



House of Representatives

General Assembly

File No. 487

February Session, 2010

House Bill No. 5070

House of Representatives, April 13, 2010

The Committee on Appropriations reported through REP. GERAGOSIAN of the 25th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE DEBT SERVICE LINE ITEM IN THE STATE BUDGET.

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

- 1 Section 1. (NEW) (*Effective from passage*) For each fiscal year, the
- 2 Debt Service line item in the state budget shall be itemized to show, for
- 3 each state agency for which any debt service payment is being made, a
- 4 description of and the amount appropriated for each such payment.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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APP *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 11 \$	FY 12 \$
Treasurer	GF - Cost	400,000	None
Treasurer	GF - Cost	59,250	79,000
State Comptroller - Fringe Benefits ¹	GF - Cost	15,750	52,543

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in a cost of approximately \$475,000 in FY 11 and \$131,500 in FY 12 to the Office of the Sate Treasurer. This includes: (1) a one-time cost of \$400,000 in FY 11 for computer software and (2) a new staff position for an accountant with an annual salary of \$79,000 plus fringe benefits (\$59,250 in the first year because the bill does not take effect until October 1, 2010).

The Out Years

The annualized ongoing fiscal impact for the staff position identified above would continue into the future subject to inflation.

¹ The estimated non-pension fringe benefit rate as a percentage of payroll is 26.66% which includes health insurance, social security, Medicare, life insurance, and unemployment compensation. Fringe benefit costs for new positions do not include pension costs as new positions will not impact the state's pension contribution until FY 12 after the next scheduled actuarial valuation.

OFA Bill Analysis

HB 5070

AN ACT CONCERNING THE DEBT SERVICE LINE ITEM IN THE STATE BUDGET.

SUMMARY:

The bill requires the Office of the State Treasurer to produce an annual report that itemizes the amount of the General Fund debt service appropriation that is attributable to each state agency.

EFFECTIVE DATE: October 1, 2010

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 53 Nay 0 (03/25/2010)