

OFFICE OF FISCAL ANALYSIS

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HB-6935

AN ACT CONCERNING THE RIGHT OF A PUBLIC EMPLOYEE TO
JOIN OR SUPPORT A UNION.

AMENDMENT

LCO No.: 10881

File Copy No.: 1022

House Calendar No.: 303

Senate Calendar No.: 651

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact. The amendment results in a savings to the state from a reduction in the annual actuarial determined employer contribution (ADEC) for the State Employees' Retirement System (SERS) by modifying the SERS cost of living (COLA) formula for members who retire on or after July 1, 2027.

SERS benefits are currently governed by an agreement between the state and the State Employees' Bargaining Agent Coalition (SEBAC) until 2027. To the extent the provisions of the amendment are adopted, the impact will be reflected in the annual actuarial valuations completed for the plan which establishes the ADEC for each fiscal year. If the amendment is interpreted to preempt the 30 month COLA moratorium for individuals who currently retire on and after July 1, 2022, then the savings from the amendment will be offset by the cost of reducing the COLA delay from the current 30 months to 9 months.

A similar proposal resulted in a reduction in the SERS ADEC of between \$26 and \$38 million a year for the next 25 years, with savings reducing each year thereafter.

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