

OFFICE OF FISCAL ANALYSIS

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sHB-6235

AN ACT ESTABLISHING THE "LEARN HERE, HEAL HERE"
PROGRAM.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Economic & Community Development	GF - Cost	Significant	Significant
Department of Revenue Services	GF - Potential Revenue Loss	Up to 50,000	Up to 150,000
Department of Revenue Services	GF - Cost	100,000	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential General Fund revenue loss of up to \$50,000 in FY 22 and up to \$150,000 in FY 23.¹ This revenue loss may be partially offset by interest earnings on participants' contributions or by repayment in the case of participants moving out of state.

The bill also results in a one-time set up and programming cost of \$100,000 in FY 22 to the Department of Revenue Services to administer the income tax segregation provisions of the bill.

Developing and implementing a public education program to educate eligible medical school graduates about the bill's first-time homebuyer program is anticipated to cost in excess of \$100,000.

¹ The bill specifies the program is available to up to 40 new program participants each year and caps the amount each participant may segregate at \$2,500 per year.

The Out Years

The revenue loss would increase in up to \$100,000 increments annually before reaching the aggregate program cap of \$1 million as early as FY 32. The annualized cost to continue to implement a public education campaign would increase with the cost of inflation over time.