

OFFICE OF FISCAL ANALYSIS

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sSB-11

AN ACT CONCERNING CONNECTICUT'S RESPONSE TO
FEDERAL TAX REFORM.

AMENDMENT

LCO No.: 4972

File Copy No.: 624

Senate Calendar No.: 385

OFA Fiscal Note

See Fiscal Note Details

Section 501 establishes a panel to study and make recommendations regarding the proposals made by the Commission on Fiscal Stability and Economic Growth. The amendment appropriates \$100,000 in FY 19 to the Office of Policy and Management (OPM) to hire consultants to assist the panel.

Section 502 requires OPM to issue a Request For Proposals (RFP) by 10/1/18 to sell the Connecticut Juvenile Training School (CJTS), operated by the Department of Children and Families. This does not result in a fiscal impact to the state, as OPM has the expertise needed to issue an RFP, and a sale of CJTS is not anticipated in FY 19. CJTS stopped taking new admissions on 1/1/18 and the last youth left the facility on 4/12/18.

Sections 503-504 make technical revisions with regards to employee representation that does not have a fiscal impact.

Section 506 requires the Office of Legislative Management to issue a request for proposal to hire an independent consultant that specializes in state retirement and benefit programs to analyze the ratified 2017 SEBAC agreement. By February 1, 2019, the consultant shall issue a report. The consultant is estimated to cost less than \$100,000.

Section 507-508 result in a potentially significant savings to municipalities in FY 19 and FY 20, as it shields a portion of municipal

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reserve fund balances from consideration for payment resulting from an arbitration decision with municipal employees. The savings associated with these sections would vary depending on the municipality's ability to pay such award based on other financial and labor factors an arbitration panel must take into consideration. The bill is expected to shield municipalities to the extent that arbitration awards are often significant sums (about 2% of wages on average), and the bill removes a significant factor from a municipality's ability to pay.

Section 509 requires that employees affected by municipal shared services agreements be represented by coalition committees or bargaining units. This sections results in no fiscal impact.

Section 510, which establishes a panel to conduct a study of the proposal made by the Commission on Fiscal Stability and Economic Growth with regards to the Teachers' Retirement System, has no fiscal impact.

Section 511 results in a potential savings to municipalities in FY 19 and FY 20, as it prohibits towns from entering into collective bargaining agreements that limit volunteer services. If a municipality entered into such an agreement, it would have to pay employees rather than rely on volunteer labor. To the extent this section prevents a municipality entering into such an agreement, there is a savings that will vary based on the work performed by volunteers.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does 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.