

OFFICE OF FISCAL ANALYSIS

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sSB-314

AN ACT CONCERNING PROTECTION OF WAREHOUSE WORKERS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Labor Dept.	GF - Potential Cost	103,081	108,133
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	39,752	40,746
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which establishes limits on production quotas for certain warehouse distribution centers, results in: 1) a potential cost to the Department of Labor (DOL) of \$142,833 in FY 23 and \$148,879 in FY 24, and 2) a potential minimal revenue gain to the extent there are violations found and penalties imposed.²

The bill allows complaints to be filed with DOL and requires DOL to enforce its provisions via coordinated and strategic efforts with the Workers' Compensation Commission. It is uncertain how many

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.

² The bill allows the labor commissioner to award the employee all appropriate relief and allows a civil action by aggrieved parties to recover damages, civil penalties, and equitable and injunctive relief.

complaints would be filed and investigated annually.³ To the extent the number is significant there is a cost to DOL of \$137,833 in FY 23 and \$141,279 in FY 24, inclusive of salaries and benefits, for a position dedicated to enforcement/investigation. There are also potential associated overhead costs estimated at \$5,000 in FY 23 and \$7,600 in FY 24 for computers, office supplies, etc.

The bill allows anyone aggrieved by a violation of its provisions, the labor commissioner, or the attorney general to bring a civil action in Superior Court. The court system disposes of over 400,000 cases annually and the number of cases is not anticipated to be great enough to have a material impact on court operations.

The Out Years

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

³ The bill covers 87 employers and 32,651 employees as of the time of publication.