade association that represents the professional plumbing, heating and cooling contractors in the state of Connecticut. CT-PHCC and its members are committed to protecting the health and safety of the public. Contractors who belong to the association have demonstrated reliability and trustworthiness and are licensed by the state of Connecticut.



TESTIMONY JOHN YUSZA, JR. CONNECTICUT ALARM & SYSTEMS INTEGRATORS ASSOCIATION (CASIA) BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

The Connecticut Alarm & Systems Integrators Association (CASIA) opposes HB-5515, which would allow towns to set wage and benefit standards for contractors.

Towns should not have the power to establish wages and run other peoples businesses. This is why we have a completive bid process. This bill will only result in more business regulation with fewer companies bidding or higher bids due to increased overhead.

HB-5515 could significantly increase costs for Connecticut businesses, making it very difficult for us to rebound from this recession. When a town needs a new dugout for the ball field, park benches, lighting for the football field, etc. they often turn to contractors to donate their time and services to build these projects because they cannot afford to do it on their own. It's time that Connecticut recognizes that businesses are a partner in their communities not an adversary.

Please reject this bill, which is anti-business and anti-jobs.

CASIA, a statewide trade association established in 1974, is comprised of alarm companies working together to protect lives and property through the responsible use of electrical security and fire alarm systems. Our members are professional and technically skilled and experienced in integrated systems for intrusion and fire systems, closed circuit television, telephone, intercom, home theater, access control systems and computer wiring.



Independent Electrical Contractors of New England, Inc.

O: The Honorable Edith Prague and Rep. Kevin Ryan

Members of the Labor Committee

From: Lisa Hutner, Executive Director

Date: February 24, 2009

Re: HB-5515

The Independent Electrical Contractors of New England (IEC-NE) opposes <u>HB-5515</u>, which will allow municipalities to impose wage and benefit standards on contractors.

With both residential and commercial construction at an almost standstill and customers concerned about making ends meet, those of us in the electrical trades are facing some very challenging times. We are doing what we can to control our costs but are faced each year with increases in health insurance, unemployment compensation, workers' compensation and energy costs.

Allowing towns to indiscriminately set wage and benefit standards for contractors, regardless of size, type of industry, etc. makes absolutely no sense in this economy. Wages for apprentices, with built-in progressive increases, must already be approved by the state Department of Labor, which helps determine wages when apprentices reach journeymen status. Allowing towns to set different wage standards would be a nightmare.

Many employers are struggling to find affordable health insurance. Unfortunately, there are not a lot of options out there for small employers. If a town set a benefit level that was too expensive or unavailable for small employers, it would effectively shut small contractors out of doing business in that town.

Many small employers are sole proprietors, whose owners are war veterans who may receive property tax abatement as individuals. It is unclear under this bill whether such abatements would subject the owner to wage and benefit standards set by the town.

If we are to help Connecticut move toward economic recovery, we cannot make it any more difficult or costly for small and midsize employers to do business in this state. We respectfully urge you to reject this bill.

The Independent Electrical Contractors of New England is the premier trade association representing Connecticut, Massachusetts and Rhode Island independent electrical contractors aggressively working with the industry to establish a free environment for merit shop — a philosophy that promotes the concept of free enterprise, open competition and economic opportunity for all.

1800 Silas Deane Highway, Rear Building, Rocky Hill, CT 06067 (860) 563-4953 Fax (860) 563-5453 Toll Free (866) GO IEC NE email: lisa@iecne.org www.iecne.org



TESTIMONY JOHN YUSZA, JR. CONNECTICUT ALARM & SYSTEMS INTEGRATORS ASSOCIATION (CASIA) BEFORE THE LABOR COMMITTEE FEBRUARY 24, 2009

The Connecticut Alarm & Systems Integrators Association (CASIA) submits the following comments in opposition to HB-5521, AN ACT CONCERNING CREDIT CHECKS.

Employers in the security alarm industry often perform credit checks to screen job applicants to ensure that a candidate will not pose a threat to customers. Employees of burglar and fire alarm companies often have knowledge of and access to the financial data and personal property of customers, as well as information regarding when customers are away from home. As a result, credit checks and criminal background checks of prospective job applicants are important screening tools for employers in our industry.

Because the vast majority of employers in our industry are small employers, we are concerned with proposals that impose duplicative or burdensome requirements on our industry or that would make it more difficult for us to screen job applicants to protect the security of our customers.

Under the Fair Credit Reporting Act, employers must advise job applicants that they will be subject to a credit check and may receive a copy of the credit report if it is used to make an adverse employment decision. This strikes an appropriate balance that provides sufficient protection to consumers.

We therefore oppose <u>HR-5521</u> hecause it duplicates provisions included under current law. If you have any questions regarding this testimony, please contact me at 203-269-3591. Thank you for the opportunity to testify.

CASIA, a statewide trade association established in 1974, is comprised of alarm companies working together to protect lives and property through the responsible use of electrical security and fire alarm systems. Our members are professional and technically skilled and experienced in integrated systems for intrusion and fire systems, closed circuit television, telephone, intercom, home theater, access control systems and computer wiring.



Testimony before the Labor and Public Employees Committee February 24, 2009 Support for HB 5521

Good afternoon, Senator Prague, Representative Ryan, and members of the Labor and Public Employees Committee. My name is Alicia Woodsby, and I am the Public Policy Director for the National Alliance on Mental Illness, CT (NAMI-CT). I am here to testify today in support of <u>HB 5521 AN ACT ELIMINATING CREDIT REPORTS AS A BASIS FOR EMPLOYMENT DECISIONS</u>, which would prevent employers from making employment decisions against prospective employees based on their credit history.

A poor credit history can serve as a barrier to employment for many people with serious mental illnesses who already face multiple obstacles throughout the employment process due to factors related to their illnesses, such as stigma, financial distress, ongoing health concerns, and trouble obtaining disability accommodations in the workplace. <u>HB 5521</u> could ease the employment process by giving people with poor credit the opportunity to gain employment and maintain independence in the community.

According to SAMHSA's National Mental Health Information Center, undetected, untreated, and poorly treated mental disorders interrupt careers, leading many into lives of disability, poverty, and long-term dependence. They found a shocking 90 percent unemployment rate among adults with serious mental illness—the worst level of employment of any group of people with disabilities. Strikingly, surveys show that many of them want to work and report that they could work with modest assistance (Drake et al., 1999). The Center further notes that our Nation's largest "program" for people with mental illness is disability payments — the cost of which is unacceptable in both human and economic terms. This is especially disturbing in light of the above fact that most people with serious mental illnesses can and want to work.

People with serious mental illnesses are often thrust into financial difficulty as a result of the cost of their treatment and medications. Until very recently, many individuals and their families were unable to obtain coverage for expensive services under private insurance and had to pay out of pocket. Many people exhausted all resources until they reached a level of poverty that made them eligible for state services. Even today, pre-existing condition exclusions leave many without coverage for needed services.

NIMH estimates that more than 25% of adults age 18 and older has a diagnosable mental illness with about 6% living with a serious mental illness – one that significantly impacts their activities of daily living. Mental disorders are the leading cause of disabilities nationwide. People with serious mental illnesses also face significant hurdles in their quest for employment due to the lack of community-based mental health services available to support community integration. This can often lead to involvement with the criminal justice system, and people living in homeless shelters or on our streets because mental health intervention was unavailable or denied.

<u>HB 5521</u> will remove an unnecessary barrier and allow many people to start on the path toward financial stability.

Thank you for your time and attention. I would be happy to answer any questions.

http://mentalhealth.samhsa.gov/publications/allpubs/NMH02-0144/unemployment.asp NAMI-CT 241 Main Street, 5th Floor, Hartford, CT 06106 PHONE: 860-882-0236 FAX: 860-882-0240 www.namict.org

HB 5521 Testimony before the Labor Committee February 24, 2009

Good afternoon, my name is Mandi Jackson. I'm a research analyst for UNITE HERE, which represents nearly a half million workers in the hospitality and textile industries nationwide, as well as thousands of employees in hotels and food service throughout the state of CT, and at Yale University.

As a union that is deeply committed to equality in hiring, we strongly support Bill HB 5521, which would restrict the use of credit reports in the hiring process. As citizens of Connecticut and America face the worst economic crisis of our generation, now is precisely the time for our representatives to act to ensure that job opportunity is based on equality, not credit history.

We feel that credit reports should be banned from the hiring process for four main reasons.

First and most important, the use of credit in hiring discriminates against African American and Latino job applicants. The average credit score of African Americans is roughly 10% to 25% lower than that of Whites, while the average credit score for Latinos is roughly 5% to 25% lower than that of Whites, according to a 2004 study by the Texas Department of Insurance. The foreclosure crisis is exacerbating this trend, as African American and Latino home loan borrowers were more than twice as likely to receive high-cost home loans as white borrowers in 2006, according to ACORN's 2007 study entitled "Foreclosure Exposure: A Study of Racial and Income Disparities in Home Mortgage Lending in 172 American Cities." A foreclosure can cause a drop of 250 points on one's credit score, and will remain on one's credit history for seven years.

Second, credit checks in hiring create a fundamental "Catch-22" for job all applicants: I am behind on my bills because I lost my job or my hours were cut, so I can't get a job or a promotion because I'm behind on my bills. Using credit reports in hiring creates a permanent barrier to better jobs for a growing portion of Americans who are affected by this unprecedented credit crisis.

Third, credit reports have an accuracy problem. The Consumer Data Industry Association acknowledged that 8% of credit reports obtained by consumers between 2004 and 2006 were inaccurate; however a 2007 survey by pollster Zogby cited in Smart Money Magazine put that figure at 37%, with half of those consumers surveyed saying they could not easily correct the mistakes.

Fourth, credit reports were designed by TransUnion and other companies to predict whether a consumer would pay her bills on time, not whether she would perform her job duties successfully. Not a single study suggests a positive correlation between credit history and job performance, and the definitive study on this issue, presented to the American Psychological

1

Society in 2003, concludes that no correlation exists whatsoever. This makes sense intuitively: if your credit takes a dive because your son was in the hospital, are you less likely to be a reliable technician? If you go through a divorce that wrecks your credit, will you not make a good cashier?

Now is also not the time to put faith in the self-regulation of the credit reporting industry. TransUnion, one of the top three companies that sell credit reports, recently settled a class action with the largest class in U.S. history, which alleged that the company sold private information to targeted marketing companies without a permissible purpose and thus violated the federal Fair Credit Reporting Act. TransUnion did not admit any violations of the law. Moreover, TransUnion's Chief Executive Officer Siddharth Mehta comes out of the subprime lending business that has triggered this economic crisis. Mr. Mehta, who became TransUnion's CEO in 2007, had just resigned as Chairman and CEO of HSBC Finance (formerly known as Household Finance), after leading HSBC's foray into subprime lending and after its parent company wrote down \$10.6 billion of loan losses. HSBC is named in five class action lawsuits for alleged predatory lending practices while Mr. Mehta was CEO, including one on behalf of the NAACP.

More Americans and citizens in Connecticut are looking for work than at any time since 1982, and more of us are suffering foreclosures than at any time since the Great Depression. It is more important than ever that job opportunity in our state be equal and not subject to the credit Catch-22, as this crisis engulfs Americans.

Mandi Isaacs Jackson

Research Analyst

UNITE-HERE

(203) 915 -6667

mijackson@unitehere.org



STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE MATTHEW L. LESSER

ONE HUNDREDTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 4014
HARTFORD, CT 06106-1591
HOME (860) 344-1230
CAPITOL. (860) 240-8585
TOLL FREE (1800) 842-8267
FAX (860) 240-0206
E-MAIL Matthew Lesser@cga ct gov

MEMBER
PUBLIC HEALTH COMMITTEE
EDUCATION COMMITTEE
ENERGY AND TECHNOLOGY COMMITTEE

For the record, I am Matthew Lesser, Representative of the 100th District.

The use of credit histories for employment decisions is a critical problem facing many Connecticut families. As it stands, even if you are otherwise qualified, you can be denied a job in the State of Connecticut, simply because a credit rating agency says that you are a credit risk.

This bill would have no effect on the right of employers to use criminal background checks on employees or prospective employees, which will continue to be permitted. Nor would it prevent credit checks when the credit history of the applicant is substantially job related, when it is otherwise required by law or when an employer has specific reason to believe an employee may have violated the law.

This bill has precedent. The State of Washington passed a nearly identical law in 2007. Five other states have passed restrictions on the use of credit reports for employment decisions. A front page article last week in USA Today reported more states are considering restrictions this year.

There are many reasons why it makes sense to restrict the use of credit histories for employment decisions. They are an invasion of an employee's right to privacy. Credit reports are notoriously inaccurate. They have little or no predictive value for employers, and they have been shown to reflect significant racial and ethnic biases. I will focus on one additional reason: They hurt families in this economy.

SERVING MIDDLETOWN, MIDDLEFIELD, ROCKFALL AND DURHAM

Perhaps at one point, credit histories told you something about a job applicant. Maybe they told you if an applicant was responsible or mature. Maybe they could predict if applicants were likely to steal from the register, to pay off their debts. Even if you assume that either or both were true, despite a lack of any evidence suggesting any correlation between credit history and job performance, they certainly are not now.

Today, with our constituents losing their jobs, with families losing their homes to foreclosure, with uninsured and underinsured people unable to pay off major medical expenses, and with nearly 40% of all electric bills owed to the United Illuminating Company in arrears, bad credit is no longer limited to the poor or the untrustworthy. Bad credit afflicts a wide swath of our society and many in the middle class.

The use of credit histories for employment decisions is a barrier to economic recovery. It prevents people who are victims of this economy from being able to get jobs and pay off their debts. It bars good workers, who were laid off from their jobs and fell behind in their bills, from getting back on their feet.

This is a mounting problem.

In 1996, the Society for Human Resource Management surveyed their members and found that 16% of employers were looking at applicants' credit histories. By 2004, the same survey reported that the number had increased to 35%. The background check industry is increasingly marketing credit history checks as a routine part of the employment screening process.

And, except for the few companies who profit off this practice, there is no obvious benefit for employers and great harm to those seeking employment.

By reporting on this bill favorably you have the opportunity to make a real difference in real lives. I thank you for raising this bill as a committee, and for providing me with the opportunity to testify on its behalf.

Eric Rosenberg
Director, State Government Relations
TransUnion LLC
555 W Adams St
Chicago, IL 60661
Tel 312-466-6323
erosenb@transunion.com

February 23, 2009

re: House Bill 5521, Credit Reports and Employment Screening

The bill would prohibit an employer from obtaining a consumer credit report for employment purposes unless the information is substantially job related. This restriction could jeopardize the health and safety of many Connecticut residents who have come to rely on safe and secure environments and risks the financial status of businesses across the state.

