

# OFFICE OF FISCAL ANALYSIS

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<http://www.cga.ct.gov/ofa>

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sSB-942

AN ACT CONCERNING THE ON-TIME PAYMENT OF WAGES.

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## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Labor Dept.	GF - Potential Cost	Up to 113,075	Up to 114,905
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Potential Cost	Up to 46,700	Up to 47,456
Social Services, Dept.; Department of Developmental Services	GF - Potential	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

### **Explanation**

The bill requires fiscal intermediaries providing payroll services for state-funded personal care attendants (PCAs) to pay a fine of \$100 per day for violations of the payroll-related requirements established under the bill.

To the extent the fiscal intermediary experiences increased cost to meet the requirements of the bill, the state contract with the fiscal intermediary may be adjusted to reflect such increases.

The Department of Social Services and the Department of Developmental Services support certain individuals, who are enrolled

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<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.3% of payroll in FY 22 and FY 23.

in a Home and Community-Based Medicaid waiver, with funding for PCAs. The bill may also result in a potential federal revenue loss to the extent the bill's provisions conflict with Medicaid waiver requirements.

There is a cost to the Department of Labor (DOL) the extent that the agency would have to investigate and hold hearings on potential violations.<sup>2</sup> The potential cost is estimated to be up to \$159,775 in FY 22 and up to \$162,361 in FY 23 for one full-time Wage Enforcement Agents and one part-time Staff Attorney.<sup>3</sup>

### ***The Out Years***

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

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<sup>2</sup> Per the *Shortt vs. New Milford Police Department* (212 Conn. 294, 1989) Connecticut Supreme Court decision, DOL could administer a fine only after a PCA has exhausted all administrative remedies afforded them under a collective bargaining agreement.

<sup>3</sup> For context, in January 2021 446 PCA timesheets were delayed beyond the pay period due to errors.