

OFFICE OF FISCAL ANALYSIS

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SB-229

AN ACT PROHIBITING THE USE OF STYROFOAM TRAYS IN CONNECTICUT SCHOOLS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Education, Dept. (Connecticut Technical and Education Career Center)	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 20 \$	FY 21 \$
Local and Regional School Districts	STATE MANDATE ¹ - Cost	1.98 - 2.75 million statewide	1.98 - 2.75 million statewide

Explanation

The bill results in a state mandate and a statewide annual cost to local and regional school districts, including the Connecticut Technical and Education Career Center, of approximately \$1.98 million to \$2.75 million associated with prohibiting local and regional school districts from entering into purchasing contracts for trays made of expanded polystyrene. The cost per district will vary by the size of the district, the number of trays used, and the specific contract.

It is estimated that replacing polystyrene trays with trays made of recycled materials results in an increased cost of \$18 to \$25 for each

¹ State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

case of 500 trays. Connecticut public schools provide 46 million lunches and 18 million breakfasts annually. Assuming that a tray is used for each lunch, the additional statewide cost for purchasing lunch trays made of recycled materials is approximately \$1.66 million to \$2.3 million. Assuming 50% of breakfast meals are served with a tray, the statewide cost for breakfast trays is between \$324,000 and \$450,000.

The cost to each district for purchasing trays made of recycled materials will vary. A small district serving approximately 350,000 meals will incur annual additional costs of approximately \$12,600 to \$17,500. A medium sized district serving 1.8 million meals will incur annual costs of approximately \$64,800 to \$90,000. Larger districts serving 2.5 million meals will incur annual costs of \$90,000 to \$125,000.

If a district instead purchases reusable plastic trays to replace all polystyrene trays, a more significant cost results. It is estimated that reusable plastic trays average \$10-\$12 per tray. In addition to the larger one-time cost of purchasing the trays, districts would incur additional ongoing significant costs related to staff, dishwashing equipment, plumbing, electrical, and maintenance costs.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, the terms of the purchasing contracts, and the number of trays used annually.