



House of Representatives

General Assembly

File No. 311

January Session, 2015

House Bill No. 5875

House of Representatives, March 31, 2015

The Committee on Labor and Public Employees reported through REP. TERCYAK of the 26th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CLARIFYING THE MECHANISM BY WHICH WORKERS' COMPENSATION BENEFITS ARE PAID UPON AN EMPLOYEE'S DEATH.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 31-308 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2015*):

4 (d) Any award or agreement for compensation made pursuant to
5 this section shall be paid to the employee, or in the event of the
6 employee's death, whether or not a formal award has been made prior
7 to the death, to [his] the employee's surviving spouse or, if [he] the
8 employee has no surviving spouse, to [his] the employee's dependents
9 in equal shares or, if [he] the employee has no surviving spouse or
10 dependents, to [his] the employee's children, in equal shares,
11 regardless of their age or, if the employee has no surviving spouse or
12 dependents or children, to the employee's estate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	31-308(d)

LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Various State Agencies	GF, TF - Cost	At least \$795,000	At Least \$795,000

Municipal Impact:

Municipalities	Effect	FY 16 \$	FY 17 \$
All Municipalities	STATE MANDATE - Cost	Potential Significant	Potential Significant

Explanation

The bill will result in a cost of at least \$795,000 to the state to extend workers' compensation benefits to a decedent's estate. Under current law, if an individual who is receiving workers' compensation benefits dies, leaving a spouse and/or dependent children, the spouse and children can receive a survivor benefit. The state receives approximately 6,600 claims for new workers' compensation benefits annually. Over the past 10 years, there have been 40 recorded deaths of individuals who were receiving workers' compensation benefits at some time before their death. Of those 40 cases, the state is paying survivor benefits to 18. In FY 14, the cost of survivor benefits was approximately \$795,000; the average payment is approximately \$44,000 per year.

There will be a cost to municipalities to extend workers' compensation benefits to a decedent's estate. It is currently unknown what the scope is of survivor benefits at the municipal level.

Lastly, the bill does not specify for how long the benefit shall be payable to the estate. Under current law, benefits are paid until the spouse dies or remarries and to the minor children until they reach the age of 18.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of estate claims filed and the annual amount of the award.

OLR Bill Analysis

HB 5875

AN ACT CLARIFYING THE MECHANISM BY WHICH WORKERS' COMPENSATION BENEFITS ARE PAID UPON AN EMPLOYEE'S DEATH.

SUMMARY:

This bill requires a workers' compensation award or settlement to be paid to a deceased employee's estate if the employee has no surviving spouse, dependents, or children. Current law requires payment be made only to the employee's surviving spouse, dependents, or children.

EFFECTIVE DATE: October 1, 2015

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 13 Nay 0 (03/12/2015)