

PRELIMINARY FISCAL NOTE
HR 12/SR 12

Appropriations Committee
Meeting

April 24, 2026



OFFICE OF FISCAL ANALYSIS

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HR 12/SR 12

RESOLUTION PROPOSING APPROVAL OF A TENTATIVE AGREEMENT
BETWEEN THE STATE OF CONNECTICUT AND THE STATE
EMPLOYEES BARGAINING AGENT COALITION (SEBAC)

Preliminary OFA Fiscal Note

State Impact: See Below

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$	FY 28 \$	FY 29 \$
Various Agencies	Appropriated - Cost	119,536,122	256,506,171	409,316,279	447,728,795
Constituent Units of Higher Education	Non-Appropriated - Cost	66,789,912	138,265,471	208,029,830	210,730,014
Various Agencies	Non-Appropriated - Cost	15,918,914	36,618,731	58,041,527	63,876,418
Total		202,244,948	431,390,373	675,387,636	722,335,226

Municipal Impact: None

Explanation

The resolution proposes approval of an agreement between the State of Connecticut and the State Employee Bargaining Agent Coalition (SEBAC). This agreement covers four fiscal years for the period of July 1, 2025 - June 30, 2029, with a wage re-opener provision for the final year of the agreement (FY 29). The agreement covers approximately 42,000 state employees across various agencies.

The table below contains a summary of the provisions of the agreement and the associated costs to all appropriated funds.

State of Connecticut Employee Bargaining Unit (SEBAC)

All Funds Cost Estimate

Description	FY 26	FY 27	FY 28	FY 29
Provisions Beginning in FY 26				
General Wage Increase (GWI) 2.5%	108,632,258	111,436,955	111,436,955	111,436,955
Annual Increment (AI)	65,192,031	93,756,544	93,756,544	93,756,544
Other Salary & Wage Changes	4,009,031	4,425,712	4,684,290	4,703,298
FY 26 Subtotal	177,833,320	209,619,210	209,877,789	209,896,796
Provisions Beginning in FY 27				
General Wage Increase (GWI) 2.5%		115,571,275	117,336,216	117,336,216
Annual Increment (AI)		63,224,664	87,254,393	87,254,393
Other Salary & Wage Changes		9,148,682	13,208,220	13,811,898
FY 27 Subtotal		187,944,621	217,798,829	218,402,507
Provisions Beginning in FY 28				
General Wage Increase (GWI) 2.5%			116,531,961	118,014,338
Annual Increment (AI)			59,140,183	80,823,450
Other Salary & Wage Changes			16,152,424	22,027,747
FY 28 Subtotal			191,824,569	220,865,534
Provisions Beginning in FY 29				
Annual Increment (AI)				7,684,371
Other Salary & Wage Changes				3,289,007
FY 29 Subtotal				10,973,377
Total Salary & Wage Changes	177,833,320	397,563,831	619,501,186	660,138,215
Fringe				
FICA	13,604,249	30,413,633	47,391,841	50,500,573
Unemployment	177,833	397,564	619,501	660,138
SERS	7,723,798	17,260,709	26,991,180	29,241,533
OPEB/DC	3,169,530	7,085,780	11,041,587	11,766,977
Fringe Subtotal	24,675,410	55,157,686	86,044,109	92,169,222
Non-Salary Adjustments	(263,782)	168,855	1,042,341	1,227,790
Healthcare Savings	-	(21,500,000)	(31,200,000)	(31,200,000)
TOTAL	202,244,948	431,390,373	675,387,636	722,335,226

General Wage Increase and Annual Increment - The agreement includes a General Wage Increase (GWI) of 2.5% and an Annual Increment (AI) in FY 26, FY 27, and FY 28 for most employees. Certain unions and job classifications receive other salary increases and either forgo an AI or have their FY 28 AI delayed until FY 29. Increases in costs between the year the increase begins, and the following year are due to

the annualization of the increases provided. The estimate in FY 29 represents the cost of all GWIs and AIs in the contract once they are fully annualized. The contract includes a wage re-opener provision which allows for the negotiation of a GWI and AI in FY 29. In instances where the AI is delayed to FY 29, the union is ineligible for an AI as part of the wage re-opener.

