



General Assembly

Substitute Bill No. 462

February Session, 2006

* SB00462LAB__031506__ *

AN ACT CONCERNING A FAIR SHARE HEALTH CARE SURCHARGE.

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

1 Section 1. (NEW) (*Effective October 1, 2006*) As used in sections 1 to 3,
2 inclusive, of this act:

3 (1) "Covered employer" means an employer that employs five
4 thousand or more employees in the state and whose primary business
5 operation is as a retailer included in the North American Industry
6 Classification System Code 44-45 (Retail Trade); and

7 (2) "Employer" means an employer that is subject to chapter 567 of
8 the general statutes, excluding the state, any political subdivision of
9 the state or any quasi-public agency.

10 Sec. 2. (NEW) (*Effective October 1, 2006*) (a) On and after January 1,
11 2007, and annually thereafter, all covered employers shall pay a Fair
12 Share Health Care Surcharge to the Labor Commissioner in an amount
13 equal to two dollars and fifty cents, indexed annually to the medical
14 care component of the consumer price index for all urban consumers,
15 multiplied by the total number of hours worked by each employee
16 during any year for which the surcharge applies, to a maximum of
17 forty hours per week worked for each employee.

18 (b) Each covered employer providing health benefits to its

19 employees or making payments to employees in lieu of health benefits
20 declined by such employees shall receive a credit against the entirety
21 of the surcharge due under subsection (a) of this section. The amount
22 of such credit shall be the employer's cost to provide "medical care" as
23 defined in Section 213(d) of the Internal Revenue Code of 1986, or any
24 subsequent corresponding internal revenue code of the United States,
25 as from time to time amended.

26 (c) Each covered employer shall pay the Fair Share Health Care
27 Surcharge, reduced by any credit allowable under subsection (b) of this
28 section, to the Labor Commissioner not later than thirty days after the
29 end of each calendar year, or the end of any other period as
30 determined by said commissioner, for which said surcharge is due. All
31 amounts collected under this section shall be deposited into the
32 account established in subsection (d) of this section.

33 (d) There is established, within the General Fund, a separate and
34 nonlapsing account to be known as the "fair share health care account".
35 Said account shall contain any moneys required by law to be deposited
36 in the account. Investment earnings credited to the assets of the
37 account shall become part of the assets of the account. Any balance
38 remaining in the account at the end of any fiscal year shall be carried
39 forward for the fiscal year next succeeding. The moneys in said
40 account shall be used to defray the costs to the state of providing
41 health care coverage under the HUSKY Plans to employees of covered
42 employers. Any funds in excess of those needed for such purpose shall
43 be used to defray additional state expenses for covering uninsured or
44 underinsured patients.

45 (e) Any covered employer that fails to pay the Fair Share Health
46 Care Surcharge, reduced by any credit allowable under subsection (b)
47 of this section, shall be liable for interest on such amount computed at
48 the rate of one and one-fourth per cent per month or fraction thereof
49 from the date when said surcharge became due and payable.

50 (f) No employer may deduct any amount paid under this section

51 from the wages of any employee.

52 (g) Any new employer or existing employer that previously was not
53 subject to the provisions of subsection (a) of this section shall, not later
54 than one month after the date it becomes a covered employer subject to
55 said subsection (a), begin complying with the provisions of said
56 subsection (a).

57 (h) Any existing employer previously subject to the provisions of
58 subsection (a) of this section, but no longer subject to said subsection
59 (a), shall notify the Labor Commissioner, in a manner prescribed by
60 said commissioner, not later than fifteen days after such change before
61 discontinuing compliance with the provisions of said subsection (a).

62 Sec. 3. (NEW) (*Effective October 1, 2006*) Each covered employer shall
63 keep, in accordance with regulations adopted by the Labor
64 Commissioner, at the place of employment for a period of three years a
65 true and accurate record of the health insurance benefits provided by
66 the employer to its employees during such period, including records
67 showing the cost to the employer of providing such benefits, and of
68 amounts paid by the employer to employees in lieu of health insurance
69 benefits declined by such employees, and shall furnish to the
70 commissioner or an authorized representative, upon demand, a sworn
71 statement of the same. Notwithstanding the provisions of this section,
72 no employer shall be required to disclose individually identifiable
73 health information about any employee or any other information in
74 violation of the federal Health Insurance Portability and
75 Accountability Act, as amended from time to time, or of the provisions
76 of 45 CFR Parts 160 and 164, as amended from time to time.

77 Sec. 4. (NEW) (*Effective October 1, 2006*) The Labor Commissioner
78 shall adopt regulations, in accordance with the provisions of chapter
79 54 of the general statutes, to carry out the purposes of sections 1 to 3,
80 inclusive, of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006</i>	New section
Sec. 3	<i>October 1, 2006</i>	New section
Sec. 4	<i>October 1, 2006</i>	New section

LAB *Joint Favorable Subst.*