

OFFICE OF FISCAL ANALYSIS

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

sSB-3

AN ACT CONCERNING CONSUMER PROTECTION.

As Amended by Senate "A" (LCO 4021), Senate "B" (LCO 5599)

House Calendar No.: 476

Senate Calendar No.: 133

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Consumer Protection, Dept.	GF - Potential Cost	None	155,000
Attorney General	GF - Potential Cost	None	90,000
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	None	101,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Potential Cost	See Below	See Below

OFA Fiscal Note

The bill makes various changes to consumer protection statutes resulting in the potential costs described below.

Section 2 and 4 create two new unfair trade practices resulting in a potential annual cost to DCP of up to \$155,000 for salary and other expenses along with associated fringe benefit costs of up to \$64,000

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 41.25% of payroll in FY 25.

beginning in FY 26 to hire up to two additional employees.² The employees may be needed depending on the number of complaints and investigations required by the two new unfair trade practice violations.

Section 3 results in a potential cost to (1) the Department of Emergency Services and Public Protection (DESPP) beginning in FY 27 and (2) various state and municipal agencies beginning in FY 28 by prohibiting public agencies from operating drones assembled or manufactured by a covered foreign entity.³

Section 3 also allows any state or municipal agency to waive the prohibitions in the bill, provided such agency submits a written statement to DESPP justifying the need for such waiver, which may decrease or eliminate the potential cost described above, to the extent that waivers are submitted. DESPP must maintain all written statements, which are subject to disclosure to any member of the General Assembly and under the Freedom of Information Act. This provision does not result in a cost to DESPP or any other state or municipal agency, as they can meet these requirements with existing resources.

Sections 5 create a new unfair trade practice violation that is solely enforced by the Office of the Attorney General (OAG) resulting in a potential cost to the OAG and the State Comptroller. It is anticipated that the OAG could require an additional position for an annual potential salary cost of \$90,000 and associated fringe benefit cost of \$37,000 beginning in FY 26 depending on the number of complaints and investigations.

Section 6 requires municipalities to register a ".gov" internet top-level domain and redirect any existing Internet web site addresses

²The positions include one special investigator and one staff attorney.

³Most drones currently used by first responder organizations are made in China. State-wide, such organizations have spent about \$1-2 million on drones this bill prohibits. The cost of replacing these drones to achieve equivalent capabilities is estimated to be two to three times greater than amounts previously spent, but will vary depending on the specific models and capabilities that any given agency will need to replace.

maintained by such municipality to the new ".gov" domain. This results in a potential cost to various municipalities in FY 25 and FY 26 to the extent they do not have the necessary staff to transition to a .gov domain. Currently, 116 of Connecticut's 169 municipalities do not have a ".gov" top-level domain and will need to register a new domain with such designation. There is no registration cost for entities eligible for the ".gov" designation. There is no fiscal impact to municipalities that already use a .gov domain or have the staff necessary to complete the transition to the new domain. For towns without the resources to complete the transition, there is a federal grant program administered by the Cybersecurity and Infrastructure Security Agency within the United States Department of Homeland Security that assists with the transition process.⁴

Senate "A" strikes the underlying bill and its associated fiscal impact.

Senate "B" strikes the bill as amended by Senate A and its associated fiscal impact resulting in the impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and employee wage increases. The potential costs described above in section 3 begin in FY 27 and FY 28.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

⁴ <https://www.cisa.gov/state-and-local-cybersecurity-grant-program>