



Senate

General Assembly

File No. 216

January Session, 2003

Substitute Senate Bill No. 1016

Senate, April 8, 2003

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING OWNER-CONTROLLED INSURANCE PROGRAMS ON STATE AND MUNICIPAL CONSTRUCTION PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) There is established a task force
2 to study the use of owner-controlled insurance programs on state and
3 municipal construction projects. The study shall examine the current
4 experience with such programs and shall determine whether the use of
5 such programs on state and municipal construction projects should be
6 prohibited or limited.

7 (b) The task force shall consist of the following members:

8 (1) Two appointed by the speaker of the House of Representatives,
9 one of whom shall represent a contractor who is a party to a state or
10 municipal construction contract in which an owner-controlled
11 insurance program is required;

12 (2) Two appointed by the president pro tempore of the Senate, one
13 of whom shall represent a contractor who is a party to a state or
14 municipal construction contract in which an owner-controlled
15 insurance program is required;

16 (3) One appointed by the majority leader of the House of
17 Representatives;

18 (4) One appointed by the majority leader of the Senate;

19 (5) One appointed by the minority leader of the House of
20 Representatives;

21 (6) One appointed by the minority leader of the Senate;

22 (7) The Commissioner of Administrative Services, or the
23 commissioner's designee;

24 (8) The Commissioner of Public Works, or the commissioner's
25 designee; and

26 (9) The Insurance Commissioner, or the commissioner's designee.

27 (c) Any member of the task force appointed under subdivision (1),
28 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
29 of the General Assembly.

30 (d) All appointments to the task force shall be made no later than
31 thirty days after the effective date of this section. Any vacancy shall be
32 filled by the appointing authority.

33 (e) The speaker of the House of Representatives and the president
34 pro tempore of the Senate shall select the chairpersons of the task
35 force, from among the members of the task force. Such chairpersons
36 shall schedule the first meeting of the task force, which shall be held no
37 later than sixty days after the effective date of this section.

38 (f) The administrative staff of the joint standing committee of the
39 General Assembly having cognizance of matters relating to insurance

40 shall serve as administrative staff of the task force.

41 (g) Not later than January 1, 2004, the task force shall submit a
42 report on its findings and recommendations to the joint standing
43 committees of the General Assembly having cognizance of matters
44 relating to insurance and government administration, in accordance
45 with the provisions of section 11-4a of the general statutes. The task
46 force shall terminate on the date that it submits such report or January
47 1, 2004, whichever is earlier.

This act shall take effect as follows:	
Section 1	<i>from passage</i>

INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Type	FY 04 \$
Legislative Mgmt.	GF - Cost	Potential Minimal
Pub. Works, Dept.; Admin. Serv., Dept	GF - None	None
Insurance Dept.	IF - None	None

Note: GF=General Fund; IF=Insurance Fund

Municipal Impact: None

Explanation

The bill establishes a task force to study the use of owner-controlled insurance programs on state and municipal construction projects. The bill appoints the commissioners of the departments of Administrative Services, Public Works, and Insurance, or their designees, to serve on the task force, which will result in no fiscal impact to these agencies. To the extent that legislators are appointed to the task force, Legislative Management may incur minimal costs, estimated to be less than \$2,000, for legislator mileage reimbursement. The bill requires the staff of the Insurance and Real Estate Committee to serve as the administrative staff of the task force, which will result in no fiscal impact.

OLR Bill Analysis

sSB 1016

AN ACT CONCERNING OWNER-CONTROLLED INSURANCE PROGRAMS ON STATE AND MUNICIPAL CONSTRUCTION PROJECTS**SUMMARY:**

This bill establishes an 11-member task force to study the use of owner-controlled insurance programs on state and municipal construction projects. The study must examine the current experience with such programs and determine whether their use on state and municipal projects should be prohibited or limited.

By January 1, 2004, the task force must submit a report of its findings and recommendations to the Insurance and Real Estate, and Government Administration and Elections Committees. The task force terminates on the date it submits its report or January 1 2004, whichever is earlier.

EFFECTIVE DATE: Upon passage

TASK FORCE MEMBERS

The task force consists of the following members:

1. two members each appointed by the House speaker and the Senate president pro tempore, one of whom must represent a contractor who is a party to a state or municipal construction contract in which an owner-controlled insurance program is required;
2. one member each appointed by the House and Senate majority and minority leaders; and
3. the commissioners of Administrative Services, Public Works, and Insurance or their designees.

Legislative leaders may appoint legislators. The speaker and president pro tempore must select the task force chairperson from among the

task force members. The chairperson must schedule the first task force meeting within 60 days of the bill's effective date.

The administrative staff of the Insurance and Real Estate Committee must serve as administrative staff for the task force.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 17 Nay 0