

**Testimony of Kia F. Murrell  
Associate Counsel, CBIA  
Before the Judiciary Committee  
Hartford, CT  
March 23, 2012**

**S.B.422 AAC Apportionment of Damages in Workers' Compensation Cases**

Senator Coleman, Representative Fox and other members of the Committee, my name is Kia Murrell and I am Associate Counsel at the Connecticut Business and Industry Association (CBIA). CBIA represents more than 10,000 companies throughout the state of Connecticut, but most of our members are small businesses of 50 or fewer employees.

CBIA supports this legislation.

SB 422 revises the methodology of calculating reimbursement to an employer that has paid workers' compensation benefits to an injured employee when the employee brings an action against a third-party tortfeasor and recovers damages.

Last year the legislature enacted Public Act 11-205 which revised the amount of reimbursement received by an employer that has paid workers' compensation benefits to an injured employee when the employee brings an action against a third-party tortfeasor and recovers damages. That Act provided that a right of action does not abate if the employer, insurer, or custodian fails to join the lawsuit but gives written notice of a lien

SB 422 revises that process slightly in that it will preserve employers' interests in cases to recoup their full losses against third party tortfeasors so long as they provide notice and intervene in a third-party lawsuit.

In restoring an employer's full lien recovery rights in cases where the employer intervenes in a third-party lawsuit filed by the employee, the automatic one-third reduction in the employer's lien does not apply. If, however, the employer does not intervene in the employee's lawsuit, then the one-third lien reduction would apply.

At a time when many employers are facing increased workers compensation and other labor costs, SB 422 may help some employers control those costs.

For that reason, we urge you to support SB 422.