By way of background, TransUnion is a global leader in credit and information management. We are one of three global consumer credit reporting companies (CRAs), and employ 2,100 associates worldwide. The security and accuracy of our information are our highest priorities in everything we do: mortgage reporting, fraud prevention, risk management, employment reporting, tenant screening and collection services

Sadly, we live in an age where businesses of all shapes and sizes must verify the backgrounds of job applicants because:

- Retail losses due to employee theft are estimated at over \$30 billion annually.
- Between 1993 and 1999, U.S. residents suffered an annual average of 1.7 million violent workplace victimizations.
- \$55 million in lost wages and exponentially more in additional costs stem from the more than 2 million instances of workplace violence per year.
- More than 30% of all job applicants provide false information on their resumes.

If enacted, HB 5521 could prevent background checks on a variety of workers that require access to homes, hotel rooms, and businesses where personal safety and property are so clearly at risk, including phone and cable television workers, hotel staff, office technology personnel and more. The bill could also prohibit checks on babysitters, au pairs, and food delivery personnel.

We recognize that personal privacy and accuracy of records is very important and support laws to protect consumers. In fact, the federal Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681b, has clear protections/standards for the use of consumer or credit reports used for employment purposes in certain instances. In general, an employer can only obtain a consumer/credit report if the applicant consents in writing.

Screening the backgrounds of employees is critical to protect the safety of Connecticut residents in their homes and offices, in their cars, and in all other places they trave<u>L HB 5521 p</u>uts people at risk with little other protection for those the bill might theoretically protect.



CONNECTICUT

TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
OPPOSING
HB-5521, AA ELIMINATING CREDIT REPORTS AS A BASIS FOR
EMPLOYMENT DECISIONS
BEFORE THE
LABOR & PUBLIC EMPLOYEES COMMITTEE
FEBRUARY 24, 2009

The National Federation of Independent Business (NFIB), Connecticut's and the nation's leading small-business advocacy association, respectfully submits the following comments opposing HB-5521. An Act Eliminating Credit Reports As A Basis For Employment Decisions:

This legislation would unduly suppress relevant credit record information about prospective employees from employers. Once again, the legislature is attempting to micromanage business operations. Without unfettered access to full information about potential employees, employers are unable to act to protect their business from potential loss and ensure the trust of their employees, vendors, and the general public, when making hiring decisions.

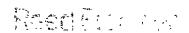
Eliminating the use of credit reports as a tool for employers is simply not conducive to the successful operation of our free enterprise system. Business owners must have all available information to best be able to make proper hiring decisions.

Despite the statement of purpose, the lack of a credit report for employers can only act to the detriment of the job applicant seeking to workforce. The result of this bill will be counterproductive to employment applicants because prospective employers, concerned about and unable to determine prospective employees' credit worthiness, will be constrained to reject the applicant out-of-hand. Again, access to accurate information is the best policy to advance fair employment and business growth and development.

Small businesses are often family operations. Even where employees are not related by blood, small business employees are often considered family members to each other. The owners of such businesses require full information about prospective employees to ensure trust and the continuation of the nature of such a business.

Finally. <u>HB-5521 provides</u> no legal protections for business owners who may be open to liability for financial or other damage to their business, employees, or vendors, as a result of their "blind" hiring decision, thus leaving employers in an untenable legal position.

Jon Burton, Senior Director State Government Affairs



Elsevier Harcourt Education LexisNexis Reed Business

February 19, 2009

Senator Edith G. Prague. Co-Chair Representative Kevin Ryan, Co-Chair Joint Labor and Public Employees Committee Room 3800, Legislative Office Building Hartford, CT 06106

Re: Connecticut House Bill 5521

Dear Senator Prague and Representative Ryan:

I am writing on behalf of Reed Elsevier and LexisNexis to voice our opposition to H.B. 5521. I am writing to make you aware of our strong concerns about the proposed provisions to remove the ability of Connecticut employers to utilize credit information in employment decisions, and provide input on the statewide ramifications if adopted.

LexisNexis is a division of Reed Elsevier and is recognized as a leading provider of authoritative legal, public records, and business information which helps our customers make informed and accurate decisions. LexisNexis is a leading provider of background check and credential verification information for employers. Our information products protect employers from liability and ensure that newly hired employees pose no financial risk.

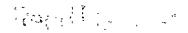
It is important to note the distinction between a <u>consumer credit report</u> used to evaluate creditworthiness for the purpose of granting credit, and <u>the report a credit bureau</u> provides to an employer for employment purposes. The employment report does not include FICO credit scores, account balances or account numbers. Credit reports provided to employers do provide valuable information to help in evaluating candidates for employment. The employment report may be used to evaluate an applicant's personal responsibility and organizational skills by their ability to pay their bills on time. Furthermore, an individual that has a high debt ratio may not be the right person to be provided with access to employer or customer assets – tangible or intangible, or sensitive personal or financial information of others. These individuals may be more vulnerable to fraud schemes

Credit reports are integral to the hiring process because employers must determine the accuracy and completeness of a job application. Credit reports are used for employment checks to show former addresses, former employment, and the financial situation of a prospective employee. By using credit reports in the hiring process, employers avoid wasting resources on recruiting, hiring,

Reed Elsevier Inc

1000 Alderman Drive Alpharetta, GA 30005 Telephone 678 694 3383 Fax 866 322 8243

Jon Burton@LexisNexis com www reedelsevier com Jon Burton, Senior Director



Page Two, February 19, 2009

and training new employees, only to find out later that the hiring decision was based on incomplete or falsified information. Also, employers use credit reports to safeguard against internal theft that can be a result of employees who cannot meet their monthly financial obligations.

Employee theft is a growing problem. According to the Federal Bureau of Investigation (FBI), it is the fastest growing crime in the United States and many experts estimate it increases by 15 percent annually. The U.S. Chamber of Commerce rates the annual cost at \$40 billion and attributes more than 30 percent of business failures to employee theft. On average, businesses lose as much as two percent of sales to employee theft. Businesses must have access to all currently available information to screen potential employees.

The use of credit reports for employment decisions is governed and expressly allowed by the federal Fair Credit Reporting Act (FCRA). Under the FCRA, an employer must give the consumer notice that a credit report may be used in the hiring process and require the consumer's written consent to access their credit report. The FCRA provides important consumer protections by requiring a notice by the employer if an adverse action is taken; i.e. the applicant is not hired. The notice includes the name, address, and phone number of the consumer reporting agency or credit reporting agency that supplied the report.

Furthermore, as currently drafted, the bill places an undue burden, and potential legal liability, on the employer to prove that the credit information used to make an employment decision is substantially related to the job qualification. Rather than face this risk, many Connecticut employers may elect to outsource certain employee work force in another state, or simply not hire at all

It is LexisNexis's hope that Connecticut employers will be allowed the continued use of credit reports for hiring decisions. Thank you for your consideration of these issues. I would be happy to meet or speak with you or your staff at your convenience to discuss further. I can be reached at 678-694-3383 during the day, and by email at Jon.Burton@LexisNexis.com.

Sincerely,

Jon Burton, Senior Director State Government Relations

000529

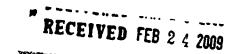
Jon Burton, Senior Director State Government Affairs

> Elsevier Harcourt Education LexisNexis Reed Business



February 18, 2009

Senator Edith G. Prague, Co-Chair Representative Kevin Ryan, Co-Chair Labor and Public Employees Committee Room 3800, Legislative Office Building Hartford, CT 06106



Re. CT H. 5521

Dear Joint Committee Co-Chairs,

I am writing in opposition to your House Bill 5521, which, if enacted, would effectively prohibit employers from unlizing credit history in hiring prospective employees.

We are a member of the Nanonal Association of Professional Background Screeners (NAPBS), which represents over 600 members and their respective companies. Our company is a national provider of background check and credential verification information for employers. Our clients are representative of the more than 88% of companies in the US who perform background checks on their employees across the country. Our information products protect employers from liability and ensure that newly hired employees pose no financial risk.

Credit reports are integral to the hiring process because employers must determine the accuracy and completeness of a job application. Credit reports are used for employment checks to show former addresses, former employment, and the financial situation of a prospective employee. By using credit reports in the himng process, employers avoid wasting resources on recruiting, himng, and training new employees, only to find out later that the humg decision was based on incomplete or falsified information. Also, employers use credit reports to safeguard against internal theft that can be a result of employees who cannot meet their monthly financial obligations

The use of credit reports for employment decisions is governed and expressly allowed by the federal Fair Credit Reporting Act (FCRA) Under the FCRA, an employer must give the consumer notice that a credit report may be used in the hinng process and require the consumer's written consent to access their credit report. The FCRA provides important consumer protections by requining a notice by the employer if an adverse action is taken; i.e. the applicant is not hired. The notice includes the name, address, and phone number of the consumer reporting agency or credit reporting agency that supplied the report.

Furthermore, without this important screening tool, many Connecticut employees may elect to outsource certain employee work force in another state, or simply not hire at all.

It is our hope that Connecticut employers will be allowed the continued use of credit reports for himng decisions. If you have any questions concerning how credit reports are used by employers to make decisions, please feel free to contact me. Thank you for your time and consideration of our views.

Vice President of Sales & Marketing

1EXAS OFFICE 3200 W PLEASANT RUN RD 2000 MERIDIAN BLVD SUITE 420 LANCASTER, TX 75146 FRANKLIN, TN 37067

TN OFFICE SUITE 220



CONNECTICUT STATE COUNCIL

SERVICE EMPLOYEES INTERNATIONAL UNION CTW, CLC

Main Office:

77 Huyshope AvenueHartford, CT 06106860 251 6091Fax 860 548 1935

777 Summer Street
5th floor, Suite 501
Stamford, CT 06901
203 602 6615
Fax 203 964 0428

Testimony of Stacey Zimmerman of SEIU-CT State Council

HB 5521 AN ACT ELIMINATING CREDIT REPORTS AS A BASIS
FOR EMPLOYMENT DECISIONS

February 24, 2008

Good afternoon. Co-Chairs Senator Prague, Representative Ryan and the members of the Labor and Public Employees Committee. Thank you for the opportunity to testify today. The Service Employees International Union Connecticut State Council represents over 53,000 active and retired members in Connecticut. SEIU is the states largest union with both public and private sector members.

SEIU supports <u>HB 5521</u> It is our belief that in these tough economic times a person's financial hard ship should not be an obstacle in obtaining gainful employment. A credit report should have no bearing on a person's ability to perform most jobs and therefore should not be considered during the employment process.

The use of credit reports can cause an undue barrier in the effort to seek employment for prospective employees and create a false sense of understanding of those prospective employees by the employer.

The Council also supports S.B. 365. An Act Concerning Captive Audience Meetings and H.B. 6187 An Act Mandating Employers Provide Paid Sick Leave to Employees.

To Edith Prague From Carolyn Myers-Simmonds, Chief Regulatory Counsel, First Advantage Corporation, 100 Carillon Parkway, St. Petersburg FL 33716 (carolyn.myerssimmonds@fadv.com)

Topic. Opposition to H5521

February 18, 2009

Senator Edith G. Prague, Co-Chair Representative Kevin Ryan, Co-Chair Labor and Public Employees Committee Room 3800, Legislative Office Building Hartford, CT 06106

Re: CTH_5521

Dear Joint Committee Co-Chairs.

I am writing in opposition to your <u>House Bill 5521</u> which, if enacted, would effectively prohibit employers from utilizing credit history in hiring prospective employees.

We are a member of the National Association of Professional Background Screeners (NAPBS) which represents over 600 members and their respective companies. Our company is a national provider of background check and credential verification information for employers. Our clients are representative of the more than 88% of companies in the US who perform background checks on their employees across the country. Our information products protect employers from liability and ensure that newly hired employees pose no financial risk.

Credit reports are integral to the hiring process because employers must determine the accuracy and completeness of a job application. Credit reports are used for employment checks to show former addresses, former employment, and the financial situation of a prospective employee. By using credit reports in the hiring process, employers avoid wasting resources on recruiting, hiring, and training new employees, only to find out later that the hiring decision was based on incomplete or falsified information. Also, employers use credit reports to safeguard against internal theft that can be a result of employees who can not meet their monthly financial obligations.

The use of credit reports for employment decisions is governed and expressly allowed by the federal Fair Credit Reporting Act (FCRA). Under the FCRA, an employer must give the consumer notice that a credit report may be used in the hiring process and require the consumer's written consent to access their credit report. The FCRA provides important consumer protections by requiring a notice by the employer if an adverse action is taken; i.e. the applicant is not hired. The notice includes the name, address, and phone number of the consumer reporting agency or credit reporting agency that supplied the report.

Furthermore, without this important screening tool, many Connecticut employers may elect to outsource certain employee work force in another state, or simply not hire at all.

It is our hope that Connecticut employers will be allowed the continued use of credit

000533

2/19/09 12:30PM GMT-05:00 '9197414126' -> 8602400208

Pg. 2

reports for hiring decisions. If you have any questions concerning how credit reports are used by employers to make decisions, please feel free to contact me. Thank you for your time and consideration of our views.

Sincerely,

KEEP THE PROMISE COALITION Community Solutions, Not Institutions! 241 Main Street, 5th Floor, Hartford, CT 06106 Phone: 860-882-0236; 1-800-215-3021, Fax: 860-882-0240

E-Mail: keepthepromise@namict.org, Website: www.ctkeepthepromise.org

Testimony before the Labor & Public Employees Committee In Favor of HB 5521 February 24, 2009

Good afternoon/evening Senator Prague, Representative Ryan, and members of the Labor & Public Employees Committee. My name is Cheri Bragg, Coordinator of the statewide Keep the Promise Coalition. The Coalition is dedicated to the creation and expansion of community mental health services and housing needed to address the crisis in mental health services in our communities.

Keep the Promise Coalition is here today to testify in favor of <u>HR 5521</u>, an Act eliminating credit reports as a basis for employment decisions. This bill would prevent employers from making employment decisions against prospective employees based on their credit history. Many people with mental illness face enormous hurdles when trying to obtain employment. People who have had lengthy or frequent hospitalizations must often explain large or numerous work gaps in their work history. This is not unlike having any other chronic health condition except for the overwhelming societal stigma of explaining absence due to mental illness, a biologically-based brain disorder.

Other employment hurdles people face specific to having a mental illness are medication issues, the need to update job skills, and lack of specific job supports. An overwhelmingly hard barrier though is the barrier of having your credit report judged as a basis for employment. This can be an unfair practice for many reasons. Some people with bipolar disorder, for example, might overspend as a symptom of their illness when they are experiencing a manic phase and then find themselves unable to meet their bills when they are feeling better. This is different from willful overspending. People are still accountable for these bills, but this does not mean that they would not be able to meet the requirements of the job they are applying for. In fact, employment is one of the keys to addressing credit problems. If you made a mistake that affected your credit and then were unable to work to address that problem the issue is unnecessarily compounded.

