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TESTIMONY  
OF THE  
CONNECTICUT CONFERENCE OF MUNICIPALITIES  
TO THE  
INSURANCE AND REAL ESTATE COMMITTEE

March 9, 2010

CCM is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 90% of Connecticut's population. We appreciate this opportunity to testify before this joint committee on issues of concern to towns and cities.

**HB 5308 "An Act Establishing a Nonprofit Workers' Compensation Insurance Company"**

Among other things, **this proposal would unnecessarily create a workers' compensation insurance carrier** "to provide and administer workers' compensation insurance against liabilities arising under chapter 568 of the general statutes." Above and beyond an existing, viable insurance market in Connecticut – the State of Connecticut already has an assigned workers' compensation risk pool to address such matters as described in this proposal. Further, statutes already allow the establishment of interlocal risk management agencies to provide workers' compensation insurance to municipalities, and there are two.

**HB 5308 could have a negative fiscal impact on local budgets** – as it would also authorize the Commissioner of Insurance to "assess and collect" a tax of 3% on gross premiums, disguised as a "workers' compensation capital assessment."

CCM is unaware of any need for such legislation as the current market in Connecticut is alive and well. We urge the Committee to take no action on HB 5308.



If you have any questions, please call Bob Labanara of CCM at (203) 498-3000