

April 8, 2021

Dear Governor Lamont and Members of the Connecticut General Assembly,

We write to express our unified opposition to the proposed new state health insurance tax that will raise costs for local businesses and working-class families throughout Connecticut. Simply put, now is the worst possible time to increase costs on hard-working residents who cannot afford to have their health coverage jeopardized as we work to recover from this pandemic.

Taxing the health insurance that local businesses and their employees purchase runs counter to the idea of protecting coverage for all Connecticut workers and families. Working individuals in Connecticut need their health coverage, now more than ever. They cannot afford to lose access to their doctor, local hospitals, critical services like COVID-19 testing and treatment, or the coverage they are familiar with and counting on in order to stay healthy.

Not only will this hurt middle-class families, a new tax that raises costs for some – namely local businesses and their employees – only creates greater economic uncertainty in our state. Thousands of local businesses in Connecticut are proud to provide health care for their employees. Yet, this proposed tax has the potential to force local business owners into unwanted and difficult decisions that will impact their ability to fully recover and re-open. Connecticut should not endorse such financial burdens on our employers and the local communities they serve.

Local businesses and their workers are the backbone of Connecticut's economy. They create vibrancy, culture, and economic activity in every community across our state. Adding new health insurance costs will only add to their financial pressures, leading to less coverage, fewer jobs, and limited resources for investment.

Connecticut businesses are still recovering from the 2008 recession, and now, they are trying to lift themselves and their workers out of yet another economic and public health crisis. Our local businesses, their workers, and families need the support of Connecticut's leaders in Hartford, not burdensome new taxes.

We oppose this new health insurance tax on local businesses, workers, and families. We ask you to consider the negative effect not just on Connecticut's economy but on our ability to deliver relief and support to all our communities who have been hard-hit by COVID-19.

**We respectfully urge you to protect local businesses and working-class families, and join us in opposing the proposed health insurance tax in SB 842 and HB 6447.**

Sincerely,



Connecticut Business & Industry Association



Connecticut Retail Merchants Association



Connecticut Farm Bureau



Connecticut Food Association



National Federation of Independent Business,  
Connecticut Chapter



Connecticut Restaurant Association



Connecticut Veterinary Medical Association



Connecticut Construction Industry  
Association



American Rental Association



MetroHartford Alliance



Credit Union League of Connecticut



Independent Electrical Contractors of N.E.



New England Tire & Service Association



CT Association of Community Pharmacies



Lumber Dealers Association of Connecticut



Connecticut Benefit Brokers



Greater New Haven Chamber



Waterbury Regional Chamber of Commerce



Greater New Britain Chamber of Commerce



Connecticut Lodging Association



Northwest Connecticut Chamber of Commerce