

OFFICE OF FISCAL ANALYSIS

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SB-876

AN ACT CONCERNING BONDS OF BOARD MEMBERS AND OTHER EMPLOYEES OF THE CONNECTICUT HOUSING FINANCE AUTHORITY.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
CHFA	Other Fund - Savings	approx. 3,000	approx. 3,000

Municipal Impact: None

Explanation

The bill is anticipated to result in savings to the Connecticut Housing Finance Authority (CHFA) of approximately \$3,000 per year. Currently, CHFA purchases both the minimum surety bond required under current law and a more comprehensive liability insurance policy. Under the bill CHFA could eliminate most, if not all, of the \$3,650 annual cost for the surety bond by exclusively relying on more cost-effective insurance.

The Out Years

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

Sources: Connecticut Housing Finance Authority