Other Salary & Wages Changes – The agreement includes a variety of other changes that impact the salary & wages of employees beyond the GWI and AI indicated above. The table below provides a summary of these changes by category.

Summary of Other Salary Changes by Policy

Category	FY 26	FY 27	FY 28	FY 29
Pay Plan Adjustment	3,230,756	8,460,031	25,024,582	32,849,556
Workload Changes	-	2,631,245	4,121,665	4,121,665
Stipend Increases	23,484	1,010,939	1,779,554	2,476,617
Differential Pay Increase	40,000	109,887	953,869	1,946,080
Increase Lump Sum	447,500	771,500	860,700	860,700
Increased Overtime	-	296,431	881,178	1,059,378
Job/Skill Premium Pay	267,291	294,360	423,386	517,953
Grand Total	4,009,031	13,574,393	34,044,935	43,831,949

Fringe Benefits – Social Security, Medicare, and unemployment insurance fringe benefit costs will be incurred based on the salary related provisions in the contract. The current rate is 7.75% of salary to account for these three benefits.

Fringe Policy Changes – There are several modifications to the current health care and pension agreement reducing costs to the state by \$21.5 million beginning in FY 27 and \$31.2 million annually until FY 29. The agreement incentivizes employees to waive health insurance coverage to reduce the number of covered employees under the state plans resulting in savings of \$16.4 million in FY 27 and \$26 million in both FY 28 and FY 29. There are additional modifications intended to reduce administrative costs and overall health spend.

Retirement – The agreement covers both hazardous and nonhazardous members. The state’s contribution to the state employee

retirement system on behalf of active employees for future benefits is 12.05% for hazardous members and 3.34% for nonhazardous, subject to change based on the annual actuarial valuation. The identified wage provisions also increase the costs to the pension plans associated with increased liability costs which will not be fully recognized in the state's actuarially determined employer contribution (ADEC) until FY 30.

Additionally, the state pays defined contribution and Other Post Employment Benefits (OPEB) match incurring at a rate of 1.80% of salary for hazardous and 1.78% for nonhazardous members.

Retroactive - Employees in the bargaining units covered under the agreement who retire after July 1, 2025, are eligible to receive wage increases retroactive to July 1, 2025, to the extent they were active employees at that time. The fiscal impact is recognized in the normal cost calculation associated with salary increases. Salary increases require a recalculation of such retirees' pension payments which are paid out of the state employees retirement fund.

Non-Salary Adjustments - The agreement includes a variety of changes that do not impact the salary & wages of employees. The table below provides a summary of these changes by category.

Summary of Non-Salary Changes by Policy

Policy Category	FY 26	FY 27	FY 28	FY 29
Tuition Reimbursement	255,000	405,000	465,000	310,000
Training		215,336	230,336	235,336
Clothing/Shoe Allowance	3,060	50,746	268,352	317,573
Childcare		95,000	155,000	190,000
Meal Allowance			73,083	211,630
Professional Development	(125,000)	(16,750)	113,250	118,250
Health and Wellness		20,000	20,000	20,000
Parking	10,000	10,000		
Provost Fund	(200,000)	(200,000)	(200,000)	(175,000)
Quality of Work Life	(206,842)	(410,477)	(82,681)	
Grand Total	(263,782)	168,855	1,042,341	1,227,790

Fiscal Impact by Fund - The table below contains a summary of costs by appropriated fund and groups the non-appropriated fund

impact by the constituent units of higher education and all other non-appropriated funds.

