

OFFICE OF FISCAL ANALYSIS

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sSB-1178

AN ACT EXPANDING CONNECTICUT PAID SICK DAYS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Labor Dept.	GF - Cost	244,343	324,402
State Comptroller - Fringe Benefits ¹	GF - Cost	93,494	127,776
Labor Dept.	GF - Potential Revenue Gain	Minimal	Minimal
Department of Developmental Services; Social Services, Dept. Resources of the General Fund	GF - Potential Cost	See Below	See Below
	GF - Potential Revenue Loss	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which expands the state's paid sick leave law to approximately 1.6 million workers, results in a cost to (1) the Department of Labor (DOL) of \$244,343 in FY 24 (partial year cost) and \$324,402 in FY 25 and (2) the State Comptroller- Fringe Benefits account of \$93,494 in FY 24 (partial year cost) and \$127,776 in FY 25, as well as a potential minimal revenue gain associated with civil penalties from violations.² Finally, the bill results in a potential cost and potential revenue loss associated with paid sick leave for personal care attendants

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 42.82% of payroll in FY 24.

² Civil penalties for violations of the state's paid sick leave provisions range from \$100 to \$500 per violation.

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4/4/23

(PCAs).

Administration Costs

In order to administer the expanded sick leave provisions, DOL would require two Wage Enforcement Agents (\$89,177 for salary and \$38,186 for fringe benefits each) and one Staff Attorney (\$112,769 for salary and \$48,288 for fringe benefits) along with associated equipment/overhead costs of \$26,000.

Personal Care Attendants

The bill results in a cost to the Departments of Social Services (DSS) and Developmental Services (DDS) associated with paid sick leave for PCAs, to the extent the bill's provisions exceed paid sick leave provided under the PCA agreement. Cost components would include (1) payment to PCAs for sick leave, (2) payment to PCAs to provide necessary services to Medicaid consumers while another PCA is taking sick leave, and (3) enhanced contract costs for the PCA Workforce Council to administer paid sick leave benefits. For context, there are approximately 15,000 PCAs supporting DSS and DDS Medicaid consumers.

The bill requires the PCA Workforce Council to act on behalf of consumer employers of PCAs for purposes of the bill. Most DSS and DDS consumers with funding for PCAs are enrolled in a Home and Community-Based Medicaid waiver and are self-directed consumer employers, as specified under the waiver. To the extent the bill's provisions conflict with Medicaid waiver requirements, the bill results in a federal revenue loss.

Enforcement

Sections 5 and 6 allows employees, the Labor Commissioner, or the Attorney General to bring civil action to the Superior Court for violations of the bill. Additionally, appeals to complaints made to the Labor Commissioner may be appealed in Superior Court. This does not result in any fiscal impact to the state or municipalities. The court system disposes of over 250,000 cases annually and the number of cases is not

anticipated to be great enough to need additional resources.

The Out Years

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