

# OFFICE OF FISCAL ANALYSIS

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sSB-999

AN ACT CONCERNING A JUST TRANSITION TO CLIMATE-  
PROTECTIVE ENERGY PRODUCTION AND COMMUNITY  
INVESTMENT.

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## ***OFA Fiscal Note***

### ***State Impact:***

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

### ***Municipal Impact:***

Municipalities	Effect	FY 22 \$	FY 23 \$
Various Municipalities	Potential Cost	See Below	See Below

### ***Explanation***

The bill requires certain renewable energy and efficiency construction projects to meet prevailing wage standards and requires developers to enter into community host agreements.

There is a potential cost to municipalities resulting from the bill, which may increase the costs of certain covered projects that are funded by towns. To the extent that the bill increases the total cost of covered projects by requiring that workers be paid the prevailing wage, there is a cost equal to the differential in labor-related costs between such wages and those that would otherwise apply. This does not impact projects that currently must comply with prevailing wage laws or are covered by a project labor agreement.

There is also a potential General Fund revenue gain from penalties

for noncompliance with the bill's provisions. The bill specifies that violations result in penalties and sanctions but does not specify further details. As such, any potential revenue is anticipated to be minimal, and enforcement by the Department of Labor is not anticipated to result in any costs to the agency.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to amount in penalties assessed by the Department of Labor and the number of such covered projects funded by municipalities.