

OFFICE OF FISCAL ANALYSIS

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sHB-5509

AN ACT CONCERNING MUNICIPAL ORDINANCES FOR
INTEREST RATES ON DELINQUENT SEWER ASSESSMENTS.

As Amended by House "A" (LCO 5942)

House Calendar No.: 254

Senate Calendar No.: 565

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The bill requires the Public Utilities Regulatory Authority (PURA) to establish a regulatory program for water pollution control authorities (WPCAs) located in certain municipalities. It is anticipated that two municipalities (Bridgeport and Stamford) fall under the bill's provisions. This results in annual costs of \$865,650 to the Public Utilities Control (PUC) fund beginning in FY 19, including fringe benefits of \$357,653 to the PUC fund, to hire six staff persons and a consultant to manage the new regulatory program.

It also establishes a \$4 surcharge on each customer in the new regulatory program. As an estimated 207,432 customers exist within this universe, this provision would generate \$1,081,728 in revenue beginning in FY 19 to the PUC fund. Under the bill, this revenue would be used to offset the costs and expenses to PURA for establishing and administering the program.

Therefore, the revenue raised by the \$4 surcharge covers the costs for PURA for administering the new regulatory program.

Additionally, the bill requires the cities of Bridgeport and Stamford to adopt ordinances to lower interest rates on delinquent sewer assessments. This is anticipated to result in a revenue loss to those municipalities.

Lastly, the bill restricts assignees of water pollution control authorities from purchasing foreclosed properties which is not anticipated to result in a fiscal impact to the state or municipalities.

House "A" replaces the underlying bill with the provisions and impact described above.

The Out Years

The annualized ongoing fiscal impact described above would continue into the future subject to inflation.

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.