AN ACT INCREASING THE TERM LIMIT FOR LOANS UNDER THE TARGETED BROWNFIELD DEVELOPMENT LOAN PROGRAM.

As Amended by Senate "A" (LCO 5139)

Senate Calendar No.: 220

OFA Fiscal Note

State Impact:

<table>
<thead>
<tr>
<th>Agency Affected</th>
<th>Fund-Effect</th>
<th>FY 19 $</th>
<th>FY 20 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Energy and Environmental Protection</td>
<td>GF - Revenue Gain</td>
<td>Potential</td>
<td>Minimal</td>
</tr>
<tr>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Note: GF=General Fund

Municipal Impact:

<table>
<thead>
<tr>
<th>Municipalities</th>
<th>Effect</th>
<th>FY 19 $</th>
<th>FY 20 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various Municipalities</td>
<td>Revenue Gain</td>
<td>Potential</td>
<td>Potential</td>
</tr>
</tbody>
</table>

The bill results in the following impacts:

Section 1 has no fiscal impact by extending the term limits for loans under the Targeted Brownfield Loan program. The change is administrative in nature and is not anticipated to impact the number of loans provided through the program. The number of thirty-year loans is anticipated to be minimal.

Furthermore, the bill does not amend the authorization for General Obligation bonds that support the Targeted Brownfield Loan program and therefore has no impact on debt service costs.

Sections 2 – 4 modify the usage of environmental land use restrictions and notice of activity and use limitations. This is not
anticipated to result in a fiscal impact.

**Section 5** requires certain grant recipients under the Remedial Action and Redevelopment Municipal Grant Program to enter one of the state's remediation programs as chosen by the Commissioner of the Department of Economic Development.

This may result in a revenue gain to the Department of Energy and Environmental Protection (DEEP) to the extent that:

(1) An environmental condition assessment is required for compliance. The fee for the assessment per CGS 22a-133x is $3,250; or,

(2) The recipient must participate in the Brownfield Remediation and Revitalization Program. Any applicant in that program must pay to DEEP a fee equal to 5% of the assessed value of the land, as stated on the last-completed grand list of the relevant town (subject to certain fee waiver provisions).

**Section 6** results in a potential revenue loss to municipalities that offer tax abatements for brownfield remediation. Any revenue loss would vary based on the abatement offered by such municipality, and the number of remediation sites in such municipality subject to the amendment's provisions.

As current law allows municipalities to recapture the lost revenue resulting from tax abatements related to brownfield remediation, any revenue loss could be offset by existing recapture provisions within an effected municipality.

**Section 7** exempts the construction of nuclear submarines from environmental impact statements under certain circumstances. As this pertains to federal projects, this is not anticipated to result in any savings to the state or municipalities.

Senate “A” adds sections 2 to 7 and result in the impacts described above.
**The Out Years**

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

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.