State of Connecticut Employee Bargaining Unit (SEBAC)

Cost Estimate by Fund

Fund	FY 26	FY 27	FY 28	FY 29
General Fund	110,740,990	236,304,391	377,306,902	412,293,068
Special Transportation Fund	6,486,225	14,838,305	23,619,853	26,470,997
Banking Fund	517,989	1,209,838	1,897,056	2,028,078
Insurance Fund	739,860	1,722,917	2,697,114	2,879,126
Consumer Counsel and Public Utility Control Fund	509,418	1,185,112	1,848,442	1,986,915
Workers' Compensation Fund	315,006	714,263	1,108,169	1,167,114
Cannabis Prevention and Recovery Services Fund	7,418	17,289	26,975	28,636
Cannabis Regulatory Fund	219,216	514,055	811,769	874,860
Appropriated Fund Subtotal	119,536,122	256,506,171	409,316,279	447,728,795
Non-Appropriated Funds				
Constituent Units of Higher Education	66,789,912	138,265,471	208,029,830	210,730,014
Other Non-Appropriated Funds	15,918,914	36,618,731	58,041,527	63,876,418
Non-Appropriated Fund Subtotal	82,708,826	174,884,202	266,071,357	274,606,432
ALL FUNDS TOTAL	202,244,948	431,390,373	675,387,636	722,335,226

Funding Availability - The total RSA funding available in FY 26 and FY 27 combined is approximately \$422.3 million. Based on the quarterly report provided on April 14, 2026, by the Office of Policy and Management (OPM) the current available fund balance of the Reserve for Salary Adjustments (RSA) account in FY 26 is \$169 million for the General Fund (GF) and \$10.9 million for the Special Transportation Fund (STF). In FY 27, an additional \$242.4 million is budgeted within RSA through appropriations (GF and STF) and carryforwards.

Non-Appropriated Fund Impact - The agreement impacts state employees supported by non-appropriated funds including state employees working for the constituent units of higher education. The total impact to Connecticut State Colleges and Universities, University of Connecticut, and University of Connecticut Health Center is

summarized in the table above under the Constituent Units of Higher Education fund.

Bargaining Unit Summary – The table below provides a summary of the policy provisions by bargaining unit (excludes fringe benefit impact).

Summary by Bargaining Unit

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
NP-3 Administrative Clerical				
GWI	4,132,459	8,701,329	13,341,169	13,341,169
AI	2,505,506	5,868,764	9,254,791	9,610,672
Parking for UCONN Employees	10,000	10,000	-	-
Increase Lump Sum at Max to \$1,200	-	219,000	263,200	263,200
NP-3 Total	6,647,965	14,799,093	22,859,160	23,215,041
NP-4 Correctional Officers				
GWI	8,672,997	18,097,088	27,962,725	28,342,827
AI: FY 28 AI deferred to FY 29 for Correction Officers	5,925,434	14,347,483	17,326,487	25,509,669
New Maintenance Positions 40 Hour Work Week	-	59,177	59,177	59,177
Parole On Call Stipend \$1,200	-	24,000	24,000	24,000
Existing Maintenance Positions 40 Hour Work Week	-	-	1,490,420	1,490,420
Grade Changes: CO-7 to CO-8	-	-	4,335,340	4,508,754
NP-4 Total	14,598,431	32,527,747	51,198,149	59,934,846
NP-5 Protective Services				
GWI	1,831,563	3,827,521	5,918,060	5,998,605
AI	968,801	2,733,133	4,434,986	5,217,874
Increase EMT & Paramedic Skill Premium	-	45,979	45,979	45,979
Increase Shift Differential	-	64,275	102,841	128,551
Increase Shoe Allowance	-	32,586	65,172	65,172
Grade Changes: 6 Positions	-	-	136,517	141,977
NP-5 Total	2,800,364	6,703,493	10,703,554	11,598,158
P-1/NP-6 1199 Professional & Paraprofessional Health Care				
GWI	16,345,548	34,299,069	52,810,444	53,165,321
AI	7,506,642	22,295,094	36,838,774	44,078,670

