



Testimony of Ashley Zane  
Government Affairs Associate, CBIA  
Before the Commerce Committee  
Hartford, CT  
February 11, 2021

**Testifying in support of:**

**SB 711: AN ACT CONCERNING COVID-19 RELIEF FOR SMALL BUSINESSES**

My name is Ashley Zane and I am a Government Affairs Associate for CBIA, the Connecticut Business and Industry Association. CBIA is Connecticut's largest business organization, with thousands of member companies, small and large, representing a diverse range of industries from across the state. Ninety-five percent of our member companies employ 100 or few workers.

I am here in support of [SB 711](#), An Act Concerning COVID-19 Relief for Small Businesses. COVID-19 has had a negative impact on all businesses but has had especially devastating impacts on our state's small businesses. As we saw with the state's Connecticut Cares Program, which received over 18,000 applications with about 6,000 businesses receiving funding, the need for relief is far reaching.

The first portion of the bill would prevent insurers from increasing a businesses' insurance premiums that are based on an increased number of claims due to COVID-19. CBIA appreciates the intention behind this, however, unemployment insurance comes from payments made by businesses to the Department of Labor who then pays out these claims.

CBIA supports the second portion of this bill which would prevent the inclusion of increased claims because of COVID-19 from being used when calculating an experience rating for a business. This is critical for many small businesses who were deemed non-essential and in order to stay afloat, had to lay off employees. Being penalized for this would further burden already struggling small businesses.

Furthermore, CBIA strongly supports the exemption of personal protective equipment from the sales tax, however, CBIA would like to see this exemption made permanent. The state exempts certain items from the sales tax for a reason. Incentivizing companies to protect their workforce regardless of whether it be due of a pandemic or the general hazardous nature of their job, should be a priority of every business and supported by state tax policy. Additionally, the revenue loss from exempting safety apparel from the sales tax would amount to less than \$100,000 per year.

Lastly, CBIA supports the creation of a small business impact study when promulgating state regulations. Creating a more informed, well-rounded picture of how regulations are going to impact the state, decreases the likelihood of negative unintended consequences on the regulated community.

In conclusion, CBIA strongly supports the proposals within SB 711. We look forward to working with the committee to further develop this legislation throughout the legislative process.

We urge the committee to support SB 711.