

H.B. 5607, AN ACT CONCERNING THE USE OF COVID-19 RELIEF FUNDS TO REPLENISH THE UNEMPLOYMENT COMPENSATION TRUST FUND

Representative Walker, Senator Osten and members of the Appropriations Committee, thank you for the opportunity to submit testimony.

My name is Jennifer Gardner and I am the CEO of the Darien YMCA. I would like to share some of my thoughts regarding H.B. 5607, An Act Concerning the Use of COVID-19 Relief Funds to Replenish the Unemployment Compensation Trust Fund.

Many nonprofits opt to self-insure and make payments for unemployment insurance only when claims are filed. The self-insured system allows for reasoned risk-benefit determinations and provides protections for different sizes and types of nonprofits. Plus, the system encourages nonprofits to refrain from over-hiring to avoid significant layoffs, and thereby keeps unemployment insurance costs under control.

The pandemic has meant nonprofits faced an unexpectedly large insurance bill. By all accounts, these bills are one of the most problematic issues facing YMCAs statewide in 2021, because Ys laid off or furloughed 70-90 percent of their staff during the pandemic.

I respectfully urge you to cover non-profits unemployment burden to lessen this financial strain on YMCAs in Connecticut, so that we will be able to continue to serve our communities during these unparalleled times.