



General Assembly

**Amendment**

January Session, 2005

LCO No. 7658

**\*SB0114707658SD0\***

Offered by:

SEN. LOONEY, 11<sup>th</sup> Dist.

REP. DONOVAN, 84<sup>th</sup> Dist.

To: Subst. Senate Bill No. **1147**

File No. 710

Cal. No. 493

**"AN ACT CONCERNING EMPLOYEE HEALTH SECURITY."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2005*) As used in sections 1 and 2  
4 of this act:

5 (1) "Covered employer" means: (A) On and after October 1, 2005, an  
6 employer that employs five thousand or more employees, (B) on and  
7 after October 1, 2006, an employer that employs two thousand five  
8 hundred employees, (C) on and after October 1, 2007, an employer that  
9 employs one thousand or more employees, and (D) on and after  
10 October 1, 2008, an employer that employs five hundred or more  
11 employees; and

12 (2) "Employer" means an employer that is subject to chapter 567 of  
13 the general statutes, excluding the state, any political subdivision of  
14 the state or any quasi-public agency, and includes a franchisor with

15 franchisees that employ collectively five thousand or more employees  
16 in the state.

17 Sec. 2. (NEW) (*Effective July 1, 2005*) (a) On and after January 1, 2006,  
18 and annually thereafter, all covered employers shall pay a Health  
19 Security Surcharge to the Commissioner of Social Services. Such  
20 surcharge shall be equal to twenty-five per cent of the hourly  
21 minimum wage then in effect, multiplied by the total number of hours  
22 worked by each employee during the year for which the surcharge  
23 applies, to a maximum of forty hours per week worked for each  
24 employee. Each covered employer providing health care benefits or  
25 making payments to an employee in lieu of health insurance benefits  
26 declined by such employee shall receive a credit for the employer's  
27 costs for all such health benefits, and for all such payments, against the  
28 entirety of the surcharge due under this section. The surcharge,  
29 reduced by any credit allowable under this section, shall be payable at  
30 the time state income taxes, payable under chapter 208 or 229 of the  
31 general statutes, as appropriate, are paid by the covered employer for  
32 the applicable tax year. All amounts collected under this section shall  
33 be deposited into the General Fund to defray the costs to the state of  
34 providing health coverage to employees of covered employers. Any  
35 funds in excess of those needed for such purpose shall be used to  
36 defray additional state expenses for covering uninsured or  
37 underinsured patients.

38 (b) Any new employer or existing employer that previously was not  
39 subject to subsection (a) of this section shall, not later than one month  
40 after the date it becomes a covered employer subject to said subsection  
41 (a), begin complying with the provisions of said subsection (a).

42 (c) Any existing employer previously subject to subsection (a) of this  
43 section, but no longer subject to said subsection (a), shall notify the  
44 Commissioner of Social Services in a manner prescribed by that  
45 department not later than fifteen days after such change before  
46 discontinuing compliance with the provisions of said subsection (a).

47       Sec. 3. (NEW) (*Effective July 1, 2005*) The Commissioner of Social  
48 Services, in conjunction with the Commissioner of Revenue Services,  
49 shall adopt regulations, in accordance with the provisions of chapter  
50 54 of the general statutes, to carry out the purposes of sections 1 and 2  
51 of this act."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	New section
Sec. 2	<i>July 1, 2005</i>	New section
Sec. 3	<i>July 1, 2005</i>	New section