

OFFICE OF FISCAL ANALYSIS

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

SB-269

AN ACT CONCERNING THE ASSESSMENT OF CIVIL PENALTIES AGAINST SMALL BUSINESSES BY THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Department of Energy and Environmental Protection	GF - Revenue Gain	Potential	Potential
Department of Energy and Environmental Protection	GF - Revenue Loss	Less than 30,000	Less than 30,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill prohibits the Department of Energy and Environmental Protection (DEEP) from assessing a civil penalty against businesses of fewer than 250 employees for first-time regulation violations under certain conditions. The prohibition on assessing civil penalties does not apply to violations for which a penalty is required as a condition for federal funding.

This would result in a revenue loss to DEEP, as several civil penalties of \$500-\$1,000 assessed against small businesses for violations would no longer be collected. It is anticipated that the revenue loss would be less than \$30,000 annually. In 2016, there were 17 violations of \$1,000 each.

The bill also requires DEEP to impose a civil penalty for violations taking longer than six months to remedy. To the extent this is enforced

Primary Analyst: MR
Contributing Analyst(s):
Reviewer: MG

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by DEEP, there may be a revenue gain associated with this provision.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the amount of the civil penalties suspended.