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
UHC Resp Therapist Shift Differential	40,000	40,000	40,000	40,000
Holiday Pay for Part Time Employees	-	289,884	289,884	289,884
Grade Changes	-	56,362	920,197	954,661
Overtime for Certain DOC and DMHAS Staff	-	6,548	6,548	6,548
Increase Uniform Allowance	-	15,100	30,200	30,200
Increase Shift Differentials	-	-	805,417	1,771,917
Behavioral Health Unit Supv Overtime	-	-	11,661	11,661
Increase Meal Allowance	-	-	70,644	141,287
CRMHC Overtime	-	-	38,491	38,491
Dental Assistant Stipend	-	-	8,000	8,000
Increase Meal Reimbursement	-	-	-	67,904
Increase In-Charge Pay	-	-	-	95,590
P-1/NP-6 Total	23,892,189	57,002,057	91,870,259	100,700,133
NP-8 Correctional Supervisors				
GWI	1,371,360	2,816,643	4,337,843	4,337,843
AI	1,264,737	2,855,750	4,403,082	4,708,752
Increase Health and Wellness	-	20,000	20,000	20,000
Increase Tuition Reimbursement	-	20,000	20,000	20,000
Parole Supervisors on Call Stipend	-	22,800	22,800	22,800
Increase Supervisory Stipend	-	-	154,200	257,000
Deputy Warden Duty Availability Stipend	-	-	39,600	39,600
Increase Shift Commander Pay from \$35 to \$40	-	-	-	35,490
NP-8 Total	2,636,097	5,735,193	8,997,525	9,441,485
NP-9 State Police Lts. & Captains				
GWI	151,100	311,019	478,017	478,017
AI	100,818	316,292	324,865	324,865
Duty Commander Pilot	197,291	197,291	197,291	197,291
Overtime Comp Time	-	-	534,595	712,795
NP-9 Total	449,209	824,602	1,534,768	1,712,968
P-2 Social and Human Services				
GWI	8,533,078	17,971,864	27,520,228	27,520,228
AI	3,293,430	8,927,657	13,889,480	15,906,174

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
Increase Top Step Lump Sum	432,500	537,500	582,500	582,500
Increase Tuition Reimbursement	50,000	100,000	100,000	100,000
P-2 Total	12,309,008	27,537,021	42,092,208	44,108,902
P-3A Education A				
GWI	736,947	1,535,915	2,367,783	2,399,827
AI	296,607	851,428	1,348,849	1,588,054
Decrease Professional Development Funds	(70,000)	(70,000)	-	-
Increase Merit Evaluation Program	70,000	70,000	200,000	200,000
Increase Meal Reimbursement	-	-	2,439	2,439
Increase Tuition Reimbursement	-	-	10,000	10,000
P-3A Total	1,033,554	2,387,343	3,929,072	4,200,320
P-3B Education B				
GWI	1,322,771	2,798,977	4,306,280	4,306,280
AI	695,836	2,098,966	3,493,783	4,177,344
New Top Step	206,482	625,560	874,645	911,118
Pupil Svcs Specialist Grade Increase	14,478	20,472	27,934	32,122
Reduce Professional Development Funds	(55,000)	(55,000)	-	-
Reduce Quality of Work Life Funding	(206,842)	(410,477)	(82,681)	-
Tuition Reimbursement	55,000	55,000	55,000	55,000
P-3B Total	2,032,724	5,133,498	8,674,960	9,481,864
P-4 Engineer, Science, & Tech				
GWI	7,147,837	15,068,410	23,137,474	23,137,474
AI: FY 26 Only	3,636,786	6,651,759	6,651,759	6,651,759
FY 27 Salary Plan Change	-	3,173,460	6,340,489	6,340,489
FY 28 Salary Plan Change	-	-	4,400,723	8,778,201
FY 29 Salary Plan Change: FY 30 \$6,279,446 Annualized	-	-	-	3,143,226
Additional Step for Qualified Employees	283,331	309,088	309,088	309,088
Grade Increase Trans Safety Advisor	-	-	13,352	13,886
Professional Development	-	-	5,000	10,000
Safety Shoe	-	-	47,120	94,241

