

OFFICE OF FISCAL ANALYSIS

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SB-1035

AN ACT CONCERNING LIMITATIONS ON THE USE OF
NONDISCLOSURE AGREEMENTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Various State Agencies	App Fund - Potential Cost	See Below	See Below

Note: App Fund=All Appropriated Funds

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
All Municipalities	Potential Cost	See Below	See Below

Explanation

The bill creates a specific state civil cause of action for violations of the bill's provisions. This could potentially result in a cost to the state and municipalities in their capacity as employers beginning in FY 26 to the extent they violate the provisions of the bill. Each violation may result in a cost of \$10,000 for actual or statutory damages.

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.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations of the provisions of the bill.