

OFFICE OF FISCAL ANALYSIS

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HB-5563

AN ACT CONCERNING VARIOUS CRIMINAL LAW AND CRIMINAL JUSTICE PROPOSALS, CERTIFICATES OF APPROVAL FOR AIRPORTS, HELIPORTS, VERTIPOINTS, RESTRICTED LANDING AREAS AND OTHER AIR NAVIGATION FACILITIES, POLICE COLLABORATION WITH SOCIAL WORKERS, SURVEILLANCE PRICING, EDUCATION COST SHARING AND WITHHOLDING OF TAXES FROM LUMP SUM PAYMENTS.

As Amended by House "A" (LCO 5944), Senate "A" (LCO 6252)

House Calendar No.: 347

Senate Calendar No.: 543

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Correction, Dept.; Judicial Dpt (Probation)	GF - Potential Cost	Minimal	Minimal
Resources of the General Fund	GF - Revenue Gain	Minimal	Minimal
CT Airport Authority	GF - Revenue Gain	Approximately 3,750	Approximately 5,000
Correction, Dept.	GF - Cost	254,600	See Below
State Comptroller - Fringe Benefits ¹	GF - Cost	78,135	See Below
Criminal Justice, Div.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: See Below

Explanation

¹ The 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 41.82% of payroll in FY 27.

Primary Analyst: RP
Contributing Analyst(s):
Reviewer: PR

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The bill makes various changes to laws related to criminal justice and results in the following fiscal impacts.

Sections 1 and 2 (1) expand the crime of organized retail theft by lengthening the time period within which a person can trigger the dollar threshold and (2) establish two new larceny crimes as forms, resulting in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and a potential revenue gain to the General Fund from fines. On average, the marginal cost to the state for incarcerating an offender for the year is \$3,300² while the average marginal cost for supervision in the community is less than \$600³ each year for adults and \$450 each year for juveniles.

Section 5 results in revenue gain of approximately \$3,750 in FY 27 and approximately \$5,000 in FY 28 and annually thereafter to the Connecticut Airport Authority by making the following changes to aviation facility fees: (1) establishing a new \$100 registration fee for the approximately 34 smaller facilities in the state, and (2) increasing the existing license fee from \$150 to \$300 for the approximately 67 larger facilities in the state.⁴

Section 5 also creates a new misdemeanor for operating a facility in violation of the bill's registration requirement, which results in a potential cost to the Judicial Department for probation and a potential revenue gain to the General Fund from fines. On average, the marginal cost for supervision in the community is less than \$600⁵ each year for

² Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these expenses would only be realized if a unit or facility opened.

³ Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

⁴ Both the registrations and licenses are effective for three years, and this estimate assumes that a roughly equal number of applications and renewals occur each year. The lower amount for FY 27 is due to the October 1, 2026, effective date.

⁵ Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a

adults and \$450 each year for juveniles.

Section 7 moves the start date of the health pilot program established in section 8 of HB 5567 from FY 28 to one year earlier, resulting in cost of at least \$154,600 to DOC for two positions and \$78,135 to the State Comptroller for fringe benefits, as well as at least \$100,000 for contracting costs, in FY 27, in addition to the FY 28 impact in HB 5567.

Section 8 may result in additional petitions for DNA testing. A small number of additional petitions could be managed by the Division of Criminal Justice (DCJ) within existing resources, however if there is a significant increase in petitions, the bill may result in additional resources to process the petitions in a timely fashion.

Section 9 allows victims of certain crimes to make a statement for the record before any proceedings to dismiss or nolle a charge against the defendant, resulting in no fiscal impact because the Judicial Department's Office of Victim Services has the capacity and expertise to assist victims in writing any additional statements that result from this bill.

Sections 11 and 19 make certain surveillance pricing violations an unfair trade practice violation enforced by the Office of the Attorney General (OAG) resulting in no fiscal impact to the state. The OAG has the resources and expertise to meet the requirements of this bill.

Sections 12 - 16 allow municipalities and local and regional boards of education (BOEs) to adjust their FY 27 budgets or tax levies to reflect the use supplemental education aid provided in sections 391 and 394 of sSB 1 as amended of the current session. Specifically, the bill allows municipalities and BOEs to use the supplemental education aid to reduce the local share of spending above FY 26 levels and does not require them to use the supplemental education aid in addition to any previously adopted FY 27 education budget. The local share must be at

cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

least the greater of: (1) the amount of education funding under its adopted budget; and (2) the total of its FY 26 education budget and all supplemental education aid. Bridgeport is exempted.

The sections also remove the requirement in sSB 1 as amended that the supplemental education aid not supplant local funding for education and clarifies that the supplemental education aid received in FY 27 is not considered in the minimum budget requirement (MBR) for town education funding in FY 28.

Section 17 requires the Office of the Correction Ombudsman (OCO), beginning in FY 27 and annually thereafter, to submit a report regarding complaints that were not investigated. This results in no fiscal impact, as OCO has the necessary resources and expertise to complete the report within the provided timeline.

Section 18 extends, to the 2027 income year, the suspension of the income tax withholding requirement on lump sum distributions from pensions, annuities, and other specified sources. This does not result in any fiscal impact as it does not alter the tax liability due on such payments.

The bill makes additional changes that do not result in a fiscal impact.

House "A" makes a clarifying change and adds sections 5 through 10 to the bill, resulting in the impacts described above.

Senate "A" adds sections 11 through 19 to the bill, resulting in the impacts described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of offenses and fines collected, the number of aviation facility fees collected, the number of petitions for DNA testing, and the number of additional victim statements.

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.