

Dave Crouse

To the Pa. House of Representatives Majority Policy Committee,

Freshman Rep Tim Twardzik recently spoke about a problem that our local hospitals, St. Lukes, Geisengier, and Lehigh Valley had with the Dept of Health concerning employee badges being outdated due to "insufficient" identity, ... That "word" keeps popping up! The badges did not include the exact location name of the facility engraved on it such as, Lehigh Valley "Pottsville"

The cost to replace the badges because of the chip was something like 125K-150k dollars per facility, all because of a law written into a bill that passed sometime somewhere! Tim was successful in getting it changed, saving our Hospitals from "the insufficient identity law! He is now my newest favorite hero!

The same thing happened to me: a letter dated July 13 2022 Show letter.... A law, a bill that was passed probably long before Covid was ever a household word, spread by a Country through neglect or by reason, that has affected our World, our Economy, our Businesses, our Churches, our Schools, our Communities , and our Loving Families!... "All Without recourse!" and Why?

My business was shut down for no fault of my own. Zero negligence on my part. I played by the rules and listened to the science which we now know was a lie yet we seem to let it slide. I am not a follower, I'm a leader and free thinker, that is why I've survived 48 years in business.

To just sit back and take it doesn't fare well with me. I am being penalized and cannot afford to pay the ransom fee. How many of you had to make a payroll especially in today's business climate \$12-16-18-21 dollars an hour for unskilled labor plus sign on fees! No one is talking

about minimum wage; they took care of that with the labor shortage. Where have all the employees gone? I guess they left with the flowers. See I'm still trying to be nice. Rising hourly rates increase business payroll taxes. A Rising tide lifts all boats, as it fills the coffers of govt dollars to spend in places we don't belong. A subject for another day!

Why haven't we required the unemployed back to work or lose their free ride. Small businesses cannot exist without qualified help to grow and prosper, and his Country cannot survive without small businesses. When I reopened 3C's Family Restaurant , I invested in a liquor license and our plan this spring was to open evenings Thursday thru Saturday. We started opening in April on the last Thursday of every month with a venue called" Wing & Things" a marketing tool to spread the word about evening dining. It has been a huge success, but we still can't secure employees to fill the extra days needed for the entire month... and the problem is in every industry. 3C's has always been a stepping stone business that provides opportunities for ages 15-21 to experience what a good work ethic is, but their opportunity has been crushed by not having a entry level age for the inexperienced. The pool of employees is becoming a small hard to find, and without requirements to force the recipients of free money, back to work the future for small business looks bleak!

During Covid I instructed my employees to file for unemployment, as hopefully within a month we would be back to work. Within 2-3wks they received their first check, shortly after that the 600\$ check appeared. Heck I thought I'll never get them back to work. Then The PPP monies were offered by the banks, and I was encouraged to apply for monies to pay my employees to stay home? Wasn't that what unemployment was for? So they came up with a program to avoid unemployment, monies that employers and employees paid in during a lifetime to leave at the table! Just use PPP. As always when you figure

them out the response is " you just don't understand! yeah right...Then I found out if I received PPP my employees unemployment would stop ,you couldn't have both, plus I couldn't get an answer to the question if PPP was free or would it have to be paid back?, and they said it depended on how you spent the money? They were unclear on how this actually worked because all the rules had not been determined. No way was I going to end up with the possibility of taking a loan with a closed business! Maybe that's why I survived 48 years in business! I always lived by the rule and taught my sons and young employees there is no free lunch ..someone has to pay for it! So we continued with the traditional unemployment and my employees were happy about it.

Now....to the issue I spoke about earlier...Let me explain how this U.C.% rate increase affects my bottom line. How would you like to get a 20% increase in your hourly wage? Your yearly wage?

Do the math in your head...probably dreaming about how you would spend it or better yet how would you save it for the next and newest covid scare. Now let's look at the possibility of a 20% reduction in your hourly wage or yearly wage...quite a different picture ...where will I cut corners and yes that vacation we were planning is not going to happen, and what about our children's college fund, your grandchildren.. What about their fund?

Oh yeah, our grandchildren will be busy paying for the trillions and trillions of dollars spent on this masquerade we have been living ,watching money being spent like drunken sailors!

My cost due to the U.C. rate increase is 20% . My 1st quarter old rate was \$444.20 with the new rate adding \$1930.37 to the 444.20 totals \$2374.57 for the first qtr. of 2022... and with higher wage employees I estimate over \$8000.00 more than last year!

probably closer to 10k. What about my cash flow? It's been redistributed to the unemployment fund to help pay for the recipients that should be required to return and get back to work. I'm not even trying to be funny about this. I'm outraged and well I would rather not say what's on my mind!!! This is a vicious cycle that most of your colleagues have allowed to exist on our hard earned dollar. But the good news is you can change it and the offer is there to work with the L&I Staff to change this particular law that affects my unreasonable rate increase. Just think..maybe that is why all of this is happening, It can be done, it's just that all of you, both parties, need to look at progress for all the right reasons. Just do what's right without concerns that may offend the naysayers. In my recent conversation with Senator Argall he mentioned to me that he would be working on sponsoring a bill and working with the House they would have to work quickly before the November session. I believe the plan is to "Amend the definition of Contribution" Sounds simple but time is of the essence as the wheels of govt. turn slowly! If a freshman Rep. Tim Twardzik can do it, it should be easy for seasoned Representatives and Senators, many of whom I've known throughout the years!

Thank you all for allowing me to vent my frustrations, as it's been an honor to speak to you today. Let us all pray for better government and God be with you in your decision making process...

