

OFFICE OF FISCAL ANALYSIS

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ADDENDUM

To Fiscal Note on
sHB-6633, File No. 653

AN ACT RESTRUCTURING UNEMPLOYMENT INSURANCE BENEFITS AND IMPROVING FUND SOLVENCY.

The fiscal note identified a potentially significant implementation cost to the Department of Labor beginning in FY 23. Based on the provision of additional information by the agency, those General Fund costs are estimated at \$715,813 in FY 23 and \$746,459 in FY 24 only.

Specifically, third-party vendor costs for programming information technology upgrades related to the tax, benefit, and recession-recovery provisions of the bill are expected to cost approximately \$400,000 in total (half in FY 23 and half in FY 24). Additionally, it is estimated that in-house staff positions will be necessary to manage and implement the changes in the bill at a total cost of \$515,813 in FY 23 and \$546,459 in FY 24, inclusive of salary and fringe benefit costs.¹

¹ While the Labor Department will utilize existing personnel, these normally federally-funded positions will have to be supported with state resources as implementing these state-mandated changes is not an allowable use of federal funds.