Another example is when people who are working become ill and are hospitalized. This can result in loss of work which can snowball into a loss of insurance and even your home. We want to stress again that mental illness is a biologically-based brain disorder

000535

that affects the brain, an organ in the body. It is NOT a failing of character. People affected by other chronic illnesses would similarly be affected by such circumstances. People with mental illness are, however, more likely to have dealt with lack of mental health parity in their insurance resulting in mounting bills, another hit to their credit history. People who are depressed often become incapacitated to the point that they do not open their bills. Rates of success in treatment are high, but this does not eliminate the damage to your credit history. This does NOT mean someone would not be able to meet the demands of their job.

The examples we could cite are limitless. We urge this committee to eliminate this barrier for people with mental illness and others to have success as members of the community. Many people living with mental illness can and do want to work. Eliminating credit reports as a basis for employment decisions would facilitate the pursuit of employment adding to the labor force and healthy communities.

Thank you for your time. I would be happy to answer any questions you might have.



Testimony of the Connecticut Public Interest Research Group
In Support of Committee Bill 5521 (Lesser)
"An Act Eliminating Credit Reports As A Basis For Employment Decisions"

24 February 2009

Presented by Edmund Mierzwinski, ¹ Consumer Program Director and Ilicia Balaban, Advocate

Thank you for the opportunity to submit this written testimony from ConnPIRG in support of Committee Bill 5521 (Lesser), "An Act Eliminating Credit Reports As A Basis For Employment Decisions." The bill would restrict the use of credit reports for employment purposes. As you know, ConnPIRG is a statewide non-profit and non-partisan organization that takes on powerful interests on behalf of its members.

In 1970, Congress enacted the Fair Credit Reporting Act (FCRA), a comprehensive statute² regulating the collection and use of credit information for credit, insurance, employment and other decisions. Connecticut has also enacted its own comprehensive credit reporting,³ Social Security Number protection and identity theft statutes.

Congress has since 1970 twice adopted major amendments to the federal FCRA. In 1996, in response to numerous complaints about errors it passed comprehensive amendments intended to mitigate errors. As part of those comprehensive 1996 amendments, Congress strongly questioned the intent of the original authors of the 1970 act in allowing credit reports to be used for employment purposes. Although Congress did not repeal the use of credit reports for employment purposes, it provided employment applicants and employees with additional consumer protections not otherwise granted to credit or insurance applicants.

Under those 1996 amendments to the federal FCRA, employers must ask permission before looking at an applicant's credit report. Employers must also show the applicant the report if it is to be used to deny employment. Conversely, if a report is used by a creditor or insurer for denial

¹ ConnPIRG Executive Director, 1981-1988; Consumer Program Director, Federation of State PIRGs (U.S. PIRG), Washington, DC office) 1989-present. Author, numerous reports on FCRA and is a frequent witness before Congress and state legislatures on FCRA and identity theft. He is co-author of the PIRG/Consumers Union Model State CLEAN Credit and Identity Theft Act which has served as the template for many recent security freeze and Social Security Number protection statutes enacted around the nation.

² 15 USC 1681 et. seq.

See C.G.S. 36a-695-699.
 Consumer Credit Reporting Reform Act of 1996 (part of the Omnibus Consolidated Appropriations Act of 1996, Public Law 104-208, 30 Sept 2006.

or increase in price of services, that user must merely notify the consumer of his or her right to contact the credit bureau for additional information.

These additional rights were granted to employment applicants because Congress did not want mistake-laden credit reports to be used to deny consumers jobs. As the 1996 law's chief sponsor, Senator Richard Bryan (NV) said on the Senate floor: "People are being turned down for jobs and for promotions all because of faulty information in their credit reports..."

In our view, Congress lacked the will to fully put the employment use genie back in the bottle, but that should not prevent you from acting.

Over the years, PIRG has conducted a number of studies of the accuracy of credit reports. Our most recent study, in 2004, found that over one-in-four credit reports contained errors serious enough to cause the denial of credit, insurance or employment. These mistakes are caused by credit bureau incompetence, by identity theft accounts falsely appearing on your report, by the failure of the law to provide consumers adequate legal mechanisms to hold bureaus or creditors accountable for their mistakes and numerous other reasons not the consumer's fault.

We believe that in the tense job market consumers may now face, it is appropriate to further limit the use of credit reports for employment purposes to prevent these circumstances from harming employment opportunities. In circumstances where a consumer may be considered for a job where a credit report might be relevant, such as a fraud investigation or a job where a report might be "substantially related," your bill provides exceptions. We believe that the legislative history and/or amendments should endeavor to construe those exceptions narrowly, perhaps, for example, to relate only to jobs with fiduciary responsibilities. We believe that the bill could be clarified to also prohibit the use of "credit scores derived in whole or in part from credit reports" for employment uses. In addition, we believe that a widespread area of abuse of current federal limits on the use of credit reports for employment purposes is in the area of "pre-employment background checks." It should be made clear that the use of credit reports for employment purposes, "including pre-employment background checks," is prohibited by the act.

But for a consumer applying for a job as an editor, or a software engineer, or any job without such fiduciary responsibilities, why should mistakes on a credit report harm them? Indeed, why should paying a credit card thirty days late because they had to pay a doctor's bill instead because they'd lost health insurance when they got laid off matter to whether they get a job?

We expect that opponents of the proposal will mount a number of arguments. Among these will be preemption. Most recently, in 2003, Congress enacted the Fair and Accurate Credit Transactions Act⁸ amendments to the FCRA. This amendment added provisions largely designed to fight identity theft, such as giving consumers an annual free credit report on request. Further,

⁸ Public Law 108-159, 4 December 2003.

⁵ Congressional Record, 30 September 1996.

⁶ U.S. PIRG, Mistakes Do Happen, June 2004, available at http://www.uspirg.org/home/reports/reports

⁷ See the pre-employment background checks resources available from the privacy Rights Clearinghouse. http://www.privacyrights.org/workplace.htm

at the behest of powerful financial interests, Congress also permanently extended and somewhat expanded certain temporary preemption provisions enacted in 1996.

Yet, although the federal FCRA now has an extremely complex preemption scheme, it is our view that no provision of federal law as amended preempts or limits state authority to restrict the use of credit reports for employment purposes.⁹

We appreciate the opportunity to provide our views on your proposed legislation.

⁹ See Connecticut OLR Research Report on the Fair Credit Reporting Act, 18 December 2003, by Sandra Norman-Eady, 2003-R-0922, available at http://www.cga.ct.gov/2003/rpt/2003-R-0922.htm Also see "After the FACT Act: What States Can Still Do to Prevent Identity Theft," by Gail Hillebrand, staff attorney, Consumers Union, available at http://www.consumersunion.org/creditmatters/creditmattersupdates/001640.html

Jon Burton, Senior Director State Government Affairs

Reed Elsevier

Elsevier Harcourt Education LexisNexis, Reed Business

February 19, 2009

Senator Edith G. Prague. Co-Chair Representative Kevin Ryan, Co-Chair Joint Labor and Public Employees Committee Room 3800, Legislative Office Building Hartford, CT 06106

Re: Connecticut House Bill 5521

Dear Senator Prague and Representative Ryan:

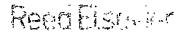
I am writing on behalf of Reed Elsevier and LexisNexis to voice our opposition to H.B. 5521. I am writing to make you aware of our strong concerns about the proposed provisions to remove the ability of Connecticut employers to utilize credit information in employment decisions, and provide input on the statewide ramifications if adopted.

LexisNexis is a division of Reed Elsevier and is recognized as a leading provider of authoritative legal, public records, and business information which helps our customers make informed and accurate decisions. LexisNexis is a leading provider of background check and credential verification information for employers. Our information products protect employers from liability and ensure that newly hired employees pose no financial risk.

It is important to note the distinction between a <u>consumer credit report</u> used to evaluate creditworthiness for the purpose of granting credit, and <u>the report a credit bureau</u> provides to an employer for employment purposes. The employment report does not include FICO credit scores, account balances or account numbers. Credit reports provided to employers do provide valuable information to help in evaluating candidates for employment. The employment report may be used to evaluate an applicant's personal responsibility and organizational skills by their ability to pay their bills on time. Furthermore, an individual that has a high debt ratio may not be the right person to be provided with access to employer or customer assets – tangible or intangible, or sensitive personal or financial information of others. These individuals may be more vulnerable to fraud schemes.

Credit reports are integral to the hiring process because employers must determine the accuracy and completeness of a job application. Credit reports are used for employment checks to show former addresses, former employment, and the financial situation of a prospective employee. By using credit reports in the hiring process, employers avoid wasting resources on recruiting, hiring,

Jon Burton, Senior Director State Government Affairs



Page Two, February 19, 2009

and training new employees, only to find out later that the hiring decision was based on incomplete or falsified information. Also, employers use credit reports to safeguard against internal theft that can be a result of employees who cannot meet their monthly financial obligations.

Employee theft is a growing problem. According to the Federal Bureau of Investigation (FBI), it is the fastest growing crime in the United States and many experts estimate it increases by 15 percent annually. The U.S. Chamber of Commerce rates the annual cost at \$40 billion and attributes more than 30 percent of business failures to employee theft. On average, businesses lose as much as two percent of sales to employee theft. Businesses must have access to all currently available information to screen potential employees.

The use of credit reports for employment decisions is governed and expressly allowed by the federal Fair Credit Reporting Act (FCRA). Under the FCRA, an employer must give the consumer notice that a credit report may be used in the hiring process and require the consumer's written consent to access their credit report. The FCRA provides important consumer protections by requiring a notice by the employer if an adverse action is taken; i.e. the applicant is not hired. The notice includes the name, address, and phone number of the consumer reporting agency or credit reporting agency that supplied the report.

Furthermore, as currently drafted, the bill places an undue burden, and potential legal liability, on the employer to prove that the credit information used to make an employment decision is substantially related to the job qualification. Rather than face this risk, many Connecticut employers may elect to outsource certain employee work force in another state, or simply not hire at all.

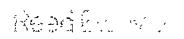
It is LexisNexis's hope that Connecticut employers will be allowed the continued use of credit reports for hiring decisions. Thank you for your consideration of these issues. I would be happy to meet or speak with you or your staff at your convenience to discuss further. I can be reached at 678-694-3383 during the day, and by email at Jon.Burton@LexisNexis.com.

Sincerely,

Jon Burton, Senior Director State Government Relations

000541

Jon Burton, Senior Director State Government Affairs



Elsevier Harcourt Education LexisNexis Reed Business

Reed Elsevier Inc

1000 Alderman Drive Alpharetta, GA 30005 Telephone 678 694 3383 Fax 866 322.8243 Jon Burton@LexisNexis com www reedelsevier com

Testimony before the Labor & Public Employees Committee In Favor of HB 5521 February 24, 2009

Good afternoon Senator Prague, Representative Ryan, and members of the Labor & Public Employees Committee. My name is Jennifer Garrison, a resident of South Windsor who is greatly affected by HB 5521.

I am originally from California, having moved to Connecticut in April 08. I moved to Connecticut to be with family because my life was in ruins in California. I am a person with bipolar disorder, PTSD, and ADHD. I made a mess of my life after losing my medical benefits due to an end of my relationship. No insurance means no medications, no medications led to a significant breakdown.

By the time I moved here, my credit was destroyed, and I had no job. The prospect of finding a job was very hard. Not only did I have to worry about my employment gaps due to my illness. I had to worry about my credit.

You see, in the early 90s I was demoted because of my poor credit. I was working in retail management, and was happy as a clam until they ran a credit report on all staff. Once they saw my credit they stripped my management duties, and reduced my pay. Their reasoning was that because I had a lot of outstanding bills that it was motivation to steal.

With the help of a good diagnosis and proper medications I was able to pull my life back together and eventually rebuild my credit. Fast forward to 2003, I was able to purchase a home with my partner, and obtain credit when I needed it. Fast forward again to 2007 when I lost my medical insurance, I had a significant breakdown. I lost my relationship, my house, my business, and most of my belongings. I no longer had the ability to pay my creditors. The only bill that has been paid consistently is my cellphone bill, my Mother has been paying that so she could stay in contact with me.

Currently all of my credit is in default. I owe landlords, banks, credit card companies, the state of California, and the IRS. Before my breakdown I had stellar credit, now I am afraid to answer the phone and check my mail.

000543

None of this drama has anything to do with my ability to hold down a job. Not one iota of my debt should keep me from making a living. In fact, if I can't get a job how am I supposed to pay back my debt?

Luckily I found a job at Focus on Recovery-United, Inc. They don't care about my credit, they only care if I can do the job. I am employed as a career/job coach. I work everyday with individuals like myself who have negative credit due to their illnesses. Individuals with mental illness have enough hurdles to overcome when it comes to employment, they don't need any additional barriers. It's hard enough to explain extended gaps in employment, but when accompanied by the need to explain poor credit it makes getting a job extremely difficult.

Thank you for your time. I would be happy to answer any questions you might have.

Jennifer Garrison 78 Steep Road South Windsor, CT 06074 (860) 818-4085

STATEMENT OF THE FREEDOM OF INFORMATION COMMISSION ON RAISED BILL 6186, AN ACT PROTECTING THE INTEGRITY OF CONN-OSHA INVESTIGATIONS

PRESENTED BY: COLLEEN MURPHY, EXECUTIVE DIRECTOR & GENERAL COUNSEL (860-566-5682)

February 23, 2009

The Freedom of Information Commission would like to take this opportunity to comment on <u>RB</u> 6186. An Act Protecting the Integrity of Conn-OSHA Investigations.

The FOI Commission does not oppose the purpose of proposed new subsection (i) of RB 6186. As written, however, the proposed section is imprecise and will not achieve its intended goal of protecting confidential sources and encouraging cooperation in Conn-OSHA investigations. The FOI Commission brings the following concerns to the committee's attention:

- The proposed bill applies to "individuals involved in an occupational safety or health investigation or enforcement activity." To avoid confusion, the statute should expressly state whom the law protects, such as witnesses who provide information on a confidential basis.
- The proposed bill references the federal Freedom of Information Act, 5 USC 552(b)(7)(D), as a guide to the protection to be given to confidential sources in Conn-OSHA investigations. However, that exemption in the federal FOI law is not mandatory and does not apply to state records.
- Since the purpose of the proposed bill is to give parallel protection to confidential sources in Conn-OSHA investigations as are afforded to confidential sources in federal OSHA investigations, pursuant to 29 USC 651 et seq., it would be helpful to know whether 29 USC 651 et seq. explicitly protects such information, and precisely what information the federal statute protects.
- Current FOI law in Connecticut exempts from disclosure any information that is
 expressly confidential under federal law. If 29 USC 651 expressly protects the
 confidentiality of sources, then the information is already exempt from disclosure
 under Connecticut's current FOI Act, and subsection (i) is unnecessary.

The FOI Commission welcomes the opportunity to work with this committee and others to revise this section of the bill so that the new law will accomplish its intended purpose.



KERRY R. CALLAHAN F: 860.548.2639 F. 860.548.2680 krcallahan@uks.com

MERITAS LAW FIRMS WORLDWIDE

February 5, 2009

Re: Paid Sick Leave

To Members of the Labor Committee

My name is Kerry R. Callahan, Principal and Chairman of the litigation department at Updike, Kelly & Spellacy, P.C., located at One State Street, Hartford, Connecticut.

I am writing to voice my opposition <u>to HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our costs and could force us to reevaluate the other benefits we provide our employees. We and many of our peers provide our employees with generous compensation, leave and benefits package. Yet, we need flexibility, not mandates, so that we, as business owners, can adjust costs in lean times.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Very truly yours

Kerry R. Callahan, Esq.

KRC/dln

534757-v1

One State Street • PO Box 231277 • Hartford, CT 06123-1277 • T 860 548 2600 • F 860 548 2680 • www.uks.com



1891 WATERTOWN AVE WATERBURY CT 06708 * (203)755-7212 * FAX (203)573-8207 *EMAIL PFINISHING@AOL COM

February 5, 2009

To Members of the Labor Committee:

My Name is Cregg McWeeney, General Manager at the P&M Industrial Finishing Company a manufacturer in Waterbury Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees

The proposed bill, if applied to smaller businesses would add approximately \$10,000 to our annual payroll cost which cannot be passed on to our customers.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut

Thank you, Cregg McWeeney



February 5, 2009

To Members of the Labor Committee:

My name is Peter Kirk, CEO at The Bank of New Canaan, New Canaan, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and will force us to reevaluate the other benefits we provide our employees.

We presently provide our employees a pool of Paid Time Off (PTO) days These may be used for vacation, sick, or personal time. If sick time is mandated and not covered by PTO, we, along with other companies using the PTO concept, would reduce our employees' PTO allotment for whatever sick time is mandated

We urge you to revise this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Peter Kirk
Chief Executive Officer



BANK

Chandler J. Howard President & CEO

February 4, 2009

To Members of the Labor Committee:

My name is Chandler J. Howard President & CEO of Liberty Bank in Middletown, CT.

I am writing to voice my opposition to HB—6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Chandler J. Howard

315 Main Street P.O. Box 2700 Middletown, CT 06457

Tel: 860-344-7202 🖔



Valassis Communications Inc. One Targeting Centre Windsor, CT 06095 www valassis com Tel 860-285-6100

February 6, 2009

To Members of the Labor Committee:

My name is Leslie Lenser, Vice President, Human Resources, Valassis Communications, Inc. located at One Targeting Centre, Windsor, CT 06095

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Our company has locations in 30 states. Because no other state has such a mandate, this legislation would make Connecticut a higher cost, less competitive and ultimately a less desirable place to do business

As an organization we strive to offer consistent and comprehensive benefit and time off policies to all employees regardless of where they reside. We need the flexibility however, to determine what these plans and programs should be that best meets the needs of our employees, business demands and productivity needs.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Leslie Lenser

Looke Gerser

Vice President, Human Resources

000550

ERNEST JOLY & SONS, INC.

32 Beatrice Avenue Danielson, CT 06239 860-774-3755 or 860-774-6877 Fax: 860-774-7466

February 4, 2009

To Members of the Labor Committee

My name is Rand Joly, President of Ernest Joly & Sons, Inc We are a sand and gravel company in Danielson, CT

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you

Regards,

Rand Joly President Ernest Joly



February 6, 2009

To Members of the Labor Committee:

My name is Judi Spreda, Human Resource Manager at Peter Paul Electronics Company, Inc. We are a manufacturer of solenoid valves in the great City of New Britain. We employee 140 Connecticut citizens and have been in New Britain continuously since 1946.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. We currently provide all regular employees with 3 paid sick and 2 paid personal days per year. This totals 40 hours of paid time off in addition to our vacation policy. This bill would allow a maximum of 52 hours of paid sick time per year. This will substantially increase our business costs and may force us reevaluate the other benefits we provide our employees.

Peter Paul Electronics has committed its resources to growing our business here in Connecticut. We have undertaken a very aggressive lean journey over the last several years. We continue on this journey with the outcome to becoming a world class manufacturer. We have been involved with several programs recognized by the State of Connecticut that has not only created jobs, but also through incumbent worker training, we feel we have a very solid work force. We are also enhancing our in-house training programs to offer our employees classes in all areas of manufacturing. We are looking into the possibility of offering courses in life skills as well. If this bill is passed, the increased costs will have a direct negative affect on this journey.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you for your time. If you have any questions, please do not hesitate to contact me directly.

Yours truly

PETER PAUL ELECTRONICS COMPANY, INC.

Judith T. Spreda

Human Resource Manager



The Kerite Company 49 Day Street Seymour, CT 06483-3400 Tel (203) 888-2591 Fax (203) 888-1987

February 5, 2009

To Members of the Labor Committee

I am writing to urge you to not support House Bill 6187 mandating employers provide paid sick leave to employees. Current economic conditions have created a very challenging business environment. Mandating a paid sick leave policy will increase the cost of doing business in CT and will put CT businesses at a competitive disadvantage. The State of CT and the business community should work together to create new jobs and protect existing jobs.

As with any mandated benefit, paid sick leave increases the cost of the overall compensation package. Employers who offer vacation days, health insurance and wage increases will be forced to spend compensation dollars on mandated sick leave. In today's business climate, when one form of compensation becomes more expensive, employers must offset this cost by lowering other forms of compensation.

Employers will need to absorb the cost of more absences and administration to track use and collect documentation from treating physicians to prevent abuse. The government recognized the potential for abuse when enacting the Family and Medical Leave Act by requiring firms to offer leave, but not requiring paid leave

I request that you take into consideration the impact House Bill 6187 will have on businesses in CT and the competitive disadvantage mandating benefits creates

Sincerely

John H.

DeGray

John H DeGray

John H DeGray

President

The Kente Company



Target Enterprises, Inc. 277 Old Branch Road

Thomaston, CT 06787 (860) 283-6676 Fax (860) 283-6675

To Members of the House Labor Committee

I am writing this letter to voice our concerns and opposition to House Bill 6187 which would require employers in Connecticut to provide paid sick leave. The proximity to states that do not have this requirement as well as the present economic climate do not allow us to have funds to pay for this unneeded cost. The burden will most certainly fall on our employees either through a reduction in pay, reduction in benefits, or reduction in hours worked.

We are a small company with approximately 24 employees. Although our sales are seasonal we try to keep most of our employees through the slower winter months. Any increase in costs is detrimental to staying profitable.

Please reject this proposal and help us to be more competitive, not less competitive which is driven by increased workplace costs.

Sincerely,

Joseph W. Pratt John J. Ososki

Owners Target Enterprises, Inc. Thomaston, CT



800-423-7829 FAX 860-564-0060

STERLING, CT 06377-0098

FEBRUARY 3, 2009

TO THE MEMBERS OF THE LABOR COMMITTEE:

MY NAME IS DEBORAH MURRAY, V.P. OF OPERATIONS AT WESTMARK CORPORATION, STERLING, CONNECTICUT.

I AM WRITING TO VOICE MY OPPOSITION TO HB-6187, WHICH WOULD REQUIRE CONNECTICUT EMPLOYERS TO PROVIDE SICK LEAVE. THIS PROPOSAL WILL SUBSTANTIALLY INCREASE OUR BUSINESS COSTS AND COULD FORCE US TO RE-EVALUATE THE OTHER BENEFITS WE PROVIDE OUR EMPLOYEES.

WE ARE A SMALL COMPANY AND CANNOT AFFORD SUCH EXPENSES, WE ALREADY CARRY A SHORT TERM DISABILITY POLICY FOR OUR EMPLOYEES IF ANYONE WAS OUT FOR A SHORT TIME BUT THIS WOULD NOT BE COST EFFECTIVE FOR OUR CURRENT BUSINESS SITUATION. IT IS DIFFICULT ENOUGH TO TRY TO KEEP OUR BUSINESS THAT HAS BEEN LOCATED IN CONNECTICUT FOR 20 YEARS HERE AS THE TIMES ARE NOW.

WE UREGE YOU TO REJECT THIS PROPOSAL AND WORK WITH THE BUSINESS COMMUNITY TO CONTROL LABOR AND WORKPLACE COSTS, SUCH AS HEALTH INSURANCE AND TAX COSTS IN THE STATE OF CONNECTICUT.

THANK YOU,

DEBORAH MURKAY V.P. OF OPERATIONS



Scott A. Green, D.O. Kevin J. Reagan, M.D. Christian H. Dee, M.D. Biren Chokshi, M.D.

February 3, 2009

To Members of the Labor Committee:

My name is Donald St.Onge, and I am the Practice Administrator at The Center For Bone & Joint Care, an Orthopedic Practice located in Putnam CT.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. We are a small business and this proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Our company currently provides a sick-time benefit for full time employees at the rate of 0.77 hours for every forty hours worked. This bill, if enacted, would increase our cost by 20% and will force our practice to reduce vacation time or other benefits to pay for this added benefit. At a time when medical practices and hospitals are failing to meet their revenue needs adding this expense just does not make sense. When was the last time the State of Connecticut increased reimbursement to Physicians who provide care to patients receiving Medicaid / Husky benefits? I can tell you that it has been many years and there is no relief in sight. Adding expenses during a dismal economy does not make any sense.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Donald St.Onge, RN, MS Practice Administrator

Vera Wolf
19 Boston Street
Guilford, CT 06437

(203) 458-1133 Fax: (203) 458-8881 www.VeraWolf com

February 4, 2009

To Members of the Labor Committee:

My name is Vera-Lynn Guibbory, Co-Owner of Bali Handcrafts, dba Vera Wolf located on the Historic Guilford Green. We have been in business since 1986. This past year has been most difficult and we have been reevaluating our benefits to help in the cost of doing business. The hardest part for us is that we know we have a direct impact on our employees' quality of life.

I am writing to voice my opposition to <u>HB-6187</u>, which would <u>require</u> Connecticut employers to provide paid sick leave. Presently, our employees are eligible for paid time off whether they use it for vacation, personal or sick time. If required, this proposal will substantially increase our business costs and would force us to cut other other benefits.

We pay each full time employee a portion of their health insurance premium. We pay for holidays We are very flexible with time off for taking care of personal issues. There is not a month when an employee calls in sick. (usually on a Monday or Friday) or has a sick child. This costs us business revenues Recently, I paid for Jury Duty for two employees. I was surprised to know that this was required by law. It made me rethink our benefits policies. We are now considering cutting employee hours but not enough so that they can still be eligible for health insurance. We would have to require each employee to bring in a doctor's note in order to be paid for these sick days. Therefore, the employee will have to pay a \$30-\$45 co-pay as long as they have their health insurance. I don't think this will benefit the employees.

I strongly urge you to reject this proposal Please help the business community to control labor and workplace costs in Connecticut. Thank you.

 ${\sf Signed}.$

Vera-Lynn Guibbory Ma Lynn Gulhay



February 5, 2009

RE: Paid sick leave proposal

To Members of the Labor Committee:

My name is Sharon Fialkievicz, Controller at the Country Club of Farmington, Farmington, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. As an employer of many part time and seasonal employees, this proposal would substantially increase our business costs and could force us to reevaluate all the benefits we provide our employees.

At this time when businesses are struggling just to continue doing business, a proposal that mandates additional costs seems counterproductive

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Sharon L. Fıalkievicz

806 Farmington Avenue • P.O. Box 859 • Farmington, CT 06034-0859 • (860) 677-1681



February 4, 2009

To Members of the Labor Committee:

My name is Christina Lavieri, Vice President of the Sterling Engineering Corp We are a machining company that does business in the aerospace and power generation markets. We have been in business in Connecticut since 1941.

You must not adopt HB-6187. Connecticut has become an anti-business state. We are unable to compete in the US against states that have far more business friendly laws. Global competition is a nightmare.

We must not pass any more legislation that will increase our costs. Legislators need to know that manufacturing is not dead in Connecticut. We cannot create a viable society by selling insurance policies to each other. We need to make **things** to create wealth

This proposal must be rejected.

Sincerely,

Christina Lavieri



250 Knotter Drive, Cheshire, CT 06410

Labor Committee
State of Connecticut Legislature

Dear Member of the Labor Committee:

Please accept this letter in support of rejecting <u>HB-6187</u>, the named "Paid Sick Leave" proposal currently under consideration by your Committee.

Having just successfully concluded union negotiations with 2 major unions, and having reached final multi year agreements with both unions, we strongly object to the inclusion of any additional paid time off benefits. Such additional paid time off issues were clearly much discussed subjects of our recent collective bargaining processes and were resolved between the parties without legislative mandates interfering with that process.

The final resolution of these paid time off issues and all other overall economic considerations were completed in the best interests of <u>both</u> parties (company and union) to the collective bargaining process. We do not request, nor need, "after the fact" legislative mandates that seek to interfere and intercede in this very viable and mutually agreeable collective bargaining process.

Continued government intervention by passing legislation detrimental to the overall health of business and to the bargaining process itself as this proposed legislation would do, will continue to erode the economic health of this state and will continue to spur the exodus of good "employment provider" businesses to other states in this country, and elsewhere.

Hasn't Connecticut experienced enough of jobs relocation pain in recent years?

As a company, we urge you to reject <u>HB-6187</u> as harmful to the overall health of both businesses and the employees in Connecticut.

Very truly yours,

Thomas J. Krajewski Manager of Human Resources



PRECISION GRAPHICS, INC.

10 CLARK DRIVE • P.O. BOX 248 • EAST BERLIN, CT 06023 TEL: (860) 828-6561 • FAX: (860) 828-7768

2/4/2009

To Members of the Labor Committee:

My name is Eric Johnson of Precision Graphics in East Berlin, CT and I am writing to voice my opposition to HB-6187, requiring Connecticut employers to provide paid sick leave. This proposal will substantially increase our labor costs (which happen to be extremely high in Connecticut already) and could force us to reevaluate the other benefits we provide our employees.

For us, if this bill passes, it is realistic that we will have to reduce or eliminate such benefits as:

- 1. Covering a portion of employee medical insurance costs
- 2. 401 (k) matching
- 3. Paid vacation time.

Also, it may force us to consider relocating out of state; to a state that is more probusiness.

Please think twice before voting in favor of this bill. This bill will crush Connecticut business. We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Eric N Johnson

Owner-Precision Graphics

STERLING SINTERED TECHNOLOGIES, INC.

249 ROCKWELL STREET WINSTED, CONNECTICUT (860) 379-2753 • FAX :(860) 738-0664

February 4, 2009

To Members of the Labor Committee:

I am the president of Sterling Sintered Technologies, Inc. located at 249 Rockwell St. in Winsted, CT

I am writing to voice my opposition to <u>House Bill 6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

In today's economic climate we are forced to cut costs, reduce price and add more value in order to maintain our current business level. I just left a sales meeting with a major customer who is looking for cost reductions. We have two meetings to attend next week with the same topic. We are competing against much larger businesses located in the Pennsylvania, Midwest and West Coast areas, and China. These regions along with China have been hit extremely hard by the auto industry. How can we maintain our competitive edge over our competition outside of Connecticut with the increased costs of the proposed paid sick leave bill?

We urge you to reject this proposal and work with the business community to help control labor and workplace costs in Connecticut Thank you

Signed,

Roland Royer President Sterling Sintered Tech., Inc.

State of the Art P/M Manufacturing

STERLING SINTERED TECHNOLOGIES, INC.

249 ROCKWELL STREET WINSTED, CONNECTICUT (860) 379-2753 • FAX :(860) 738-0664

February 4, 2009

To Members of the Labor Committee:

My name is Allen Royer, and I am the Production Manager at Sterling Sintered Technologies, Inc. located at 249 Rockwell St. in Winsted

I am writing to voice my opposition to House Bill 6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

In today's economic climate we are forced to cut costs, reduce price and add more value in order to maintain our current business level. We are competing against much larger businesses located in the Pennsylvania, Midwest and West Coast areas. These regions have been hit extremely hard by the auto industry. How can we maintain our competitive edge over our competition outside the Connecticut region with the increased costs of the proposed paid sick leave bill?

We urge you to reject this proposal and work with the business community to help control labor and workplace costs in Connecticut. Thank you.

Signed,

Allen O. Royer Production Manager Sterling Sintered Tech, Inc.

State of the Art P/M Manufacturing

B&B Tool Co., Inc. 35 Commerce Drive Bristol, CT 06010 (860)583-9631 bob@bbtoolco.com

2-5-09

To Members of the Labor Committee:

My name is Robert Bettua, President and owner at the B&B Tool Co., Inc., 35 Commerce Drive, Bristol, CT 06010.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

The proposed mandatory sick leave mandate will make Connecticut a costlier state to have a business. We need to work together to make CT more inviting for businesses.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed, Color Baller

Robert Bettua

000564

Aquarion Water Company 900 Main Street Engham MA 02043 Mail To P.O. Box 336 Accord MA 02018 www.aquarionwater.com 781 740 6693 781 741 2572 Fax



Quality Water for Cife

February 5, 2009

To Members of the Labor Committee

My name is Bruce Silverstone, Vice President of Corporate Communications at Aquarion Water Co., 835 Main St., Bridgeport, CT 06604

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Additional mandates in the current economic environment do not assist any of us

Thank you for your continued assistance.

-- (

Signed,

Bruce T Silverstone



To Members of the Labor Committee:

Feb 5, 2009

Re: Paid sick leave

My name is Linda Henderson, Vice President of A-1 Glass Company. We are a family owned and operated business in South Windsor, Connecticut, for 30 + years.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits that we provide our employees.

We are a small business and under these economic times getting smaller. We are trying very hard to keep everyone employed and not add to the state's rising unemployment rate. If the government imposes such measures on business like us it can only mean one thing - more lay offs. Many of us are barely hanging on and increased expense such as mandatory paid sick leave could put us over the edge.

Please reject this proposal and work with us to help keep Connecticut businesses prosperous.

Thank you for your consideration.

Sincerely,

Linda Henderson VP & partner/owner A1 Glass Company, Inc

P 860 289 3481 F . 860 282.1497 W: www a1glassct com

255 Sullivan Avenue South Windsor, CT 06074



PO Box 8270 Manchester, CT 06040-0270 10 Gear Drive

(860) 649-4591 ***
FAX (860) 643-7619 ; www.abapgt.com .

Feb. 6, 2009 State of Conn. Labor Committee State House Hartford, CT

Re: Paid sick Leave HB-6187

To The Members of the Labor Committee:

My name is Richard H. Wheeler, PRESIDENT at ABA-PGT, Inc. in Manchester, CT. We are a specialized plastic injection molder and mold maker employing 110 people in 2 Conn. Facilities (Manchester & Vernon)

I am writing to voice my opposition to HB-6187 which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to consider this measure as harmful to the wealth-generating concerns, like manufacturing, in our state.

Thank you for you consideration.

Bukard H. alkely

Richard H. Wheeler

Molding Dies | Injection Molding | Plastics Gears



To Members of the Labor Committee:

My name is Greg Besson, MSPT, Vice President at the Moore Center For Rehabilitation in Wilton, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees

We currently employ approximately 60 full-time and part-time employees. We estimate the extra costs to our business by the passing of this bill will be \$42,000, not including business interruption from the added incentive that employees will now have to call in sick. This shockingly high price tag will surely force us to reduce our hiring and even lay off workers. Please consider the burden this will place on all companies in these very tough economic times.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you.

Signed,

Greg Besson, MSPT Vice President



To Members of the Labor Committee:

My name is Mat Kachur, HR Director of Cookson Electronics, a specialty chemical manufacturer in West Haven, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. Presently, it is already a struggle to manufacture in CT. Adding additional and unnecessary cost and rules will only reduce the likelihood of us remaining viable and employing people in this state.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Mathau Vachum

D.E. Jacobs Associates, Inc.

14 Mall Way-The Courtyard Simsbury, CT 06070 Phone #651-4390 Fax #651-9254

To Members of the Labor Committee,

2/5/09

As a business owner in Connecticut for over 15 years I want to voice my opinion in opposition to HB-6187, which would require Connecticut employers to provide paid sick leave This proposal would only increase our cost of doing business and would force us to look for other ways to cut benefits we provide to our employees.

I ask you to reject this proposal and work with our business community to control labor costs in Connecticut.

Thank you,

Dennis Jacobs President D E. Jacobs Associates, Inc

l



METALLIZING SERVICE COMPANY, INC.

February 4, 2009

To Members of the Labor Committee:

My name is Charles Cavanagh, Vice President of Metallizing Service Company, located in Elmwood CT. We provide thermally sprayed coatings to several industries, particularly within the aerospace and ground turbine markets

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Operating a business in these difficult economic conditions is already very difficult. There are constant increases in energy, fuel, health care and other costs associated with operating in Connecticut alone.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Charles J. Cavanagh Vice President



11 Cody St., Elmwood, Connecticut 06110-1902, U.S A. Telephone (860) 953-1144 • Fax (860) 953-0464 FAA Repair Station # KK1R273K

MSC 2. 144 South St., Elmwood, Connecticut, 06110-1902, U S.A Telephone (860) 953-8005



Enthone Inc. 350 Frontage Road West Haven, CT 06516 USA

Andrea Perce
Manager, Human Resources
Phone 203-932-8569
Fax: 203-932-8567
www.cooksonelectronics.com
aperce@cooksonelectronics.com

To Members of the Labor Committee:

My name is Andrea Perce, HR Manager at Enthone Inc., a specialty chemical company located in West Haven, CT.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. With the struggling economy, we are doing everything we can to reduce cost so that we can keep our current employees employed. This unnecessary cost might put our company at risk.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Oendel Pin-Andrea Perce



NEW HAVEN CENTRAL HOSPITAL FOR VETERINARY MEDICINE

24 HOUR CARE We're always here 843 State Street New Haven, CT 06511 (203) 865-0878 / Fax (203) 867-5195

February 3, 2009

To Members of the Labor Committee:

My name is Kenneth Aldrich, Director at the New Haven Central Hospital for Veterinary Medicine, Inc.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We already offer staff paid time off, but not in the formula being presented. As a company that attempts to responsibly provide benefits to our staff, I am very concerned about the effects of HB-6187. Especially during these difficult times, the offering of benefits is a financial balancing act, attempting to reward staff and maintain a fiscal balance for the business. With our sales already down over the past several months, any increase in benefit cost would require us to decrease other benefit costs or reduce staff. I think the marketplace is the best pressure to require benefits, not the legislature. If a business is not providing appropriate paid time off, insurance, etc, people will be less likely to work there and therefore the business will need to add benefits. Blanket requirements like this are bad for businesses and, at a time when budgets are being slashed, workers as well.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Kenneth Aldrich



NEW HAVEN CENTRAL HOSPITAL FOR VETERINARY MEDICINE 24 HOUR CARE We're always here 843 State Street

843 State Street New Haven, CT 06511 (203) 865-0878 / Fax (203) 867-5195

February 3, 2009

To Members of the Labor Committee:

My name is Kenneth Aldrich, Director at the New Haven Central Hospital for Veterinary Medicine, Inc

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We already offer staff paid time off, but not in the formula being presented. As a company that attempts to responsibly provide benefits to our staff, I am very concerned about the effects of HB-6187. Especially during these difficult times, the offering of benefits is a financial balancing act, attempting to reward staff and maintain a fiscal balance for the business. With our sales already down over the past several months, any increase in benefit cost would require us to decrease other benefit costs or reduce staff. I think the marketplace is the best pressure to require benefits, not the legislature. If a business is not providing appropriate paid time off, insurance, etc, people will be less likely to work there and therefore the business will need to add benefits. Blanket requirements like this are bad for businesses and, at a time when budgets are being slashed, workers as well.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Kenneth Aldrich

KEOUGH PLAZA

PO Box 42 Newtown, CT 06470

February 4, 2009

To: Members of Labor Committee

Ref: HB-6187

From: Edward C, Keough Keough Plaza LLC

Small businesses are struggling to meet their expenses in good times and bad times are making it even harder. Look at the number of businesses not only in Connecticut but also through out this country that file for bankruptcy or simply close each year. Small businesses paying health benefits, vacation pay and 401k benefits will have to reduce participation or eliminate them completely if this proposal is enacted into law.

I urge you to reject this proposal for the good of the country. Small businesses are the backbone of employment in this country.

Sincerely

Edward C. Keough Keough Plaza IV Keough Plaza LLC



February 5, 2009

To Members of the Labor Committee:

My name is Susan Bushnik, Vice President of Human Resources at American Eagle Federal Credit, headquartered in East Hartford, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you.

Susan M. Bushnik



BIRK MANUFACTURING, INC.

14 CAPITOL DRIVE EAST LYME, CT 06333 PHONE (860) 739-4170 FAX (860) 739-4677 TOLL FREE (800) 531-2070 EMAIL sales@birkmfg com

February 4, 2009

To Members of the Labor Committee

My name is Lisa Olander, HR Coordinator at the Birk Manufacturing, Inc, 14 Capitol Drive, East Lyme, CT

I am writing to voice my opposition to HB-6187 which would require Connecticut employers to provide paid sick leave This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Birk Manufacturing is a small/medium size company struggling in today's economy to keep our head above water, we also have worked very hard to be an employee friendly company who already offers many benefits to its employees. Though this along with all other paid benefits would and should be welcomed by all employees. I believe it would put a financial burden on our payroll budget and force the owner to rethink the other benefits he offers to them in order to potentially now have to afford this (new) mandatory one

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you in advance for your valuable time, Sincerely,

12VCT

Lisa Olander
HR Coordinator
Birk Manufacturing, Inc

lolander@birkmfg.com (800) 531-2070

mott corporation

84 Spring Lane, Farmington, CT 06032-3159 860-747-6333 Fax 860-747-8529 www.mottcorp.com

February 3, 2009

To Members of the Labor Committee:

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs. Because it is important to Mott Corporation to retain its workforce, over the past six months, we have undertaken major cost savings initiatives to preserve jobs. This legislation would be a burden we could not absorb. It could force us to re-evaluate other benefits currently being provided to our employees and possibly whether or not we could retain our current workforce. Mott Corporation already provides our non-exempt, non-salaried employees with four paid sick days per calendar year and we provide an exemplary benefits package.

If you feel that you are doing employees in Connecticut a favor with this legislation, please reconsider – you are either going to cost them other benefits or their jobs I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you.

Sincerely,

Susanne D. Spargo, SPHR Vice President, Human Resources



Deburring House Inc.230 Berlin Street, East Berlin, CT 06023 Phone (860) \$28-0889 Fax (860) 828-4998

February 3, 2009

To Members of the Labor Committee:

My name David Durity, President, at the Deburring House Inc. 230 Berlin Street, East Berlin, Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. In this period of economic recession, the line between profit and loss is finer than ever. Additional business costs could quickly turn a marginally profitable company into a failure, and result in increased unemployment. This is the last thing this state needs at this time.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connect cut. Thank you.

David Durity



Centrix Incorporated
770 River Road
Shelton, Connecticut 06484
USA
TEL 203 929 5582
FAX 203 944 2872
TOLL-FREE 800 235 5862

February 6, 2009

To Members of the Labor Committee:

My name is Donna Rees. I work for Centrix Inc., a dental manufacturer located at 770 River Road in Shelton, Connecticut.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Where do I begin?

First, for financial, competitive and productivity reasons employers need the flexibility to determine what paid time off policies work in their companies and industries.

If this bill passes, Centrix would have to make some tough choices. The resources that would be required to implement and maintain this mandate would require me to cut back on our employee recognition and rewards programs, tuition reimbursement and other training and development programs, all of which I believe are more valuable to both Centrix and our employees than mandated sick leave. I think our employees would agree!

We already juggle both state and federally mandated regulations regarding FMLA, WC, ADA, COBRA, etc. When will we learn that placing unnecessary burdens on the employer does not necessarily achieve the desired result for the employee? How many more businesses have to close or move out of CT before we realize that many, if not most CT employers and employees are already working effectively together for their mutual benefit, and mandates like this one throw that delicate balance out of whack.

Mandating paid sick leave will force Centrix to take what we believe is a step (or two, or three!) backwards in the evolution of the already delicate employer/employee relationship building process. We will have to break out sick and personal leave, and may have to do away with personal leave altogether. We will have to start requiring documentation (more loss of trees and increased health care costs passed on to employees!) substantiating the reason an employee needs time off to try to prevent abuse. We will no longer be able to effectively use attendance—a critical component to productivity and the success of our business--as a criteria in employment decisions.

www.centrixdental.com

I cannot urge you enough to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Donna Rees

VP, Human Resources and Information Technology

And,

William P. Dragan President

Mahony Fittings, Inc.

(860) 627-0196

27-0196 Fax: (860) 627-0198 VALVES, PIPE, TUBE, FITTINGS



February 4, 2009

To Members of the Labor Committee

My name is Sheila C. Mahony, President of Mahony Fittings, Inc. located in East Windsor, Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the benefits we currently provide our employees

As a small business, we already pay one of the highest nation-wide premiums for health care and the current economic climate is forcing us to evaluate the possibility of discontinuing all employee health benefits

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Sincerely,

Sheila C. Mahony President

> CT TOLL FREE 1-800-6-MAHONY 2 CRAFTSMAN ROAD * EAST WINDSOR INDUSTRIAL PARK EAST WINDSOR, CONNECTICUT 06088 EMAIL: info@mahonyfittings.com

mott corporation

84 Spring Lane, Farmington, CT 06032-3159 860-747-6333 Fax 860-747-6739 www.mottcorp.com



February 4, 2009

To the membership of the Labor Committee:

My name is Roger Klene. I am the President and CEO of Mott Corporation, a manufacturing company employing 150 people in Farmington and Plainville.

