

Labor and Public Employees Committee JOINT FAVORABLE REPORT

Bill No.: HB-7046

Title: AN ACT MAKING REVISIONS TO THE SECOND INJURY FUND.

Vote Date: 3/6/2025

Vote Action: Joint Favorable

PH Date: 2/27/2025

File No.:

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SPONSORS OF BILL:

Labor & Public Employees Committee

REASONS FOR BILL:

The reason for this bill is to provide a clarification regarding how tortfeasors interact with the Second Injury Fund, to ensure that businesses can take a credit against paid losses. The fund is a state-operated workers' compensation insurance fund that pays claims involving uninsured employers, reimburses COLAs for certain injuries, and reimburses employer claims for workers who had more than one employer at the time of their injury.

RESPONSE FROM ADMINISTRATION/AGENCY:

Erick Russell, Connecticut State Treasurer: Supports the bill. States The Second Injury Fund is a workers compensation fund that pays claims for uninsured employers and employees with more than one employer. It is funded by an annual assessment on businesses. The assessment is based on the paid losses from the prior calendar year. Paid losses are indemnity, medical and other expenses paid for an injured worker. Businesses can take a credit against paid losses for "recoveries from third party tortfeasors." In some instances, businesses have attempted to deduct third party recoveries from parties other than a tortfeasor, which is not what the statute intended. The change in H.B. 7046 would clarify the statute to remove a source of confusion and to ensure that these calculations include the correct deductions.

NATURE AND SOURCES OF SUPPORT:

None provided.

NATURE AND SOURCES OF OPPOSITION:

None provided.

Reported by: Ian Graves

Date: 3/18/2025