

# OFFICE OF FISCAL ANALYSIS

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sHB-5307

AN ACT CONCERNING PRICE GOUGING.

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Consumer Protection, Dept.	GF - Potential Cost	143,884	148,201
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Potential Cost	59,424	61,207
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

### **Explanation**

The bill defines price gouging during declared emergencies and expands the price gouging law resulting in a potential cost and potential revenue gain to the state described below.

The bill expands the price gouging law beyond the retail sale of consumer goods to other supply chain transactions, and to rental and lease transactions resulting in a potential cost to the Department of Consumer Protection (DCP). If this expansion results in more or lengthier investigations, DCP may need to hire one attorney and one special investigator for a salary cost of \$143,884 in FY 22 and \$148,201 in FY 23 and fringe benefit costs of \$59,424 in FY 22 and \$61,207 in FY 23. Price gouging is defined as a Connecticut unfair trade practice under current law.

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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.

The bill may result in a revenue gain to the resources of the General Fund, to the extent the Office of Attorney General brings actions in Court for violations of the bill's provisions. The extent of any revenue gain would depend on the number of cases brought by the Attorney General subject to the \$99 fine.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations.