

OFFICE OF FISCAL ANALYSIS

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<http://www.cga.ct.gov/ofa>

sSB-356

AN ACT ESTABLISHING AN ENERGY EFFICIENCY RETROFIT
GRANT PROGRAM FOR AFFORDABLE HOUSING.

As Amended by Senate "A" (LCO 9400)

Senate Calendar No.: 136

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Energy and Environmental Protection	FF - Cost	168,000	174,000
State Comptroller - Fringe Benefits ¹	FF - Cost	159,000	165,000

Note: FF=Federal Funds

Municipal Impact: None

The bill as amended requires that the Department of Energy and Environmental Protection (DEEP) administer an energy retrofit program using federal or other funds. The bill as amended results in a cost to DEEP of approximately \$327,000 in FY 22 and \$339,000² in FY 23 for the salaries and fringe benefits associated with hiring a program director and a research analyst to administer the program.

The American Rescue Plan Act (ARPA) plan adopted by the Appropriations Committee includes \$8 million in federal funding for this program, which will presumably be used as the funding source for

¹ The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is 95.57% of payroll in FY 22 and FY 23

this program should it ultimately become law.

The bill as amended also makes multifamily homes with more than 5 units eligible for certain Class I renewable energy programs under current law and does not result in a fiscal impact.

Senate "A" eliminated a provision in the underlying bill requiring the Department of Housing to administer the program and eliminated a revenue gain of \$1-3 million from a \$5 fee on building permits. The amendment results in the fiscal impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to federal funding being available after FY 23. To the extent the program continues without a federal funding source, there may be costs borne by the General Fund after FY 23.

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.