



**HOME BUILDERS & REMODELERS ASSOCIATION  
OF CONNECTICUT, INC.**

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*Your Home  
Is Our  
Business*

March 3, 2016

To: Senator Edwin Gomes, Co-Chairman  
Representative Peter A. Tercyak, Co-Chairman  
Members of the Labor and Public Employees Committee

From: Bill Ethier, CAE, Chief Executive Officer

Re: **HB 5367, AAC the Total Unemployment Benefit Rate and an Online  
Employment Exchange**

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, all small businesses, 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 CT strongly supports HB 5367 as it incorporates some of the necessary changes to our unemployment compensation system that will make Connecticut more competitive for businesses with other states.**

The state's unemployment compensation (UC) system needs to be fixed so that businesses here can be competitive with other states, particularly surrounding states. Employers in our three immediate neighbor states (MA, NY and RI) all pay far less in UC taxes than those located in CT. The differences lie in how various states pay out UC benefits, which is directly related to the adoption of UC benefit reforms. It is far past time CT becomes competitive and supports its business community so that we can grow jobs and our economy. Workers will then have more good paying jobs. **A strong thriving business environment with robust job growth is the best UC benefit we could offer those facing unemployment.**

We urge you to raise CT's minimum earnings threshold from \$600 and our current position as the nation's third lowest. Even at \$2,000 our ranking would be in the bottom twenty lowest thresholds. HB 5367 is a necessary start to reforming our UC system.

We need to get the unemployed back to work sooner. While a growing economy is the best remedy for that, we should also require claimants to post their resumes online to continue to receive benefits after a period of time of receiving such benefits. CT DOL can handle these postings through their current online resume system.

It's important to not compensate seasonal workers through the UC system by providing them "unearned" benefits through calculating benefits on only two quarters of work. This is not equitable to businesses or full-time workers who find themselves unemployed. A full-time

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Mission: "Using Effective Advocacy and New Knowledge to Solve Our Member's Problems."**

worker earning twice as much as a seasonal worker could receive the same UC benefit as the seasonal worker under our current system. Therefore, benefits should be based on an employee's annual salary (last four quarters), just as many other states have done.

Finally, we urge you to take action to begin to also save payout costs in reasonable ways, and consequently the taxes and assessments on businesses, by freezing the maximum weekly benefit rates for three years.

Indeed, while many other things need to be done in how we tax and regulate businesses and people, the UC reforms in HB 5367 are a necessary beginning to change CT's direction. We must change to foster growth in our economy, growth in the number of jobs, and growth in CT's wages. Again, it's the best benefit we can provide to all workers as well as the unemployed.

Thank you for the opportunity to comment on this legislation.