

# OFFICE OF FISCAL ANALYSIS

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

HB-6907

## AN ACT CONCERNING THE USE OF QUOTAS BY WAREHOUSE DISTRIBUTION CENTERS.

### ***OFA Fiscal Note***

#### ***State Impact:***

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Workers' Compensation Com.	WCF - Potential Cost	None	Up to 91,630
Resources of the General Fund	GF - Potential Revenue Gain	None	See Below

Note: WCF=Workers' Compensation Fund; GF=General Fund

#### ***Municipal Impact:*** None

#### ***Explanation***

The bill establishes protections for employees of certain warehouse distribution centers, resulting in the following fiscal impacts beginning in FY 27.

The bill allows covered employees or the Attorney General to bring a civil action in Superior Court for violations of the bill's provisions, resulting in a potential revenue gain to the state. Violations may be subject to civil penalties of up to \$3,000.<sup>1</sup> These cases are not expected to result in a cost to the Attorney General or the courts.<sup>2</sup>

**Section 9** requires the Workers' Compensation Commission (WCC) to monitor injury rates at warehouse distribution centers, resulting in a

<sup>1</sup> \$1,000 for the first violation, \$2,000 for the second violation, and \$3,000 for the third and subsequent violations.

<sup>2</sup> 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.

potential cost to the Workers' Compensation Fund of up to \$91,630 in FY 27. Because WCC does not currently have a system or staff monitoring these injury rates in this manner, it's possible that, if the workload increase is great enough, they will need to hire a part-time State Program Manager, for \$50,000 per year with an estimated fringe benefits rate of \$41,630.<sup>3</sup>

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of civil actions brought under this bill and extent of the increased workload to WCC.

---

<sup>3</sup> The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is 83.26% of payroll in FY 26.