



Connecticut Business & Industry Association

**Testimony of Kia F. Murrell
Assistant Counsel, CBIA
Before the Judiciary Committee
March 20, 2009**

H.B. 6683 AAC The Resolution of Claims Involving Workers Compensation Liens

The Connecticut Business and Industry Association (CBIA) represents more than 10,000 member companies throughout the state of Connecticut, ranging from large corporations to small businesses. The vast majority of our member companies have fifty or fewer employees.

We oppose H.B. 6683 as a measure that will increase the cost of doing business for Connecticut employers in come workers compensation claims. In third party tortfeasor cases arising from workers compensation claims, H.B. 6683 will force employers to pay double the amount of legal fees in that they would have to pay for both themselves and the injured employee.

HB 6683 provides that if an employer joins in an action brought by an employee against a third party tortfeasor for a work-related injury, the employer's recovery is reduced by the amount of employee's legal fees paid to collect on the entire claim.

This legislation forces employers to pay for both their legal expenses spent intervening in the tortfeasor action and then also pay the claimant's attorney as well. In these types of cases, employers have to hire attorneys to intervene on their behalf in plaintiff's claims against third parties, otherwise they lose their right of recovery all together. Where an employer has already paid for workers compensation benefits, they will ultimately pay for the same work-related injury three times- first in workers comp benefits paid to the employee; again in hiring an attorney to represent their interests in the tortfeasor action; and a third time when their recovery proceeds are reduced by the amount of the claimant attorney's fees.

For all of these reasons, we oppose this legislation and urge the committee to **reject H.B. 6683.**