

OFFICE OF FISCAL ANALYSIS

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sSB-1235

AN ACT IMPLEMENTING THE TREASURER'S
RECOMMENDATIONS CONCERNING THE INVESTMENT
ADVISORY COUNCIL AND RELATED STATUTES AND
CONCERNING THE BABY BOND TRUST PROGRAM.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$	Out Years \$
Treasurer	Various - See Below	See Below	See Below	See Below
Resources of the General Fund	GF - Precludes Revenue Gain	None	None	See Below
Treasurer, Debt Serv.	GF - Potential Cost	None	See Below	See Below

Note: GF=General Fund; Various=Various

Municipal Impact: None

Explanation

Sections 1-3 authorize the State Treasurer to set compensation levels for investment officers and other personnel involved with the chief investment officer, which has no fiscal impact to appropriated funds.

To the extent future investment personnel are hired at compensation levels different from those currently allowed, various investment funds overseen by the State Treasurer would be subject to potential changes to personnel costs.

Sections 4-10 alter technical and administrative aspects of the Baby Bonds program. Future General Fund debt service costs may be incurred sooner under the bill to the degree that it causes authorized GO bond funds to be available, expended, or to be expended more rapidly

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than they otherwise would have been.

The bill also exempts disbursements from the fund from state and local taxes, which precludes a potential revenue gain to the state beginning in FY 42.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to future hiring decisions and the terms of any bonds issued.