



DENISE L. NAPPIER
TREASURER

State of Connecticut
Office of the Treasurer

HOWARD G. RIFKIN
DEPUTY TREASURER

May 1, 2008

Dear Connecticut Insured Employers, Self-Insured Employers and Insurance Carriers,

I am very pleased to inform you that the Second Injury Fund assessment rates for insured and self-insured employers will decrease effective July 1, 2008.

The rates for insurance companies will decrease from 3.5% to 3% for insured employers, and from 2.8% to 2.4% for assigned risk policies. Concurrently, the rate for self-insured employers will decrease from 6.7% to 4.7%. The savings to Connecticut businesses from these reductions will be \$7.7 million annually.

2008 marks the tenth consecutive year in which the Second Injury Fund has either reduced or maintained the assessment rate. Please know this is an unprecedented accomplishment in the history of the Fund, and we at the Treasury are gratified to know that our continued prudent management, coupled with the aggressive reduction of long-term debt, makes it possible for us to keep assessment rates low.

To gain perspective on this achievement, a little history is in order: upon my taking office, this administration inherited substantial long-term debt, and I made it a priority to reduce rates and pay off that debt ahead of schedule. We have managed to eliminate this debt a full decade earlier – an act which has saved \$43.7 million in future interest costs.

The cumulative effect of the rate reductions since 1999 has been a net savings of \$404 million for Connecticut businesses. This reflects a total reduction of 70% in rates assessed for insurance companies and 67.6% for self-insured employers.

In addition, the success of our assessment audit program has played an important role in reducing the burden on Connecticut businesses. From the program's onset in 2000, we have recovered more than \$50 million in underpaid assessments.

In these uncertain times, my administration continues to work diligently to pass along savings to Connecticut businesses without compromising any benefits due to Connecticut workers. Should you have any questions regarding the assessment rates for FY 2008, please contact Assistant Deputy Treasurer Maria M. Greenslade at (860) 702-3125.

Sincerely,

A handwritten signature in black ink that reads "Denise L. Nappier".

Denise L. Nappier
State Treasurer