Testimony
Betsy Gara, Executive Director
Connecticut Council of Small Towns
Before the
Labor Committee
February 18, 2014

SB-56 - AN ACT CONCERNING SEVERE MENTAL OR EMOTIONAL IMPAIRMENT AND WORKERS' COMPENSATION COVERAGE.

Given the difficult budgetary pressures facing Connecticut's small towns, we are very concerned about any proposal that will increase costs on municipalities. Although state aid to municipalities has been flat funded for more than a decade, costs for providing critical services, including education and public safety, have increased dramatically.

COST certainly appreciates the intent of this proposal and values the service of our police, firefighters and other emergency personnel. However, we oppose SB-823 which could significantly increase workers' compensation costs for towns and cities.

In assessing the fiscal impact of similar measures in previous years, the Office of Fiscal Analysis (OFA) has indicated that the cost of this mandate on towns and cities could be significant. The Connecticut Insurance Department approved rate increases for workers' compensation for policy renewals on or after January 1, 2013, which included an overall rate increase of 7.1%. Expanding workers' compensation coverage at this time will further strain local budgets and put more pressure on towns to increase property taxes or lay off personnel.

Therefore, COST urges you to **oppose** **SB-56**.

COST is an advocacy organization committed to giving small towns a strong voice in the legislative process. Its members are Connecticut towns with populations of less than 30,000. COST champions the major policy needs and concerns of Connecticut's suburban and rural towns.

Connecticut Council of Small Towns
1245 Farmington Avenue, 101 West Hartford, CT 06107

Tel 860-676-0770 Fax 860-676-2662