This letter is written to oppose HB-6187 which would require Connecticut employers to provide up to fifty two (52) paid hours of sick leave each year to every qualified employee. At Mott, this equates to an estimated \$235,000 of additional cost that will directly inhibit our ability to compete in a global market. It may also force us to adjust our current employee benefits.

Proposals such as those contained in HB-6187 are irrational in light of the need for Connecticut to retain good paying jobs at a time when others are openly soliciting for companies like Mott to move elsewhere. We talk the talk of wanting to keep jobs in the State and then promote unnecessary employee benefits that reduce the ability of Connecticut company's to fairly compete for scarce business.

I urge you to reject this proposal and instead permit the business community to be responsive to the needs of its workers based on what is competitively affordable.

Sincerely,

Roger R. Klene President & CEO



Deburring House Inc.230 Berlin Street, East Berlin, CT 06023 Phone (860) 828-0889 Fax (860) 828-4998

.February 3, 2009

To Members of the Labor Committee:

My name is Kevin Cyr, Treasurer, at the Deburring House Inc. 230 Berlin Street, East Berlin, Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. In this period of economic recession, the line between profit add loss is finer than ever. Additional business costs could quickly turn a marginally profitable company into a failure, and result in increased unemployment. This is the last thing this state needs at this time.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely

Kevin Cyr Treasurer



PO Box 197, 136 Main Street, Collinsville, CT 06022 and PO Box 350, 277 Albany Turnpike, Canton, CT 06019

February 4, 2009

To Members of the Labor Committee:

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. Clearly, the timing of such a mandate is inappropriate, paid sick days and paid family leave nationwide for many businesses is colliding head-on with the worst economic crisis in decades.

As a small employer, Collinsville Savings Society prides itself in the attractive benefits package it already offers its current and potential employees. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Dennis T. Cardello

President



Deburring House Inc.230 Berlin Street, East Berlin, CT 06023 Phone (860) 828-0889 Fax (860) 828-4998

February 3, 2009

To Members of the Labor Committee:

My name is Steven R Cyr, Vice President at the Deburring House Inc. 230 Berlin Street, East Berlin, Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. In this period of economic recession, the line between profit and loss is finer than ever. Additional business costs could quickly turn a marginally profitable company into a failure, and result in increased unemployment. This is the last thing this state needs at this time.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Steven Cyr



CEH Services, LLC 116 Cottage Grove Road S-205 Bloomfield, CT 06002

E-mail to kia murrell@cbia com

To Members of the Labor Committee

My name is Carolyn Hazen, owner of CEH Services, LLC d/b/a Comfort Keepers a provider of non-medical home care to the elderly in Hartford and Tolland counties

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

At this point in the midst of this most severe of economic crisis, placing this added burden upon employers, whose businesses have already suffered very significant declines and have little prospect of being able to raise prices, this may well be a death knell for many. In our industry, serving the needs of the elderly who have seen their savings plummet and their ability to derive even a meager return on their investments next to impossible, an increase is most difficult.

Particularly in the home care industry, there is a distinct difference in the structures upon which agency services are provided. There are primarily two forms of agencies 1) an employer based agency which employs its' staff and complies with all required filings, taxes and insurance and 2) a registry, which acts as a broker for a fee, placing an independent caregiver with a client in need of service. The advantage with which the registry operates is already placing the employer based agency in a position where they are consistently undercut price wise. While employer based agencies have chosen to take "a high road approach" to employment and services to their elderly clients, the registry model is not even required to perform background investigations of its' staff of independent contractors, because they are not employees. To require the employee based agency to pay this sick leave while its' competition is exempt is to punish that group, furthering the inequity and furthering the competitive disadvantage enjoyed by the registry

Paragraph #4:

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you

Signed,

Carolyn E. Hazen Owner



February 4, 2009

Dear Members of the Labor Committee,

My name is Dianne Veley and I am writing to you today on behalf of my employer, The Siemon Company located in Watertown

We are a family owned business which began in 1903 in Bridgeport and moved to Watertown in the 1950's. We employ over 350 people in Connecticut and an additional 400 people globally. We have deep roots in the community and have no plans to leave Connecticut for another domestic location. However, we find ourselves in a frustrating position of frequently having to write to our state legislators about opposing legislation which is detrimental to our ability to competitively compete in a global environment and to continue to employ Connecticut residents.

I am writing today to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. While I can appreciate the economic benefit that this bill may provide to individual employees, I believe that it is shortsighted in providing the most economically responsible business environment for all employees. If Connecticut businesses are forced to offer such mandated benefits, we will be forced to make changes to our overall benefit offenings and staffing needs which would have a far bigger impact on the individual employees than what this bill would provide to them on its own

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you

Sincerely,

Dianne R Veley Global Human Resources Manager

The Siemon Company

Carl N Siemon, President, The Siemon Company

The Siemon Company 101 Siemon Company Drive Watertown CT 06795-0400 Tel: 860 945 4200 www.siemon.com

WHITCRAFT LLC

SHEET METAL FABRICATION & MACHINING FOR THE AEROSPACE INDUSTRY



2/3/2009

To Members of the Labor Committee:

My name is Sandra L Karosi and I'm the Human Resources Manager at Whitcraft LLC in Eastford, CT.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Sandra L Karosi, PHR

76 County Road P.O Box 128 Eastford, CT 06242 Phone (860) 974-0786 Fax (860) 974-3705

000589

as-ter-isk*®

4 Business Park Rd Old Saybrook Connecticut 06475 860.388.3811

February 3, 2009

To Members of the Labor Committee.

My name is Frank Todaro, owner and CFO at Asterisk, Inc. We are a small engineering and manufacturing company located at 4 Business Park Road in Old Saybrook

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees

We've been in business for 24 years, but the cost of doing business in Connecticut just keeps going up and it's becoming more and more difficult to keep up

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you

Regards,

Frank Todaro



February 4, 2009

To Members of the Labor Committee:

My name is Kelly M. Smith, Owner of KGS Insurance Services, LLC in Middletown. I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

I am an employer and I have over 150 employers as clients. Most of my clients already have a very rich benefits package and treat their employees more than fairly. Most are struggling in a tough economy and a mandate such as this sends the wrong message. We are trying to preserve jobs and increasing business costs will only force us to eliminate positions or take away benefits we can control. As I always explain to my employees – revenue vs. expenses, if revenue is down and expenses keep going up something will have to change. It is that simple it all comes from the same pool

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Kelly M. Smith

Keey M. Smik

Owner

Kensington Glass & Framing Co., Inc. 124 Woodlawn Rd. Berlin, CT 06037 Phone (860) 828-9363, (860) 828-9428 Fax (860) 828-4221 CT Lic. #391

February 5, 2009

To Members of the Labor Committee:

My name is Mary Sue Hermann, Secretary/Treasurer of Kensington Glass & Framing Co, Inc. in Berlin, Connecticut

I would like to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal could increase our business costs and force us to reduce or eliminate the other benefits we provide to our employees.

In this extremely competitive and difficult economy we have already had to make some hard choices. We've had to lay off three full time employees. It is very expensive to operate a business in Connecticut already. This proposal could make it even tougher.

We urge you to reject this proposal and work with the business community to minimize workplace and labor costs

Thank you,

Mary Sue Hermann

D.



Single Source Metal Finishers

February 4, 2009

To Members of the Labor Committee:

My name is John A Salce, CEO at the Hygrade Precision Technologies, Inc. We are a precision machining job shop located in Plainville, CT and have been in business since 1962.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

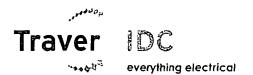
This economic crisis has hit us extremely hard. What we need from our legislators and government is <u>help and relief</u> from unnecessary burdens NOT more mandates that will increase our costs, reduce productivity, and make us less competitive in the marketplace. I ask that you look no further than the US auto industry as a prime example of what increasing company costs, reducing productivity, and losing a competitive advantage can do.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you.

329 Cooke Street, PO Box 568, Plainville, CT 06062 860/747-5773 1-800-457-1666 Fax 860/747-3179

John A Salce, CEO



151-165 Homer St Waterbury, CT 06704 t 203 753 5103 f 203 573 9352 TraverIDC com

To Members of the Labor Committee

My name is Jack Traver Jr., President of Traver IDC, a manufacturer, distributor, and electrical contractor located in Waterbury, CT. We have been doing business in Waterbury for 70 years and employ approximately 50 employees. In addition, I currently serve as President of the Smaller Manufacturers. Association of Connecticut, Inc. The SMA is a trade association with about 120 members representing 6000 employees.

I am writing to voice my opposition to HB-6182/ which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Our company, as well as many of the members of the SMA, is barely keeping our head above water. If we manage to make a profit in any given year, it is less than 1% to the bottom line. That being said, the average manufacturing wage in CT is nearly \$70,000.00. These are the best paying jobs in the entire state and the legislature needs to do everything possible to preserve each and every one of these jobs in CT. Although the manufacturers make up 6% of the corporate population, we contribute 25% of the corporate tax revenue.

The effect of this "paid sick time" bill would be devastating to us and the manufacturing community. This one bill alone would cost Traver IDC about \$50,000 and would turn us from profitable to operating in the red. We would have no choice but to take other major cost cutting measures to remain solvent and since employee expenses constitute nearly 2/3 of all of our overhead, the cuts would most likely be in this area. We care very much about all of our employees and we believe that is why our current average length of employment is more than 15 years. We do everything we possibly can for all of our employees, and we can't afford to have mandates from Hartford forcing us to do more than we already do.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you.

Very Truly Yours,

Jack Traver Jr.

Jack Traver, Jr President

LTBERTY

Thomas J. Pastorello Executive Vice President & CFO

February 4, 2009

To Members of the Labor Committee:

My name is Thomas Pastorello, CFO for Liberty Bank in Middletown.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Thomas Pastorello



February 4, 2009

To Members of the Labor Committee:

My name is Linda Sparaco, Vice President at Baker St. Associates, 67 Federal Road, Brookfield, CT 06804.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

I believe employers need the flexibility to design and negotiate their own benefit and time off policies that best meet the needs of their employees, business demands and productivity needs. Our business hires seasonal workers and this will greatly impact our costs. It is difficult enough to do business in Connecticut due to all the costs that we have that are not as high in other states and now you want to give us another burden.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you.

Sincerely,

Linda Sparaco



February 4, 2009

To Members of the Labor Committee:

My name is Anson Mooney, President of Hartford Despatch & Warehouse Company Inc. of East Hartford, CT. I am a third generation employer. We struggle daily with the down turn in the current economic environment, some of which has been brought on by antibusiness policies your committee seems to consider sacred. Quite honestly I've had enough.

I write to voice my opposition to <u>HB-6187</u>, and other bills which I will fight under separate cover <u>HB-6187</u> as structured requires Connecticut employers to provide paid sick leave, regardless of the tenure or strength of an employee The bill as I see it brings nothing to an employer but headaches and added cost. This proposal will substantially increase our business costs and could force us to limit hiring new people. It will not encourage us to grow or expand. Is that what you want? Successful enactment of this bill will definitely force me to reevaluate the other benefits we provide our employees.

To me it is a bit of an outrage that your committee would attempt to pen legislation that will only seek to raise the cost of doing business in CT. Who do you people serve? Have you ever tried to run a business? Don't you understand the cost private business in CT is higher than all of our neighboring states and most of the U.S.? Have you no consideration for what is going on in the economy? Call me and I will give you an up-close and personal feel for how hard it is to make a buck in this high cost state

I urge you to reject this proposal You should work with the business community to control labor and workplace costs in Connecticut and not against businesses by making it even harder to stay alive. Work with businesses now before there aren't any left.

Sincerely, Anson B. Mooney President

International Freight forwarder + FMC ticense No. 2394

Unternational Freight Forwarder * FMC License No. 3394F
Warehousing * Ostribution * Moving & Storage * Charter Member Allied Von Lines
275 Prospect Street, P.O. Box 280271 East Hartland Connectivet 06128 0271 USA
Phane (800) 528-9351 Toll Free 800 678-9000 Pax (800) 82 1274 Email Int





February 6, 2009

To Members of the Labor Committee:

My name is Paul Murgo, President/Owner at Tri-Lift, Inc. a Materials Handling Company located in New Haven, Conn. I currently employ 93 employees.

I am writing to voice my opposition to a proposed Paid Sick Leave Mandate.

House Bill 6187 My understanding of this would require Connecticut employers to provide paid sick leave to all employees at a minimum of 1 hour paid time off for every 40 hours an employee works. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees

Employers in today's economic times need flexibility to design and negotiate their own benefit and time paid off policies that best meet the needs of their employees, business demands, and productivity needs. If this policy were enforced I would have difficult choices to make as to how to control rising costs with no increases in revenue. That could mean reducing or cutting other employee benefits, or possible job losses This proposed bill I feel would be detrimental to my business. I feel that lawmakers should look to help employers by encouraging growth not by mandating more costs.

I urge you to reject this proposal and work with the business community to control ever rising labor and workplace costs in Connecticut

Thank-you

Paul Murgo President Tri-Lift, Inc

180 Main St. New Haven, CT 06512

SALES . SERVICE . RENTALS . PARTS

☐ 180 Main Street, New Haven, CT 06512 (203) 467-1686 Fax (203) 469-4652 ☐ 20 Kairnos Street, Albany, NY 12205 (518) 453-0561 Fax (518) 453-0578 ☐ 850 Berkshire Avenue, Indian Orchard, MA 01151 (413) 543-5438 ☐ Westchester, New York (600) 479-5438 ☐ Plainview, Long Island (516) 694-5438



To Members of the Labor Committee

My name is David Krett, Jr., Chief Operations Officer at Family Care Plus. I employ hundreds of people in Connecticut Many live and work in your area

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We believe this is not a time to increase costs to businesses that create jobs. Other States are looking to reduce costs to attract businesses.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you

Signed,

David Krett, Jr, COO Family Care Plus, LLC



250 Governor Street, East Hartford CT 06108 Main Office 860 291-9111 Fax 860 291-9410 www.horizonsvcs.com

To Members of the Labor Committee

My name is Ted Hsu, President at the Horizon Services Corporation .

I am writing to voice my opposition to <u>HB-6187, which would require Connecticut employers to provide</u> paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you

Signed,

Ted Hsu, President Horizon Services Company

SIL





245 Shaker Road, P.O. Box 1134 Enfield, CT 06083-1134

> Tel: (800) 247-4313 (860) 763-0896 Fax: (866) 763-7465

February 3, 2009

To Members of the Labor Committee:

Camerota Truck Parts employs over 100 people in Connecticut and a total of 150 throughout the Northeast. For over 45 years we have been remanufacturing truck driveline components, providing truck services and truck parts distribution business.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

No other states have such a mandate. This proposal will make Connecticut a higher cost, less competitive and ultimately less desirable place to do business. With sales in decline, if our costs increase due to benefits mandates, such as <u>HB-6187</u>, our business will be forced to cutback existing benefits offered to employees, suspend hiring plans, layoff workers and/or reduce work schedules at our Connecticut remanufacturing and distribution facility.

