



House of Representatives

General Assembly

File No. 492

February Session, 2010

House Bill No. 5393

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 ESTABLISHMENT OF AN ACCOUNT TO FUND THE TWENTY-SEVENTH STATE PAYROLL PERIOD.

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

1 Section 1. (NEW) (*Effective from passage*) There is established the
2 "GAAP salary reserve account" which shall be a separate nonlapsing
3 account within the General Fund. The account shall be used to provide
4 funds required for the periodic occurrence of an additional, twenty-
5 seventh payroll period during a single fiscal year. For the fiscal year
6 beginning July 1, 2012, and each succeeding fiscal year, the General
7 Assembly shall appropriate one-tenth of the projected amount
8 required to fund the additional payroll period to such account. In the
9 fiscal year following disbursement of the additional payroll period
10 amount, the Comptroller shall report to the General Assembly
11 concerning the projected amount required to fund the next succeeding
12 additional payroll period.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

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: None – See Impact in Out Years

Municipal Impact: None

Explanation

The bill has no fiscal impact on the current FY 10 – FY 11 biennium.

The Out Years

Beginning in FY 13 the bill would annually appropriate one-tenth of the projected payroll amount required to fund the additional twenty-seventh payroll until disbursement in FY 23. Assuming annual wage increases of four percent, the annual appropriation payments are estimated at \$15.9 million.

OFA Bill Analysis

HB 5393

AN ACT CONCERNING THE ESTABLISHMENT OF AN ACCOUNT TO FUND THE TWENTY-SEVENTH STATE PAYROLL PERIOD.

SUMMARY:

Beginning in FY 13 the bill annually appropriates one-tenth of the projected payroll amount required to fund the additional twenty-seventh payroll until disbursement in FY 23.

EFFECTIVE DATE: Upon passage

BACKGROUND

The twenty-seventh or extra pay period occurs every eleven years.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 53 Nay 0 (03/25/2010)