

TESTIMONY OF KEN KATZ, ATTORNEY AT LAW, BEFORE THE APPROPRIATIONS
COMMITTEE REGARDING GOVERNOR'S BILL 6380, AN ACT CONCERNING THE BUDGET
AND ITS EFFECT UPON THE WORKERS' COMPENSATION SYSTEM

23 February 2011

Thank you for having me here, Ladies and Gentlemen. My name is Ken Katz, I am an attorney with offices in West Hartford and my practice is primarily devoted to injured workers, getting them through their injuries medically, seeing that they are financially maintained while getting necessary medical treatment, and getting them back to work. That's "BACK TO WORK", which is the goal for all of us on both sides of the aisle, whether representing Claimants or representing Employers and Insurers.

I have taken a look at the websites of every person on this Committee, and every one of them says that this is the legislature for jobs. That is commendable and vital. However, to support reductions in the workers' compensation commission's budget is probably the most anti-job action you could possibly take. I say this for several reasons. Having only three minutes, I'll condense that as best as I can.

First, and foremost, there is a Division of Workers' Rehabilitation in the Workers' Compensation Commission which retrains workers who are injured on the job and can no longer perform the functions necessary for their usual employment. This division provides retraining in many ways, from schooling through technological training and everything in between. Well, you all believe in jobs. You all seem to believe in recycling, too. This division does both. It keeps people on the job, even if it is not the one they have been doing for most of their working lives. To budget this division out of existence is to throw injured workers who cannot return to their regular employment under the bus, causing more unemployment claims and more people looking for entitlement benefits, i.e., welfare.

Second, reduction in this budget will result in basic unfairness to all involved in the system, both Claimants and Employers alike. There will be delays in the scheduling of hearings for contested matters, meaning that Claimants who should be receiving benefits and who aren't will be placed under yet more financial duress. Employers who are paying Claimants benefits to which they may not be entitled will be compelled to pay these benefits beyond the time they should have stopped. There is an expression in the law which holds that justice delayed is justice denied, and this is precisely what will happen here with a budget reduction.

Third, and of no less importance, concerns the old question, "Whose money is it, anyway?" The point here is that this is NOT TAXPAYER MONEY! The compensation system is funded entirely by insurance companies and by self-insured employers. In my view, I believe a strong case can be made that any attempt by the State to either shift money out of the compensation system into the general fund or force a reduction in the Commission's budget represents a case of conversion, which is actionable and to which the State may need to respond. The prior administration tried to commandeer IOLTA interest a year or so ago and was reprimanded by the Court. Since the funding is not performed with public dollars, there is a strong sense that the State would have exposure to the same sort of litigation.

Thank you for the opportunity to educate. I'll take any questions you may have

Kenneth B. Katz
Attorney at Law
81 South Main Street
West Hartford, CT 06107
860-561-8861
Fax: 860-561-2675