Employers need the flexibility to design and negotiate their own benefit and time off policies that best meet the needs of their employees, business demands and productivity needs. Connecticut businesses don't need a one-size fits all policy that will make them less competitive. We need lawmakers to encourage growth and enhance our ability to expand and create jobs in Connecitcut.

This is <u>not</u> the time to make it harder to do business in Connecticut.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Sincerely,

CAMEROTA TRUCK PARTS

Leo Fournier Controller

Ifoumier@camerota.com





259 WOLCOTT ROAD / WOLCOTT, CT. 06716

CT Lic. E1-122002

Fax: 203-879-5572

February 24, 2009

To Members of the Labor Committee:

My name is Peter J Sheehan, Member Manager at CPE Electric LLC, we are an electrical contractor in Wolcott, Connecticut.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Peter J Sheekan

Peter J Sheehan Member Manager CPE Electric LLC

T & T Electrical Contractor's, Inc.

43 Bushnell Street Hartford, CT. 06114 (860) 296-6967 E-1, 103635

February 24, 2009

To Members of the Labor Committee

RE: HB-6187

My name is Tom Beaudoin, President of T&T Electrical Contractor's, Inc. located at 43 Bushnell Street, Hartford Connecticut.

I am writing to voice my opposition to House Bill HB-6187, which would require Connecticut Employers to provide paid sick leave. This proposal will substantially increase our business cost and could force us to reevaluate the other benefits we provide our employees

If this Bill is passed I will be forced to have to layoff employees beneath the mandatory threshold, thereby stunting the growth of my company and the ability to provide others with employment in our trade. At face value the bill sounds good but the end result will ultimately be detrimental to the employees.

On behalf of my company I urge you to reject this proposal and work with the business community to control labor and workplace cost in Connecticut.

Sincerely,

G.T. Beaudoin III

Tom Beaudoin CC: file



METALLIZING SERVICE COMPANY, INC.

To Members of the Labor Committee:

Subject: Paid Sick Leave <u>HB-618</u>7

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs, will have a negative effect on our productivity and competitiveness, and could force us to reevaluate the other benefits we provide our employees.

We operate three manufacturing locations in Connecticut, with a total of over sixty employees, and we know that this bill will make it more difficult for companies to justify operating in this state. Operating a successful business is hard enough, especially in today's economic climate. Please don't make it more challenging than it already is:

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you.

Thomas Piquette
Vice President/General Manager
Metallizing Service Company



11 Cody St., Elmwood, Connecticut 06110-1902, U S A Telephone (860) 953-1144 • Fax (860) 953-0464 FAA Repair Station # KK1R273K

MSC 2: 144 South St , Elmwood, Connecticut, 06110-1902, U.S.A

MSC 3: 20 New Park Dr. P.O Box 8318, Berlin, CT 06037 U S.A.



February 4, 2009

To Members of the Labor Committee:

My name is Michael D Garfield, President at Garfield Builders Inc. Home Remodeling Specialist and General Contractor located at 64 Route 7 North, Falls Village Ct. 06031

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We currently are a small business giving our employees paid health insurance, 401K and paid vacation. If we are required to supply them with 50 hours of paid sick leave per year, how do we cover this cost and the other benefits we supply. We would need to reduce the benefits they already receive in order to cover this cost. It is already expensive to run a business in the State of Connecticut, this I feel is going to put some out of business and force others to move to another state. We always hear where the State of Connecticut is a friendly place to own a business, we have high business insurance cost, high workers compensation cost, high health insurance cost, a high cost of living and now we have to supply paid sick leave by State Mandate. Where is the friendly part?

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Michael D. Garfield President Garfield Builders Inc.

64 Route 7 North Falls Village, CT 06031

Tel: (860)824-0621 Fax: (860)824-7786 www.garfieldbuilders.com

CT# HIC.362017 CT# NHCC.2906



February 4, 2009

To Members of the Labor Company:

My name is Robert G. Guertin and I am Chief Operating Officer/CFO at Specialty Printing, LLC in East Windsor, CT. We are a \$35 million manufacturer of pressure sensitive labels for the supermarket industry, specialty packaging for the U.S. Postal Service & other government agencies and sophisticated packaging products for the medical device marketplace.

We are privately held, a family-run business and have just recently celebrated thirty year of operation. We employee approximately 125 employees, most of whom work out of Connecticut. We treat our employees fairly and are constantly expanding our benefit programs as much as we can afford each year.

I am writing to voice our <u>strong</u> opposition to proposed <u>HB-6187</u> which as I understand, will mandate employers with 50 or more employees to provide a minimum of one hour of paid time off for 40 hours an employee works, regardless of production/business needs or existing Paid Time Off (PTO) policies. In our opinion this bill, if enacted will place a significant financial burden on Connecticut based companies which are already struggling with competing in a global environment and one of the highest cost states to do business in.

In addition, given the current and <u>projected</u> economic conditions in the state of Connecticut, small manufactures are unable to absorb <u>any</u> additional costs at this time. Passing of this bill will undoubtedly result in reduction of other existing benefits we already provide to our employees and/ or future job losses.

Given this, Specialty Printing, and all of our 125 employees, urges you to reject this proposal and help focus your energies on more business-friendly legislatives changes that hopefully will stem the number of companies being forced to close their doors or leave the state.

Sincerely,

Specialty Printing, LLC

Robert G. Guertin Chief Operating Officer / CFO

000606



105 Napco Drive Terryville, Ct. 06786 E-mail: Sales@coldform.com
Phone (860) 582-5031 Fax (860) 584-5082 Visit Us At WWW.COLDFORM.COM

February 4,2009

To Members of the Labor Committee:

My name is Catherine Weeks, Comptroller at Coldform Inc., 105 Napco Drive, Terryville, Ct. 06786

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

The in pack of this proposal could devastate our business. We deal with the automotive industries and they have not paid us in over 90 days that is making it very difficult to cover health insurance let alone adding additional costs. Things are very difficult for the small manufactures that are trying to stay in business. This could put expenses over the top and force small companies like Coldform to close.

I strongly urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed, Catherine Weeks, Comptroller

000607



1000 East Main St. (Rte 202) * Torrington Ct. 06790 * Tel. 860-489-3343

February 4, 2009

To: Members of the Labor Committee:

I am writing in opposition of <u>HB-6187</u> requiring Connecticut employers to provide paid sick leave. Although I am presently under 50 employees we all know that that number will change in the future.

If this bill becomes law it will add another reason why I should not grow my company.

Please, with the cost of utilities, insurance, taxes and the pay scale starting at \$8.00 an hour it has already become a struggle to make it worthwhile remaining in business.

Truly,

Bill DeDominicis Proprietor

To Members of the Labor Committee:

My name is Alexandra Brax, Director of Human Resources at Seconn Fabrication LLC. We are a precision sheet metal supplier located in Waterford, Connecticut.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Perhaps you would like to hear Seconn's story of how we came to be so you can realize the importance of supporting small business... It was in April of 2003, with a new born baby at home, that Rob Marelli owner of Seconn Fabrication found him self so overwhelmingly frustrated by the conditions of his current employment, which stemmed from the greed and shortsightedness of his employers that he decided to make an offer to buy them out. When his attempt failed, he was fortunate enough to borrow \$250,000.000 from his father-in-law, Martin J. Sullivan and granted the blessing from his wife Susan to venture out on his own endeavor, Seconn Fabrication. The company began in a 5,000 square foot bay rented out of a building on Hartford Turnpike in Waterford, employing the four employees who walked out along with Rob from their recent employer.

Despite the harsh conditions of the manufacturing market, Seconn made significant investments in equipment and human capital, which allowed us to persevere with such momentum that we continued to grow year after year. In the first six months of business, from July of 2003 to December 2003, they produced \$745,000 and acquired three more employees. In 2004 the success continued, as they produced \$3,700,000 in revenue, this time with a total of 20 full-time employees. In the year following, revenue and human capital continued to grow as 2005 produced \$4,500,000, with 28 full-time employees, as well as, five part-time employees. The close of that year was also accompanied by exciting news; the company's decision to acquire the old abandoned, 30,000 square foot Sears Warehouse at the corner of Cross Road and Route 85, for \$1,400,000, with the support of Dime Bank.

Once the sale became final, the rejuvenation of a main corridor for the town of Waterford began. An aggressive 13-week rehab of the facility was constructed by Bill Allen and the WR Allen Construction Company. What before was the site of an eyesore, has now, thanks to Seconn Fabrication, become an exact replica of the architect's renderings: A picture- perfect lot covered with well-kept green grass and parking area. Flags waving in the air alongside a stunning building, accented by lights falling from the overhangs and a beautiful 41ft sign, which glows in the darkness of the night as you pass by. However, it is worthy to note that the beautiful transformation of this site was not made possible by the state or local grants, but rather instead, made possible by Rob's personal equity for one major reason: he believed in his people, their plan, and Seconn's mission.

In the summer of 2006, only a few months into the new location at 180 Cross Road, Seconn's sales went through the roof. By the end of 2006, Seconn yet again broke preceding records, experiencing a 58% growth in revenue and payroll, this time earning \$7,200,000, with 47 full-time employees along with 10 part-time employees. After experiencing such growth and success, Rob expanded again; adding an additional 25,000 sq. ft and new machinery and equipment in the summer of 2008.

The rapid growth the company has experienced over the past three-plus years has been managed with profits as its benchmark. Rob created and continues to grow his company with the philosophy and firm belief of the essential need to "give and receive", whether its cordialness, time or money.

Seconn has aggressively and vigorously continued to reinvest profits back into the business, to promote progressive growth. We recognize the dangers associated with becoming a complacent company, thus, he has created a culture in the company that supports and encourages a constant pursuit to better the business. By returning more than \$400,000 in bonuses and millions of dollars in machinery and equipment, he fosters and promotes not only the longevity and success of Seconn and its workers, but also, businesses in the community as well, enriching the local economy. Also, the company does a great deal to support the community by donating countless times to local charities chosen by the Seconn employees and Rob himself.

Today, Seconn stands as a model company for its peers in the industry, as the leading precision sheet metal fabricator in the northeast. Continuously striving to surpass client's expectations and needs, providing manufacturing flexibility, short lead times, as well as, the ability to deliver first-class customer service and produce reliable high quality products. It is no wonder Seconn exists as a powerful force in its market today, it is a great company composed of great people.

We have been recognized in various circles for our accomplishments. We were named U.S. Small Business of the Year, by the U.S. Chamber of Commerce for the northeast region in 2008. Our owner, Rob Marelli was named Entrepreneur of the Year in 2007 by our local chamber and we became part of the INC. 5,000 list of fastest growing companies in 2008 as well. We have also been recognized in our industry, named Fabricator of the Year by the FMA (2008). These accomplishments were all possible due to our proven strategy of reinvestment in our people, facility and technology.

Now tell me, why would you want to make it harder for a business like this and the many others in fighting to survive in Connecticut. We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Alexandra Brax Human Resources



85 Firetown Road, Simsbury, CT 06070 Clubhouse (860) 658-7623*Business Office (860) 651-0499* Fax (860) 651-0484

February 4, 2009

To Members of the Labor Committee:

My name is Melanie Cammillen, Office Manager at Hop Meadow Country Club in Simsbury, Connecticut.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. Hop Meadow Country Club is a seasonal operation with a two-person administrative staff. This mandate would require tedious tracking on an already burdened staff.

We urge you to reject this proposal, especially in these difficult economic times and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Sincerely,

Melanie G. Cammilleri Office Manager



245 Shaker Road, P.O. Box 1134 Enfield, CT 06083-1134

> Tel: (800) 247-4313 (860) 763-0896 Fax: (860) 763-7465

February 3, 2009

To Members of the Labor Committee:

My family business employs over 100 people in Connecticut and a total of 150 throughout the Northeast. For over 45 years we have been in the business of remanufacturing truck driveline components, providing truck services and truck parts distribution

As a business owner in Connecticut; I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

No other states have such a mandate. This proposal will make Connecticut a higher cost, less competitive and ultimately less desirable place to do business. With sales in decline, if our costs increase due to benefits mandates, such as HB-6187, our business will be forced to cutback existing benefits offered to employees, suspend hiring plans, layoff workers and/or reduce work schedules at our Connecticut remanufacturing and distribution facility.

Employers need the flexibility to design and negotiate their own benefit and time off policies that best meet the needs of their employees, business demands and productivity needs Connecticut businesses don't need a one-size fits all policy that will make them less competitive. We <u>need</u> lawmakers to encourage growth and enhance our ability to expand and create jobs in Connecticut.

This is \underline{not} the time to make it harder to do business in Connecticut.

I urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut

Sincerely, CAMEROTA TRUCK PARTS

Salvatore Camerota Owner, Sec / Treasurer salcamerota@camerota.com



February 4, 2009 Connecticut General Assembly Labor and Public Employees Committee Room 3800 Legislative Office Building Hartford, Ct. 06106

Dear Members of the Labor Committee

I am writing to voice my opposition to HB-6178, which would require Connecticut employers to provide paid sick leave to all employees.

My organization provides a full benefit package to all employees to work twenty (20) hours or more per week. That package includes holiday pay, vacation pay, sick pay, full health care, short term and long term disability pay and life insurance. The nature of our works requires that we have a significant number of employees who work less than twenty hours. These positions are primarily filled by high school and college students who we schedule based on their school schedules. These are well paid positions that have built in flexibility so as to accommodate their needs and, at the same time, meet our organizational needs. Adding a sick time requirement would add significant unbudgeted cost to our operations, estimated to be in the \$20,000 a year range. In these challenging times, any unplanned costs need to be avoided.

I would urge that you reject this proposal and instead look to ways that can help all of us that are in business stay in business.

Sincerely, Blanch Sugar, Blanch Gregory B Gravel

President/CEO



000613

Practical Safety
Solutions, LLC
PO Box 792
50 Browns Lane
Old Lyme, CT 06371
Tel (860) 434-5092
Fax (860) 434-7583
www.pss-llc.com

February 3, 2009

Dear Members of the Labor Committee,

We are writing to voice our opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. As a small business, this proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide to our employees.

