



The purpose of the Act is to make sure child-support payments are made.

Public Act No. 17-27:

An Act concerning withholding
Workers' Compensation income
for child support.



Connecticut Interlocal Risk Management Agency
545 Long Wharf Drive, 8th Floor
New Haven, Connecticut 06511
www.CIRMA.org

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Workers' Compensation benefits are subject to withholding for child support payments.

The Act requires employers to promptly notify their Workers' Compensation benefits carrier of a child support withholding order.

Introduction

Public Act No. 17-27 makes specific notification changes to the Connecticut General Statutes 52-362(k).

“When an obligor makes a claim for Workers' Compensation benefits, the employer shall include a copy of any order for withholding received by the employer for the obligor with the employer's first report of occupational illness or injury to the employer's Workers' Compensation benefits carrier, and such benefits carrier shall withhold funds pursuant to the withholding order and pay sums withheld as required by subsection (f).”

In response to these changes, CIRMA has developed this white paper to raise awareness among CIRMA's municipal members, including Towns, Cities, Local Public Agencies, Boards of Education, Regional School Districts, Taxing Districts.

Background

Workers' Compensation benefits are subject to wage withholding orders because they are compensation payable by an employer to an employee for personal services, i.e. earnings. When there is an order, child support can be withheld from most Workers' Compensation benefits, including permanent partial disability, temporary total disability, temporary partial disability and claim settlements, because “the underlying objective (of the Workers' Compensation law) is to provide for the workman and those dependent on him” *Klapproth v. Turner*, 156 Conn 276, 279 (1968).

Application

The Act requires the benefits carrier to withhold money for child support and forward it to the State's Disbursement Unit.

The purpose of PA 17-27 is to make sure that child support is paid. Effective January 1, 2018, **an employer is required to forward the Order of Withholding to their Workers' Compensation carrier for any employee that files a Workers' Compensation claim.**

While subsection (f) has not changed, it is important to note that subsection C.G.S. 52-362(f) **requires that the first payment on a withholding order to occur within 14 days of the service of the withholding order, and that the Workers' Compensation benefits carrier must pay the sums withheld from the obligor's benefits to the State's disbursement unit within 7 business days after the obligator is paid.** The Workers' Compensation benefits carrier must also advise the state as to when the funds were withheld and the sum withheld.

C.G.S. 52-362(f) places liability to withhold and/or failure to forward payment to the state disbursement unit on the “payor of income.” The “payor of income” is in this case the employer.

Public Act 17-27 requires employers to send a copy of the withholding order to the Workers' Compensation carrier

Public Act 19-27 is effective
January 1, 2018

If the withholding order is not complied with, the "payor of income" shall be subject to a finding of contempt of court. **Failure to withhold or pay the amounts required under the Withholding Order shall result in the liability of the payor of income for the amount that should have been withheld/paid.**

For additional information on this topic, please contact your CIRMA Risk Management Consultant.

The Connecticut Interlocal Risk Management Agency, CIRMA, is Connecticut's leading provider of municipal risk financing and risk management services. A member-owned and governed agency, CIRMA provides high quality insurance for municipalities, school districts, and local public agencies. CIRMA operates two risk pools, the Workers' Compensation and the Liability-Auto-Property pool. It also provides Heart & Hypertension claims services and claims administration and risk management services to self-insured municipalities. CIRMA's financial strength enables it to provide assured rate stability, open availability, and expert risk management and claims services.

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