

OFFICE OF FISCAL ANALYSIS

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sSB-312

AN ACT CONCERNING THE EXPANSION OF CONNECTICUT
PAID SICK DAYS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Social Services, Dept.; Department of Developmental Services	GF - Cost	See Below	See Below
Labor Dept.	GF - Cost	292,588	302,753
State Comptroller - Fringe Benefits ¹	GF - Cost	111,290	114,073
Social Services, Dept.; Department of Developmental Services	GF - Potential Revenue Loss	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which expands the state's current paid sick leave law, results in: 1) a cost to the Department of Social Services (DSS) and the Department of Developmental Services (DSS) beginning in FY 23, 2) a cost to the Department of Labor (DOL) of \$403,878 in FY 23 and \$416,826 in FY 24, and 3) a potential loss of federal revenue.

Expanding those covered under the paid sick leave law, as well as expanding the covered leave itself, results in an additional cost to DOL

¹The 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 40.53% of payroll in FY 23.

to administer.² Specifically, DOL would need two additional Wage Enforcement Agents and one Staff Attorney for a total cost of \$385,878 in FY 23 and \$395,526 in FY 24, including salaries and benefits. There are also associated overhead costs estimated at \$18,000 for FY 23 and \$21,300 for FY 24 for computers, office supplies, etc.

The bill also results in a cost to DSS and DDS associated with paid sick leave for personal care attendants (PCAs). Cost components include (1) payment to PCAs for sick leave, (2) payment to PCAs to provide necessary services to Medicaid consumers while another PCA is taking sick leave, and (3) enhanced contract costs for the PCA Workforce Council to administer paid sick leave benefits.

The bill also requires the PCA Workforce Council to act on behalf of consumer employers of PCAs for purposes of the bill. This is anticipated to increase state contract costs to support the administration of paid sick leave benefits through fiscal intermediaries.

Additionally, since most DSS and DDS consumers with funding for PCAs are enrolled in a Home and Community-Based Medicaid waiver, the bill may also result in a potential federal revenue loss to the extent the bill's provisions conflict with Medicaid waiver requirements.

The Out Years

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

² The current paid sick leave law covers employers with over 50 employees (excluding manufacturers and some non-profits) and only applies to 69 job classifications. The bill expands coverage to all private-sector employers, which includes an estimated 130,000 employers and 1.6 million workers.