

OFFICE OF FISCAL ANALYSIS

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HB-6941

AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE 30, 2025, AND MAKING APPROPRIATIONS
THEREFOR, AND PROVISIONS RELATED TO REVENUE AND
OTHER ITEMS IMPLEMENTING THE STATE BUDGET.
AMENDMENT

LCO No.: 9942

OFA Fiscal Note

See Fiscal Note Details

The amendment makes the following modifications to General Fund appropriations:

Agency	Account	FY 24\$	FY 25\$
Secretary of the State	Other Expenses	1,000,000	1,000,000
Office of State Comptroller	Personal Services	(200,000)	(200,000)
Office of State Comptroller	Other Expenses	200,000	200,000
Department of Economic and Community Development	CRDA	3,000,000	(1,500,000)
State Department of Education	Charter Schools	-	(4,750,000)
Total Net Changes		4,000,000	(5,250,000)

The amendment also makes various technical, clarifying, and date corrections to numerous items authorized using: (1) carry forward funding, (2) funding administered by the Department of Economic and Community, and (3) funding allocated through the American Rescue Plan Act (ARPA). The net appropriations changes contained in the amendment results in the budget being under the spending cap by \$10.4 million in FY 24 and \$11.6 million in FY 25.

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6/5/23
(FN)

The amendment strikes Section 63 - 65 which were related to 340B entities and could have resulted in a significant savings to the University of Connecticut Health Center.

The amendment requires OPM to annually distribute \$7 million in funds from the regional planning incentive account to the regional councils of government (COGs) beginning in FY 24.

Sections 152-154 and 546-547 of the amendment make various minor administrative, technical, and conforming changes to the Connecticut Baby Bonds Trust, which do not result in a fiscal impact.

Sections 155 and 545 of the amendment exempt disbursements from the Baby Bonds Trust from state and local taxes, which precludes a potential revenue gain to the state beginning in FY 42.

The amendment limits the provision in the bill that prevents a municipality from approving certain warehousing or distributing facilities in certain locations, to apply only to municipalities with a population between 6,000 and 8,000. This eliminates any associated fiscal impact to municipalities with a population of less than 6,000.

The amendment delays the costs contained in Section 183, associated with a new student loan reimbursement program within the Office of Higher Education, by one year, from FY 24 to FY 25.

The amendment removes a section regarding the erasure of certain housing related manners and decisions from the Judicial Department's website resulting in a reduction in cost in the underlying bill by approximately \$260,000.

The amendment may result in a potential cost to the Office of the State Comptroller for the paraeducator healthcare stipend program dependent on the number of eligible paraeducators.

The amendment strikes Sections 271 - 274, which are related to vehicle markings and new requirements for car dealerships. This eliminates: (1) the potential cost to the Insurance Department associated

with establishing an online portal to receive filings from dealerships, and (2) the potential increase in fine revenue and potential cost to the Judicial Department.

Section 275 makes any Connecticut Airport Authority (CAA) purchase or lease of a municipally owned or -controlled airport subject to the approval of the legislative bodies of the municipality that owns or controls such airport and the municipality in which such airport is located, and does not result in a fiscal impact.

The amendment changes the membership of the DSS working group required under section 314, which has no fiscal impact.

In lines 293-299, the amendment delays the establishment of an investigative unit within the Internet Crimes Against Children Task Force by one year, eliminating the cost in FY 24 and resulting in a cost of \$472,419 in FY 25 and \$403,689 in FY 26 to the Department of Emergency Services and Public Protection and the Office of the State Comptroller.

The amendment strikes section 306 of the underlying bill, eliminating the potential fiscal impact related to considerations in PCA arbitration.

Section 385 requires the Comptroller to transfer \$8 million in each of FY 24 and FY 25 from the STF to the Connecticut airport and aviation account provided that CAA enters into a management agreement for the operation of Sikorsky Airport and provides written notice as described in the amendment.

Sections 501 - 513 reflect the statement of estimated revenue adopted by the Finance, Revenue and Bonding Committee on June 5, 2023, pursuant to CGS Section 2-35, in support of the FY 24 - FY 25 biennial budget.

Sections 514 - 522 result in an estimated total cost to the state of \$1,680,447 in FY 24 and \$1,379,128 in FY 25. The amendment also would result in significant cost to various municipalities, some costs for UConn voter center and the Office of the Secretary of the State (SOTS). The

amendment generally codifies into state law several aspects of the federal Voting Rights Act of 1965 which bans discrimination in voting and elections and establishes a mechanism for certain jurisdictions with a history of discrimination against racial and language minorities to seek preapproval before changing their election laws. The cost defined above includes six positions within the SOTS. The cost also includes hiring several full-time positions for the UConn Voter Center that is entirely funded by SOTS. Under the amendment, if the SOTS determines that a municipality needs language-related voting assistance, then the SOTS could require certain municipalities to implement said assistance at a cost of up to \$25,000 annually per municipality. There are ten municipalities that meet the criteria under the amendment.

Sections 523-525 require pharmaceutical representatives to be licensed by the Department of Consumer Protection resulting in an estimated annual revenue gain of \$1.2 million per year. Approximately 2,200 initial applications are expected for this license and the annual application and renewal fee is \$550.

These sections also result in a cost to DCP to hire one additional employee for an estimated salary and fringe benefit cost of \$100,000 per year to oversee the new program and issue these licenses.

Section 526 expands the standard wage law to cover contractors who provide security services and specifies that each pay period an employee is not paid the required standard wage rate is a separate violation, subject to a \$2,500 to \$5,000 fine. This results in a potential cost to the state and a potential minimal revenue gain from civil penalties to the extent there are violations found.

To the extent the bill results in additional costs for contractors on covered state contracts there is a potential cost to the state, the magnitude of which is dependent on the size and scope of those contracts. There is no fiscal impact to municipalities as these provisions pertain only to businesses that contract with state agencies.

Section 527 requires the SOTS with developing an early voting public information campaign and materials and procedures for early voting. The estimated cost for creation of a public information campaign surrounding early voting is \$1,000,000; the creation of the procedures surrounding early voting is estimated to cost \$175,000 in FY 24.

Section 528 updates statute to conform to changes pursuant to section 213 of the bill.

Section 529 - 544, which makes several changes affecting procurement and capital projects administration including changes to prequalification requirements, has no fiscal impact.

Section 545 reduces state costs associated with HB-5004 as amended by House Amendment "A"; by \$1,000,000 in FY 24 and FY 25. The amendment does not change the impact on the costs associated with municipalities.

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.