

OFFICE OF FISCAL ANALYSIS

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

HB-5384

AN ACT CONCERNING THE NUMBER OF WAGE AND HOUR
INSPECTORS AT THE LABOR DEPARTMENT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Labor Dept.	GF - Cost	1,154,186	3,521,000
State Comptroller - Fringe Benefits ¹	GF - Cost	401,646	1,283,906

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which increases the minimum number of wage and hour inspectors² required to be employed by the Department of Labor (DOL), results in a cost to (1) DOL of \$1,154,186 in FY 25 (partial year cost) and \$3,521,000 in FY 26 and (2) the State Comptroller- Fringe Benefits account of \$401,646 in FY 25 (partial year cost) and \$1,283,906 in FY 26.

Since DOL currently employs five wage and hour inspectors, the agency would need to hire 17 additional employees to comply with the minimum of 22 inspectors required for FY 25 (\$814,190 for salaries,

¹The 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 41.25% of payroll in FY 25.

² The bill uses the term "wage and hour inspectors." However, the Department of Labor uses the term "wage and hour investigators."

\$335,853 for fringe benefits, and \$161,500 for equipment/overhead).³ In addition, DOL would need to hire two supervisory positions to accommodate the higher number of wage and hour inspectors, which results in a cost of \$159,497 for salaries, \$65,792 for fringe benefits, and \$19,000 for equipment/overhead.⁴

The bill further increases this requirement to 45 wage and hour inspectors in FY 26, which results in the hiring of an additional 23 employees. This brings the total cost of wage and hour inspectors to \$2,490,463 for salaries, \$1,027,316 for fringe benefits, and \$354,500 for equipment/overhead. An additional four supervisory positions would also be needed to accommodate the higher number of wage and hour inspectors, which brings the total cost of supervisory personnel to \$622,037 for salaries, \$256,590 for fringe benefits, and \$54,000 for equipment/overhead.

The Out Years

The annualized ongoing cost impact identified above would continue into the future subject to inflation.

³ To the extent the provisions of the bill are inclusive of the title “wage enforcement agent” the cost would be less as the agency currently employs 16 such positions in addition to the five wage and hour investigators included in this analysis.

⁴ All amounts described in this paragraph represent a partial year cost since the bill takes effect on October 1, 2024.