



Connecticut Chapter

Testimony by Chris Syrek, President of  
Associated Builders & Contractors

**Before the Labor and Public Employees Committee on February 16, 2016**  
**HB 5705 – An Act Concerning Workers' Compensation**

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Good afternoon Senator Gomes, Representative Tercyak and Members of the Committee, my name is Chris Syrek; I am the President of Associated Builders and Contractors of Connecticut (CT ABC). CT ABC is a statewide trade association of almost 200 members that represents merit shop contractors. I appreciate the opportunity to speak before the committee today on their behalf.

Workers' Compensation is essential insurance coverage provided by employers for employees who are injured on the job. Our members fully support the intent of workers' compensation to provide medical coverage and lost wages for employees injured in the workplace.

The purpose of this testimony is to bring to your attention situations that exist where the workers' compensation system is not functioning as intended. As a result, businesses (and their employees) across the state are experiencing significant and debilitating financial strains.

The continuously increasing cost of the worker's compensation system is harming Connecticut businesses and deterring future business development in our state. Some of our immediate concerns are:

- Lack of specificity in defining compensability. The definition needs to be less broad so that employers are not exposed to costs that are not associated with actual work related injuries.
- Having higher workers' compensation costs than our neighboring states such as Massachusetts. It is important that we are competitive economically within our region.
- Lags in the system between medical appointments, filing of medical reports, etc. that delay an employee's return to work and increase cost to employers.
- When an employee sustains a work related injury, caused by the negligent act of someone other than the employer, the employee receives full Workers' Compensation benefits, which we accept as fair. The employee may then, if they choose to do so, pursue legal action against the responsible third party. What is however, unfair and inequitable to the employers, is that presently the system allows for the discounting of these subrogation recoveries by one third, thus not allowing for full reimbursement for the benefits paid by the employer to the employee. The employer is then left bearing this cost which not only results in a financial impact to the employer, but these costs can negatively impact the employer's loss experience resulting in increased premiums and an increase to the experience MOD. An

increased MOD can be particularly damaging for contractors. It can create a significant disadvantage by eliminating the opportunity for them to bid on State and Municipal projects.

In closing, we believe it is essential that the current workers' compensation system be reviewed and that modernizations are made that correct the deficiencies that are harming businesses and that are not serving employees well.

Thank you for your time and consideration.

Christopher Syrek  
President, Associated Builders and Contractors