

OFFICE OF FISCAL ANALYSIS

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sSB-212

AN ACT CONCERNING PERMANENT PARTIAL DISABILITY
BENEFITS AND PENSION OFFSETS.

AMENDMENT

LCO No.: 5332

File Copy No.: 74

Senate Calendar No.: 88

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Municipalities	STATE MANDATE ¹ - Cost	None	See Below

Explanation

The amendment strikes the underlying bill and its associated fiscal impact.

The amendment will result in a cost to municipalities that offer defined benefit retirement plans for firefighters by eliminating permanent partial disability settlement offsets from their pension benefit formula. This cost will ultimately be recognized in the actuarially determined employer contribution (ADEC), per each municipality's respective pension system. The amendment applies to benefits received after October 1, 2022, and the pension liability related to the bill would

¹ State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

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not be realized until any subsequent actuarial valuations after the effective date, as permitted by collective bargaining agreements.

To the extent that the amendment does not interfere with existing collective bargaining agreements in effect prior to October 1, 2022, the effects of the amendment

may not be realized until a new agreement goes into effect depending on when current agreements expire, likely after FY 22.

These costs are anticipated to be small relative to each municipality's total pension contributions.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.