

OFFICE OF FISCAL ANALYSIS

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sSB-885

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS FOR GENERAL GOVERNMENT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Various	Various - See Below	See Below	See Below

Note: Various=Various

Municipal Impact: None

Explanation

The bill results in the following fiscal impacts:

Section 1 clarifies discrepancies between annual payment amounts and a change from two-year to three-year registration duration for certain vehicles for the greenhouse gas reduction program. There is no expected fiscal impact because it conforms to current annual rates.

Section 2 eliminates the requirement for the Office of Policy and Management to submit a monthly deficiency statement. This has no fiscal impact.

Section 3 results in a one-time revenue loss to the General Fund in any year that cost recoveries for the State Employee Retirement System's (SERS) from funding sources other than the GF or the Special Transportation fund are over-collected. Currently, overcollections are treated as General Fund revenue.

The substitute bill requires that any overcollections be deposited into SERS as an additional contribution, resulting in an annual savings to the state. This savings will be reflected in a decreased annual employer contribution, as determined in the subsequent SERS valuation.

Section 4 allows up to \$10 million of energy consumption and environmental impact leases to be entered into for state building projects that reduce energy consumption. To the extent the leases are entered into, there would be a commensurate increase in the state's level of indebtedness and future debt service costs.

Section 5 requires the Family and Medical Leave Insurance Program to reimburse, in accordance with a schedule to be determined by the Secretary of the Office of Policy and Management (OPM), the General Fund beginning in FY 23 for bonds previously authorized. This results in a revenue gain of \$12.2 million to the General Fund, the timing of which is subject to the terms of the repayment schedule established in accordance with this section.

The Out Years

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