

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sSB-171

AN ACT ESTABLISHING A REVOLVING LOAN ACCOUNT TO ASSIST ELDERLY HOMEOWNERS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Policy & Mgmt., Off.	Elderly Revolving Loan Fund - Cost	Up to \$334,551	Up to \$669,103

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Municipalities	Revenue Gain	Potential	Potential

Explanation

There is a cost to the Office of Policy and Management, of up to \$669,103 annually, associated with administering the Elderly Homeowner Property Tax Revolving Loan program. This includes annual salary costs of up to \$335,004 and annual fringe costs¹ of up to \$334,099 to hire an office assistant, a paralegal, and two staff attorneys. It is anticipated that these costs would not be fully realized until FY 24, depending on the timing of personnel hires.

The cost of providing the loans would vary based on the number of

¹The 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 99.73% of payroll in FY 23.

people eligible, and on the size of the loans they take out. The bill allows investment earnings, including the principal and interest on the loans, to be used to fund loans under the program. The bill provides credited investment earnings to the Fund but does not specify a funding source.

To the extent that the Elderly Homeowner Property Tax Revolving Loan Fund provides homeowners who owe unpaid taxes with a way of paying those taxes, there is a revenue gain to municipalities.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of applicants and the value of the loans they receive.