

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-5164

AN ACT CONCERNING UNEMPLOYMENT BENEFITS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Labor Dept.	UITF - Potential Cost	See Below	See Below
Labor Dept.	UITF - Potential Revenue Gain	See Below	See Below
Labor Dept.	GF - Cost	197,000	197,000

Note: UITF=Unemployment Insurance Trust Fund; GF=General Fund

Municipal Impact: None

Explanation

The bill, which makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days, results in a potential cost and potential revenue gain to the Unemployment Insurance Trust Fund. In addition, the bill results in a one-time cost of \$396,000 cost to the General Fund, which would be split evenly between FY 25 and FY 26.

To the extent any striking workers become eligible for unemployment benefits as a result of the bill, this would result in a cost to the trust fund. Subsequent increases in experience ratings by employers would result in increased tax revenue to the trust fund on a lagged basis. The amounts are dependent on striking workers' benefits and affected employers' experience ratings.

Additionally, the bill would require the Labor Department to make

Primary Analyst: CR
Contributing Analyst(s): CW
Reviewer: MM

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state-specific technology changes to ReEmployCT, the unemployment insurance administration system, which results in a cost of \$197,000 for FY 25 and FY 26 (\$396,000 in total).

The Out Years

State Impact: The annualized ongoing fiscal impact identified above for the trust fund would continue into the future subject to the number of workers and employers affected. There are no fiscal impacts to the General Fund beyond FY 26.

Municipal Impact: None