

CCM 2013 Testimony

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LABOR & PUBLIC EMPLOYEES COMMITTEE

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The Connecticut Conference of Municipalities (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 92% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

Raised Senate Bill 823 "An Act Concerning Severe Mental or Emotional Impairment and Workers' Compensation Coverage"

SB 823 would mandate the expansion of workers' compensation coverage to *all* individuals diagnosed with post-traumatic stress disorder, as a result of witnessing the death or maiming of another human being whose death or maiming was caused by an intentional act of violence of another person -- regardless if there was any physical injury or use of deadly force.

CCM opposes SB 823 as a new, unfunded state mandate on towns and cities -- that would impose a considerably negative impact on local budgets, particularly as state aid to municipalities is being significantly altered and critical grants eliminated in the proposed state budget.

The dedication and service of our employees, particularly our first responders, is not at issue. What is at question is whether local property taxpayers -- and their hometown budgets -- should be mandated by the State to provide special mental benefits from "witnessing" a crime scene -- all without any financial assistance from the State.

CCM respectfully opposes SB 823 for the following reasons:

- **SB 823 would mandate a highly subjective and potentially costly, unfunded mandate on towns and cities.** As noted by OFA in similar proposals from years past, the costs of just one emotional stress case could be significant. Adding a highly subjective, unfunded mandate to already constrained local budgets would do great harm. **The cost of an individual "PTSD" case for either partial disability or a permanent total claim could range from several hundreds of thousands -- to over one million dollars for the duration of the claim, depending on the circumstances.**
- **Towns and cities already offer health insurance, disability leaves, and Employee Assistance Programs (EAPs) to employees suffering from mental or emotional impairments.** These existing benefits provide that police officers and other employees will receive counseling, therapy, and other essential services to assist them and their families during difficult periods.

- **SB 823 is broad and would expose municipalities to potential fraud** -- from administrative, to forensic medical/legal evaluations, to financial resources. As proposed, it would allow any individual to receive such special benefits once diagnosed by their counselor or therapist, based on their witnessing an event or emergency scene -- and would mandate such payments as long as the event was "causally connected with the employee's employment."
- The ambiguous standards established in this proposed unfunded mandate would place municipal budgets in serious jeopardy. California's experience with mandated mental-mental benefits supports this concern as: **"California workers file claims more frequently than workers in other states...The incidence of workers' compensation claims...is 22% higher than the national average."**¹

Local officials have grave concerns over the precedent this new, unfunded state mandate would impose, the subjectivity of the instances that would trigger such benefits, and the cost implications on already struggling local budgets.

It is imperative that the policy and cost implications of completely flipping Connecticut's workers' compensation system upside down are very carefully weighed. As state lawmakers deliberate means of assisting the heroes that responded to the tragedy in Newtown -- the prudent consensus is to establish a relief fund -- outside of the insurance realm -- that will effectively and efficiently provide those individuals with the assistance they need. SB 823 should be redrafted to establish the same structure prospectively -- so as to ensure the intent of this proposal is upheld, while not imposing a new, costly unfunded mandate on towns and cities -- and ultimately local property taxpayers.

Good intentions can have unintended consequences -- as would be the case with SB 823. CCM urges the Committee to **take no action on SB 823**.

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If you have any questions, please contact Robert Labanara, State Relations Manager of CCM via email rlabanara@ccm-ct.org or via phone (203) 710-0491.

¹ Rita Maroney McPeake, *Workers' Compensation Law*, in *Managing the Private Law Library* 1992, at 401, 412 (PLI Pat., Copyrights, Trademarks, & Literary Prop. Course Handbook Series No 335, 1992)