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
Training	-	-	15,000	20,000
P-4 Total	11,067,954	25,202,718	40,920,006	48,498,365
P-5 Admin & Residual				
GWI	8,070,923	17,007,335	26,127,777	26,127,777
AI	3,954,041	10,969,273	17,542,903	20,236,159
Tuition Reimbursement	50,000	50,000	75,000	75,000
Increase Safety Shoe Allowance	3,060	3,060	3,060	3,060
Trainee Class Changes	-	215,336	215,336	215,336
Grade Changes	-	45,415	50,370	50,370
Shift Differential	-	5,612	5,612	5,612
Boiler Inspector Grade Change	-	-	3,141	3,141
P-5 Total	12,078,024	28,296,031	44,023,199	46,716,454
P-6/P-7 Assistant Attys General & Assistant AG Dept Heads				
GWI	744,592	1,520,894	2,329,680	2,329,680
AI: No FY 27 AI	347,396	523,796	918,867	1,039,385
FY 27 Move to Step Plan	-	629,604	654,788	654,788
Increase Section Chief Stipend	21,774	22,319	22,877	23,448
P-6/P-7 Total	1,113,762	2,696,612	3,926,211	4,047,301
P8 DCF Program Supervisors				
GWI	302,240	614,807	937,843	937,843
AI	190,600	571,090	970,949	1,178,030
P8 Total	492,840	1,185,897	1,908,792	2,115,873
Judicial Local 749 AFSCME				
GWI	2,740,873	5,632,079	8,681,422	8,681,422
AI	1,691,284	5,054,658	8,576,866	10,281,984
Judicial Local 749 AFSCME Total	4,432,157	10,686,737	17,258,288	18,963,406
Judicial Local 2001 Supervising Judicial Marshals				
GWI	105,059	215,961	333,030	333,030
AI	64,322	196,547	336,127	407,806
Increase Shoe Allowance	-	-	4,200	4,200
Administrative Stipend	-	-	-	14,700
Increase Clothing Allowance	-	-	-	2,100
Judicial Local 2001 Supervising Judicial Marshals Total	169,382	412,508	673,357	761,836
Judicial Local 731 Judicial Marshals				
GWI	835,776	1,718,024	2,649,326	2,649,326
AI	511,530	1,563,043	2,673,050	3,243,072

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
Salary Grid Changes	-	-	2,688,018	2,688,018
Increase Shoe Allowance	-	-	118,600	118,600
Judicial Local 731 Judicial Marshals Total	1,347,306	3,281,067	8,128,994	8,699,016
Judicial AFT				
GWI	3,817,841	7,847,109	12,099,313	12,099,313
AI	2,344,616	7,110,887	12,134,210	14,685,884
Judicial AFT Total	6,162,457	14,957,996	24,233,523	26,785,197
Criminal Justice Local 749				
GWI	234,050	479,316	735,588	735,588
AI	164,844	386,961	581,828	588,035
Other Wage & Salary Changes	84,214	122,719	180,322	174,115
Criminal Justice Local 749 Total	483,108	988,996	1,497,738	1,497,738
Criminal Justice Prosecutors				
GWI	760,817	1,561,822	2,404,395	2,404,395
AI	866,485	1,752,408	2,118,964	2,202,619
Criminal Justice Prosecutors Total	1,627,303	3,314,230	4,523,360	4,607,015
Criminal Justice Local 2001 Inspectors				
GWI	194,636	399,497	615,042	615,042
AI	161,651	381,338	564,772	583,752
Criminal Justice Local 2001 Inspectors Total	356,287	780,835	1,179,814	1,198,794
CTECS AFSA				
GWI	301,044	612,454	933,598	933,598
AI	56,807	152,584	217,986	244,420
Increase Top Step Lump Sum	15,000	15,000	15,000	15,000
Tuition Reimbursement	-	5,000	5,000	-
CTECS AFSA Total	372,851	785,038	1,171,585	1,193,018
CTECS SVFT				
GWI	3,230,778	6,571,114	10,043,325	10,043,325
AI	2,954,307	6,366,022	10,125,258	10,125,258
Substitute Daily Rate Increase	1,327,349	1,327,349	1,327,349	1,327,349
Tuition Reimbursement	100,000	125,000	150,000	-
Library Media Reclassification	55,313	55,313	55,313	55,313
Athletic Coord. Stipend	-	4,815	4,815	4,815
CTECS SVFT Total	7,667,747	14,449,613	21,706,060	21,556,060
Public Defenders				