We are urging you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you for your consideration,

Mark B. Haskins, CSP Principal Consultant Mark B. Haskins, CSP mbhaskins@pss-lic.com Cell (860) 334-3808

Consultants:

Patricia A. Cushman, CSP pacushman@pss-llc com Cell (860) 334-4388

Principal Engineers &

Patricia A. Cushman, CSP Principal Engineer/Consultant





THE BARDEN CORPORATION

SCHAEFFLER GROUP AEROSPACE



200 Park Avenue P.O. Box 2449 Danbury, CT 06813-2449 USA Telephone 203-744-2211 Fax 203-794-8205

To Members of the Labor Committee:

My name is Jeannine Frink, Director of Human Resources at the Barden Corporation, 200 Park Avenue, Danbury, CT

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Janua Grik 2/4/09





February 4, 2009

Labor Committee Hartford, CT

To Members of the Labor Committee:

My name is Linda Irish-Simpson and I am the Human Resources Manager at Standard Manufacturing Group location in Bristol. We are a small manufacturing company attempting to create jobs and products in an unfavorable and difficult state to do business in.

I would like to express my opposition to HR 6187 requiring mandatory paid sick leave. Although we are a small manufacturer, we do offer three days per year to all employees. This is a fair amount of time and all that we can reasonably expect to afford in the current business climate.

If this bill is passed during this fiscal crisis, we would be forced to pay thousands of dollars to employees each year in addition to the two weeks vacation we allow. This affects our cash flow, our profit and our productivity in a time when paying vendors, payroll and other expenses are becoming more and more difficult. This could potentially force us to lay off individuals and could discourage job growth.

I do not feel this bill is a good one and it would unfavorably impact businesses in Connecticut. Please vote "No" on this bill and work to reduce our costs of doing business so we can continue to grow and add jobs.

Sincerely,

Linda Irish-Simpson Human Resources Manager

70 Horizon Drive, Bristol, CT 06010

ph: 860 585 7965

fax: 860 585 1309





February 6, 2009

To Members of the Labor Committee

My name is Paul Murgo, President/Owner at Tri-Lift, Inc. a Materials Handling Company located in New Haven, Conn. I currently employ 93 employees.

I am writing to voice my opposition to a proposed Paid Sick Leave Mandate. House Bill 6187 My understanding of this would require Connecticut employers to provide paid sick leave to all employees at a minimum of 1 hour paid time off for every 40 hours an employee works. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

Employers in today's economic times need flexibility to design and negotiate Employers in today's economic times need tlexibility to design and negonate their own benefit and time paid off policies that best meet the needs of their employees, business demands, and productivity needs. If this policy were enforced I would have difficult choices to make as to how to control rising costs with no increases in revenue. That could mean reducing or cutting other employee benefits, or possible job losses. This proposed bill I feel would be detrimental to my business I feel that lawmakers should look to help employers by encouraging growth not by mandating more costs

I urge you to reject this proposal and work with the business community to control ever rising labor and workplace costs in Connecticut

Cent rence

Paul Murgo President Tri-Lift, Inc.

Thank-you

180 Main St. New Haven, CT 06512

SALES . SERVICE . RENTALS . PARTS

□ 180 Main Street, New Haven, CT 05512 (203) 457-1886 Fax (203) 469-4652 □ 20 Karmas Street, Albany, NY 12205 (516) 453-0561 Fax (518) 453-0578 □ 650 Berksfilre Avenue, Indian Orchard, MA 01151 (413) 543-5438 □ Westchester. New York (600) 479-5438 □ Pialmview, Long island (616) 694-5438





February 6, 2009

To Members of the Labor Committee:

My name is Michael R. Paine, President of Paine's Incorporated, a recycling and rubbish removal company located in the Farmington Valley. We are a family owned business and have been providing services to homes and business in Hartford and Litchfield Counties for the last 80 years

I am writing to voice my opposition to <u>HB-6187</u>, which would require that Connecticut employers provide paid sick leave. This unnecessary mandate, if passed, will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees and force Paine's to reduce our package of benefits that we currently offer.

It is my understanding that no other State requires that companies offer this unnecessary and extremely costly benefit. I also understand that this mandate will only be required of private businesses. To pass a bill that requires only private companies raise their expenses in these economic times is wrong and further more sends a very bad message to anyone in business.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed.

Michael R. Paine

President

Paine's Incorporated



William A Manthey Vice President/CFO

February 6, 2009

To Members of the Labor Committee

My name is William A Manthey, Vice President and CFO at Bridgeport Fittings, Inc. in Stratford, CT.

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

In a manufacturing business, time off is more expensive because machines that feed work to other workers are shutdown. Absenteeism is difficult to control when workers are not getting paid. Passing this bill will magnify the problems we face in manufacturing. Our company has a fair vacation policy that was designed to encompass sick and personal days. The State of Connecticut should not be dictating we expand it

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

William A. Manthey

Wa Manthey

VP/CFO



To the Members of the Labor Committee:

My name is Russell Paine and I am Vice President and an owner of Paine's Inc. My company has been an owner operated family business for the past 80 years. We are proud to provide our customers with excellent recycling and waste removal service along with fair and reasonable prices in and around the Farmington Valley area.

I am writing to voice my opposition to HB-61874 which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide to our employees.

At Paine's we take a great deal of pride in providing our employees and their families with the best benefit package our market can endure but we are a small business and this perceived benefit will ultimately end up being paid by those very people who this bill purports to be protecting. Allowing this proposal to pass, especially in the current economic climate, will impose an undue burden on my company and my customers. Should this proposal pass, it will add an additional 60 to 80+ hours per year, per employee to our payroll with increased absences.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Russell A. Paine Vice President Paine's Inc

000620

American Metal Crafters LLC 695 High Street Middletown, CT 06457 (860)343-1960 Fax(860)343-1965

February 6, 2009

To Members of the Labor Committee

My name is Donna Noonan, managing member at American Metal Crafters LLC a metal box manufacturer in Middletown, CT.

I am writing to voice my opposition to FIB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We need to cut costs not increase them. We are already competing with products from Mexico at a reduced rate of 30% to 35%. The last thing we need to do is drive more people out of business.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut Thank you

Signed.

Donna Noonan Managing Member

American Metal Crafters LLC

To Members of the Labor Committee:

My name is Kathryn Sirico and I am the Owner of Curls Unlimited of Westport LLC dba Greg & Tony Salon, 231 Post Road West, Westport, CT 06880.

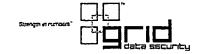
I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees. This would be detrimental to a small business and impossible to survive

We urge you to reject this proposal and work with the business community to control labor and the workplace costs in Connecticut

Kathryn Sirico

Greg & Tony Salon 231 Post Rd West Westport CT 06880 203-226-6839 SyferLock Technology Corporation 250 Pequot Avenue Southport , CT USA 06890 | www SyferLock com

Paul G. Sıtar – CEO | email. psitar@SyferLock com phone: 203 292.6268 | fax. 203 292.5440



2/06/2009

To Members of the Labor Committee:

My name is Paul Sitar, CEO at SyferLock Technology Corporation, a software manufacturer based in Southport, CT

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut.

Thank you very much for your time and attention to this matter.

Sincerely,

Paul Sitar, CEO



The Eastern Bag & Paper Group 200 Research Drive Milford, CT 06460-2880

(203) 876-3530 FAX (203) 783-1886

To Members of the Labor Committee:

My name is Joseph LoPresti, V.P., Human Resources at the Eastern Bag & Paper Group located in Milford, CT. I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Joseph Tothest



585 Hazard Ave Enfield, CT 06082 Phone: (860) 749-0428 * Fax: (860) 749-3494

To Members of the Labor Committee:

My name is Nicholas, owner of Millie Lou Enterprises d/b/a Comfort Keepers #554 a provider of non-medical home care to the elderly in North Central Connecticut.

I am writing to voice my opposition to <u>HB-6187</u>, <u>which</u> would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

At a burdened rate of say \$13.00, it equals almost \$700 per employee. With that added cost and difficulty passing this on to clients, it creates an undue hardship. Particularly as registries who do not employ their caregivers would essentially be exempt from this. If we did take on the addition expense we would have to eventually pass this on to our senior clients, essentially raising costs for those already struggling on fixed incomes.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Nicholas Mıller Owner

Affordable, Non-Medical In-Home Services For The Elderly, New Mothers And Those Recovering From Illness

- Meal Preparation In-Home
- Companionship Care
- Light Housekeeping
- Errand Services
- Grocery Shopping
- Transportation Services
- 24 Hour Care Available
- Daily "TLC" Phone Calls
- Laundry & Linen Washing
- Clothing Shopping
- Free In-Home Consultations
- Recreational Activities



February 23, 2009

To Members of the Labor Committee:

My name is Verna A. Moran, Vice President of Human Resources at the Seitz Corporation located at 212 Industrial Lane, Torrington, CT 06790

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

This proposal will have a negative impact on many small companies such as Seitz Corporation who are currently struggling due to the economy.

Any additional cost incurred will lead to the need to reduce cost in other areas including jobs lost.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Your support in rejecting this proposal is needed more than ever during this economy time. Thank you.

Sincerely,

Verna A. Moran VP of Human Resources Seitz Corporation



SPECIALISTS IN PRECISION INJECTION MOLDING TECHNOLOGY

February 12, 2009

Department of Labor

To the members of the Labor Committee,

I am Mortimore H. Saffran, CFO of Stelray Plastic Products, a company that does contract injection molding of plastic products, located in Ansonia.

Our business is a very, very competitive.

We have survived for over 50 years in the manufacturing of plastic products, competing against past and present low cost counties such as China, Mexico and India, by being as creative as possible and controlling all costs, maintaining low overhead, and efficient operations.

For a small company we do offer, what we consider fair benefits but there is a limit

Competition from the low cost countries plus competition from low cost states in this country, have made it most difficult for us to survive and create employment here.

We employ approx. 35-40 individuals (having grown from 4 employees) all residents within a 15 mile radius of this facility.

Most have been with us for many years, which is indicative of their satisfaction working for us.

The proposal to give a mandatory compensated sick leave will indeed contribute to costs, as it will be necessary to provide for this new layer of cost and you can be certain human nature and the desire to take advantage will prevail. Certain individuals will find way to abuse the intention of your proposal and thus drive up our costs even further.

May I suggest, why not have employers allow employees to trade vacation time as a substitute for sick time. That way the burden on businesses will not be as great. Employees would tend not to abuse the plan.

We absolutely urge you to reject the proposal of mandatory paid sick leave . The burdens



SPECIALISTS IN PRECISION INJECTION MOLDING TECHNOLOGY

on business have become almost unbearable. Proof of the problems of this state are well seen driving around through industrial parks and towns that were heavily industrialized and seeing the "For Rent" and "For Lease" signs on industrial properties, as well as the many "For Rent" and "For Lease" signs in all the shopping centers and malls, because of the loss of employment by the citizens of Connecticut and there inability to shop.

Once and for all we all must face the facts – Benefits and perks must be controlled with absolute limitations if this state and this nation is to survive as a progressive and leading democracy and industrial nation.

History has shown what happens to great nations when they become too indulgent.

Respectifully your,

Montimore Saffran

CFO



KRONENBERGER & SONS RESTORATION, INC.

Members of the Labor Committee,

I am Brian Kronenberger President of Kronenberger & Sons Restoration, Inc. located in Middletown, CT. My firm is a general contractor specializing in restoration and renovation of historic structures with approximately fifty Connecticut employees.

I must express my strong opposition to HB-6187 which would require my firm to provide paid sick leave to my Connecticut employees. I presently provide health insurance and short and long term disability insurance for all employees. The company's average per hour contribution for the health insurance alone is over \$5.75 per employee. This bill will substantial increase my business costs and will force me eliminate the benefits I presently have in place.

As a small business owner presently operating in the worst economic climate the world has experienced since the Great Depression I strongly urge this committee to reject <u>HB-6187</u> and focus on working with the business community to control the costs of doing business in Connecticut.

Sincerely,

Brian T. Kronenberger

President

Kronenberger & Sons Restoration, Inc.

175 INDUSTRIAL PARK ROAD, MIDDLETOWN, CONNECTICUT 06457
PHONE: 860.347.4600 • FAX: 860.343.0309 • WWW.KRONENBERGERSONS.COM
Major Contractor #900144 • Home Improvement Contractor #552121

Affirmative Action / Equal Opportunity Employer



To Members of the Labor Committee

My name is Robert J. Moore, PT, CEAS, CEO & Founder at the Moore Center for Rehabilitation in Darien, CT.

I am writing to voice my opposition to <u>HB-6187</u>, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees

We currently employ approximately 60 full-time and part-time employees We estimate the extra costs to our business by the passing of this bill will be \$42,000, not including business interruption from the added incentive that employees will now have to call in sick. This shockingly high price tag will surely force us to reduce our hiring and even lay off workers. Please consider the burden this will place on all companies in these very tough economic times.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you

Signed,

Robert J Moore, PT, CEAS, CEO & Founder



February 4, 2009

Labor and Public Employees Committee Room 3800, Legislative Office Building Hartford, CT 06106

RE: House Bill 6187

Dear Members of the Labor Committee:

I write to you in my capacity as President and Chief Executive Officer of Simsbury Bank to express opposition to HB-6187.

Simsbury Bank focuses exclusively on meeting the banking and investment services needs of businesses and consumers in Connecticut. In addition to helping our customers achieve their goals with our financial expertise and products, we contribute to Connecticut's tax base and quality of life by providing employment to approximately 60 people with compensation and benefits, including paid time off, that are competitive. We compete with banks ranging from other Connecticut community banks to the nation's largest bank.

The proposed HB-6187 would place an unnecessary and anti-competitive burden on Connecticut's local as well as regional and national mega-banks. This bill would add to what is already an excessive burden of regulations that makes Connecticut among the least competitive in the nation to start, move or grow a business. It will serve to reduce job opportunities for our residents by discouraging businesses from expanding here. And, for companies like Simsbury Bank that provide employees with a paid time off ("PTO") allowance to be used for any purpose they choose — whether vacation, personal days, sick days or any other purpose — imposition of a required accrual of sick days would create a new monitoring and tracking requirement that we choose to eliminate when we moved to a PTO approach.

The Simsbury Bank & Trust Company Administrative Offices 760 Hopmeadow Street • PO Box 248 Simsbury, CT 06070-0248 Tel 860 408 5493 • FAX 860 408 4679 www.simsburybank.com

000631

February 4, 2009 Page 2

Please reject. HB-6187 and embrace the notion that Connecticut competes in a global economy and we must do all we can to become an economic development friendly State so that we and our children will enjoy the benefits of economic opportunity.

Martin J. Geitz
President and Chief Executive Officer

Kia Murrell, CBIA cc:



02/06/2009

To Members of the Labor Committee:

My name is William Waseleski, President at the Century Spring Mfg Co Inc, 454 Middle St., Bristol, CT 06010

I am writing to voice my opposition to HB-6187, which would require Connecticut employers to provide paid sick leave. This proposal will substantially increase our business costs and could force us to reevaluate the other benefits we provide our employees.

We urge you to reject this proposal and work with the business community to control labor and workplace costs in Connecticut. Thank you.

Signed,

Wılliam Waseleski