

Statement

Insurance Association of Connecticut

Labor and Public Employees Committee

March 14, 2006

SB 652, An Act Concerning The Definition of Presumptive Dependents Under The Workers' Compensation Act

The Insurance Association of Connecticut opposes SB 652, An Act Concerning The Definition of Presumptive Dependents Under The Workers' Compensation Act.

Under SB 652, "presumptive dependent" status will be determined as of the date of the employee's death, rather than the date of injury. This will create administrative problems for insurers, as Voluntary Agreements would apparently have to be reissued each time a claimant's dependency status changes. SB 652 also creates the potential for markedly increased workers' compensation costs in instances where the presumptive dependent is first established after the date of injury.

SB 652 is written to be retroactive to October 1, 1996, which would apparently create the requirement to reopen previously closed files and pay benefits which did not exist in the statute at the time of injury or death and for which no premiums were ever charged or received.

SB 652 will result in increased and unfair administrative and benefit costs for insurers and employers. IAC urges rejection of SB 652.