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sSB-1427

AN ACT EXPANDING PAID FAMILY AND MEDICAL LEAVE
INSURANCE PROGRAM BENEFITS TO CERTAIN SCHOOL
EMPLOYEES.

AMENDMENT

LCO No.: 8051

File Copy No.: 542

Senate Calendar No.: 307

OFA Fiscal Note

See Fiscal Note Details

The amendment eliminates the current payroll tax collection method for contributions to the Paid Family Medical Leave Program trust fund and replaces it with quarterly payments directly by taxpayers to the Department of Revenue Services. This results in (1) a one-time cost of up to \$350,000 in FY 26 to the Department of Revenue Services to establish the new tax in the CTax tax administration system and myconneCT online portal, as well as form development, printing, and mailing, and (2) an ongoing cost of \$351,775 in FY 26 (partial year) in FY 26 and \$703,550 in FY 27 and beyond for 5 Revenue Examiners to administer the new tax (\$100,000 each for salary and \$40,710 for fringe benefits). To the extent this results in lower levels of compliance with the tax, this also results in a potential revenue loss to the Paid Family Medical Leave Program trust fund.

The amendment also makes participation in the Paid Family and Medical Leave Insurance program optional. This could reduce participation rates in the program and thus have an impact on costs and revenues. CGS Sec. 31-49g requires that solvency of the program be maintained by either (1) increasing employee contributions in the event that they are not at the maximum or (2) reducing benefits in the event

that employee contributions are at the maximum.

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.