

HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

Your Home
Is Our
Business

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February 21, 2017

To: Senators Gomes and Miner, Representative Porter, Co-Chairs

Representative Bocchino, Ranking Member

Members of the Labor & Public Employees Committee

From: Bill Ethier, CAE, Chief Executive Officer

Re: Support for HB 6218, AA Requiring Recipients of Unemployment

Compensation to Verify They Are Seeking Employment Support for HB 6461, AAC Unemployment Compensation Support for HB 6202, AAC Unemployment Compensation

The HBRA of Connecticut is a professional trade association with about eight hundred (800) member firms statewide employing tens of thousands of CT's citizens. Our members, <u>all small businesses</u>, are residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry and to consumers. We build between 70% to 80% of all new homes and apartments in the state each year and engage in countless home remodeling projects.

The HBRA of Connecticut supports HB 6218, 6461 and 6202. Taken individually or as a package of unemployment compensation reforms, these bills will help improve both the business climate in CT and the financial solvency of the UC Trust Fund. We realize that HB 6202 was on the hearing agenda for February 16 and apologize for including our belated support for it with our testimony today.

HB 6218 will help to reduce fraud by creating more accountability on the part of UC benefit recipients for what the law already requires recipients to do.

HB 6202, by increasing the base wages enabling an individual to become eligible for UC benefits, brings CT law closer to conformity with many other states. It modernizes our base wage that has not changed since 1968 and is now the 4th lowest in the nation. Businesses look to many things before investing in a state. Making CT competitive with other states will require changes to many areas of laws, regulations, taxes, fees and practices. Unemployment compensation reform is one of those areas we urge the legislature to embrace.

HB 6461 creates additional positive changes in our UC laws, including preventing the collection of UC benefits while receiving severance pay for all individuals and basing benefits on the average wages earned in three quarters (versus the current two) so that our system does not unfairly reward seasonal workers versus lower-paid full-time workers. Finally, we endorse the positions on UC reform provided to you by CBIA and NFIB. Please pass meaningful unemployment compensation reform this session. Thank you for the opportunity to express our views on this important topic.

Vision: "Building CT's Economy, Communities and Better Lives One Home at a Time" Mission: "Using Effective Advocacy and New Knowledge to Solve Our Member's Problems."