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
GWI	669,153	1,368,191	2,100,921	2,100,921
AI	331,593	942,658	1,652,642	1,941,625
Extra AI	826,459	1,450,824	2,045,176	2,045,176
Public Defenders Total	1,827,205	3,761,673	5,798,739	6,087,722
BORHE SUOAF Local 2836				
GWI	2,529,518	5,172,091	7,932,142	7,932,142
AI	1,990,726	4,045,150	6,435,610	6,435,610
BORHE SUOAF Local 2836 Total	4,520,243	9,217,241	14,367,752	14,367,752
BORHE Congress of Community College (4Cs)				
GWI	3,198,119	6,658,475	10,477,394	10,477,394
AI	3,817,931	7,624,323	11,825,134	11,525,134
PT 5.25% Effective 7/1/2025	3,773,438	3,773,438	3,773,438	3,773,438
PT 5.25% Effective 7/1/2026	-	4,324,136	4,324,136	4,324,136
Faculty Workload Changes	-	2,572,068	2,572,068	2,572,068
PT Orientation Costs	-	173,850	173,850	173,850
BORHE Congress of Community College (4Cs) Total	10,789,488	25,126,290	33,146,020	32,846,020
BORHE AAUP				
GWI	4,451,522	9,323,500	14,406,996	14,406,996
AI	3,318,462	6,907,238	10,579,975	10,579,975
BORHE AAUP Total	7,769,984	16,230,738	24,986,971	24,986,971
BORHE Local 2480				
GWI	197,097	404,883	624,031	624,031
AI	230,479	477,183	717,200	717,200
BORHE Local 2480 Total	427,576	882,066	1,341,231	1,341,231
BORHE Charter Oak Local 1214				
GWI & AI	280,774	572,112	874,411	874,411
Standardized Promotion Schedule	2,125	2,375	2,625	2,625
On Call/Standby Stipend	1,710	1,710	1,710	1,710
Eliminate Annual Merit Pool	-	(18,909)	(19,883)	(20,907)
BORHE Charter Oak Local 1214 Total	284,609	557,288	858,863	857,839
UCONN AAUP				
GWI	6,490,012	13,275,318	20,369,356	20,369,356
AI	5,321,747	10,885,735	16,702,883	16,702,991
Promotion in Rank	431,005	467,640	485,346	505,800

Bargaining Unit/Policy	FY 26	FY 27	FY 28	FY 29
Provost Fund	(200,000)	(200,000)	(200,000)	(175,000)
Adjunct Stipend	-	935,295	1,501,552	2,080,544
Childcare	-	20,000	30,000	40,000
UCONN AAUP Total	12,042,764	25,383,988	38,889,137	39,523,691
UCONN UCPEA				
GWI	4,502,108	9,204,418	14,112,802	14,112,802
AI	3,505,259	7,045,929	10,662,375	10,663,210
Childcare	-	75,000	125,000	150,000
Tuition Reimbursement	-	50,000	50,000	50,000
UCONN UCPEA Total	8,007,367	16,375,347	24,950,177	24,976,012
UCHC AAUP				
GWI	3,977,474	8,465,391	13,155,263	13,155,263
AI	3,181,979	6,772,312	10,524,211	10,524,211
Professional Development	-	108,250	108,250	108,250
UCHC AAUP Total	7,159,453	15,345,953	23,787,724	23,787,724
UCHC UHP				
GWI	6,978,755	14,858,031	23,083,878	23,718,687
AI	3,991,374	10,305,748	16,322,453	17,838,566
UCHC UHP Total	10,970,129	25,163,779	39,406,331	41,557,253
Total	177,569,538	397,732,687	620,543,527	661,366,005

The Out Years

The wage provisions of this contract expire on June 30, 2028. The wage provisions of this resolution will remain in effect in future years subject to the outcome of the collective bargaining process.