I now yield my time to all of you to "Get Er Done!"

Sincerely,
David B. Crouse 3c's Family Restaurant

Dave Crouse

Jan 14,2022 Notified that my U.C. rate change from 2021 @ .012905% will increase in 2022 to .061916% At this time everyone working at U.C. offices were working from home.

Return calls were limited due to workload. We filed an appeal @ UCTAXPA.GOV

Jan 06,2022 "Statement of Account" Late Notice Letter

June 03,2022 Conversation Mary Beth Dougherty @ Sen Argall's office faxed 2020,21& 22 U.C rates prior and current rates

May 25,2022 Monica PAPAYROLL **3Cs Account # 5417279 3cs amount due \$1892.51, Pa Payroll amount due plus interest\$18.93 for filing quarter # 1 / 2022 are delinquent and require your attention. I have faxed you to 585-427-2293 the letter I received from Pa. Dept. of labor and industry. Please give this your Immediate attention**

June 14,2022 Senator Argall 3Cs support letter "Copy to read" about the significant increase in my U.C. rate

June 16,2022 Response to Appeal Denied U.C. # 5417279 determination, "**Insufficient employment experience**" You did not pay contributions in each of the 12 month periods(fiscal years)required by your employer group.... "**As defined in the law**" **ahh! Now we are starting to get somewhere...** where did the law come from

June 29 2022 I put my pen to a letter. Dear Secretary of labor and industry... I'm really trying to be nice but.... I can't stop thinking about this insufficient employment experience stuff!

July 13,2022 I guess my letter may have drawn some attention ??
Response from L&I , Jennifer Berrier to Sen Argall Concerning support
Letter for 3Cs about the significant increase in my U.C. rate... she
comments about the complex formula set forth by the U.C. law...see
where this is going? Because the calculation of these tax rates is
statutory ,there is no flexibility under the state U.C. law for the dept. of
L & I to adjust tax rates for businesses Any such flexibility would require
a legislative change to the state UC Law. then goes on saying my stall
and I are ready and willing to work with you and your office to
craft legislation for a solution! see they are pointing the finger at you!
But it doesn't stop here!

July 21,2022 Response from Collette A Runkle, Assistant Director UC
TAX SERVICES Dear Employer, that's me! The office of UC Tax services
is forwarding your 2nd appeal to The UC tax review for their
adjudication. Now we have 2 more offices, but it seems like progress,
stay positive....

July 22, 2022 The very next day Read letter.....or part thereof Dear
parties now I'm part of the party

Aug 4,2022 A significant date! A request for me to join this hearing
to testify on how the pandemic has affected my business. August 4th
2021 was when I reopened America at 3Cs Family Restaurant,
sometime I ask myself what I was thinking ...but I try to stay positive
because I believe we can all learn something from this ... but in my
mind.. there's that statement again insufficient employment
experience!

3C's Family Restaurant
2212 Centre Turnpike, Orwigsburg, PA 179611

June 30, 2022

Deputy Secretary of Labor & Industry
c/o UC Tax Review Office
Room 1113
651 Boas Street
Harrisburg, PA 17121

Dear Deputy Secretary of Labor & Industry:

This letter is in response to your correspondence of 6/16/22 in reference to my letter on 1/14/22 appealing the Unemployment Compensation (UC) contribution rate of 0.61916 assigned to my account for 2022.

Your letter stated employers with "insufficient employment experience" and/or "sporadic employment history" are assigned the standard rate. We did not have a sporadic employment history and insufficient employment experience should not apply to us. The circumstances surrounding COVID are not normal circumstances.

3C's Family Restaurant has been in business for over 45 years and has not had one claim due to our fault in that time period. We have employed workers from all ages year round and have helped employees move ahead to life-long career jobs. We partnered with area agencies providing in house assessment employment to special needs clients enabling them to fit into society's workforce. Our track record of employment experience is above and beyond the average employer in our area.

Prior to Covid, most of our employees had been with us for long term without any problems that would affect our UC rate. During Covid businesses were forced to close and were only allowed to open if they were considered essential, and then only allowed to open @ 25% capacity. Any successful business operator knows their business and limited capacity is not an option. Sadly, many businesses closed. As for myself I chose to ride it out exhausting my financial savings personal & business but was looking for a safe time for our staff, family, friends, and loyal customers to return to 3C's Family Restaurant.

At that time Jan. 2021 Gov. Wolfe still urged businesses to remain closed along with many other states. These precautions were put in place to protect the American people. Unfortunately, this kept consumer confidence down which was expected, but also placed the burden on the business entrepreneur not knowing how to move ahead on a sound business plan. I knew that I had one chance to reopen, especially with limited start-up capital to re-tool my business, and when the word on the street was that customer numbers were steadily climbing and bordering States were opening up, we decided to open up America, as we reopened our doors on Aug 4, 2021. It was a

proud moment for us, and our dedicated customers came back, and we have been on the treadmill ever since. Little did we know, we were faced with employee and supply shortages, rising prices on products, wage surcharges, escalating energy prices and now \$5. and up fuel prices, that affects our business plan and puts financial strain on our survival.

Never did I believe that we would be penalized with this unreasonable surcharge in our UC rate. When Covid hit we were told that this would not affect our rate, never was notified that there was a timeline, and only now being notified 6 months later that my appeal is denied. Something is extremely wrong with this action and needs to be investigated.

I ask with a sincere request that you reinstate our rate to reflect sufficient employment experience to 0.012905.

Regards,

David B. Crouse