

OFFICE OF FISCAL ANALYSIS

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HB-6904

AN ACT CONCERNING UNEMPLOYMENT BENEFITS FOR STRIKING WORKERS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Labor Dept.	UITF - Potential Cost	None	See Below
Labor Dept.	UITF - Potential Revenue Gain	None	See Below
Labor Dept.	GF - Cost	195,000	199,000

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, starting in FY 27. In addition, the bill results in a one-time cost of \$394,000 to the General Fund (\$195,000 in FY 26 and \$199,000 in FY 27).

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

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state-specific technology changes to ReEmployCT, the unemployment insurance administration system, which results in a cost of \$195,000 in FY 26 and \$199,000 in FY 27 (\$394,000 in total).

The Out Years

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 27.