

OFFICE OF FISCAL ANALYSIS

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HB-5506

AN ACT ADJUSTING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE 30, 2023, CONCERNING PROVISIONS RELATED TO
REVENUE, SCHOOL CONSTRUCTION AND OTHER ITEMS TO
IMPLEMENT THE STATE BUDGET AND AUTHORIZING AND
ADJUSTING BONDS OF THE STATE.

AMENDMENT

LCO No.: 6345

OFA Fiscal Note

See Fiscal Note Details

The amendment makes minor, technical, and numerical errors to the FY 23 revised appropriations, carryforwards, and ARPA allocations. It reallocates previously allocated broadband infrastructure funding to business broadband infrastructure buildout. Lastly, the amendment increases the ARPA allocation to Elevate Bridgeport by \$50,000 and provides the \$300,000 to the Lebanon Historical Society in ARPA funding, \$1,000,000 to the Bloomfield Social and Youth Services, and \$3,000,000 to the Department of Motor Vehicles for IT moderation in ARPA funding. The amendment also reduces to the Invest Connecticut allocation of \$3,450,000.

Lines 291 to 293 remove provisions in the underlying bill pertaining to contingency fee agreements. This has no fiscal impact.

Section 84 contains technical changes which do not alter the section's impact from the underlying bill.

Section 123 makes technical changes to Project Longevity and does not result in a fiscal impact.

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5/3/22
(FN)

Sec. 124 makes changes to the certificates of need task force. These changes have no fiscal impact.

The amendment strikes “nonpartisan” from **section 138**. This expands the number of legislative employees eligible for the special lump sum payment, adding costs of \$512,500 in FY 22 (current fiscal year) which can be accommodated by OLM’s FY 22 appropriation. The increased costs are \$205,000 in FY 23 and funding for it is in the bill.

The amendment repeals **Section 162** which removes a requirement that the Department of Energy and Environmental Protection (DEEP) implement the Sustainable Materials Management Program. The bill carries forward \$5 million in FY 23 for this grant program.

Section 261 requires the Office of Early Childhood (OEC) administer an emergency stabilization grant program for school readiness programs. The bill carries forward associated funding of \$20 million in OEC for this purpose.

The amendment clarifies that OEC may use a portion of funding allocated for the Start Early - Early Child Development Initiative, established under section 463, to support administrative expenses.

Section 501, which increases the maximum potential grant amount under the Rent Bank program to \$3,500, is not anticipated to change the total funding expended on the program, which is provided under Sec. 55 of the underlying bill.

Section 502 has no fiscal impact by exempting marketplace facilitators from collecting and remitting sales tax on behalf of rental car companies for which they facilitate rentals. In effect, the bill makes the rental car companies responsible for the collection and remittance of the tax on such rentals.

Section 503 - 508 make procedural changes regarding reproductive health services and does not result in a fiscal impact.

Section 510 specifies how funding for school-based health centers

should be allocated and has no fiscal impact.

Section 511 exempts the Stratford board of education from the minimum budget requirement (MBR) in FY 23, which potentially results in a savings to Stratford as the town will not be required to meet a minimum level of education spending that fiscal year.

Section 512 changes the reimbursement rate for school construction projects in towns with a population of greater than eighty thousand to be no less than 60% and Cheshire to be no less than 50% for projects submitted prior to FY 48. To the extent projects are submitted and the statutorily calculated reimbursement rate would be less than the rates indicated, there would be increased costs to the state and increased revenue to involved towns. The impact of new projects on the school construction priority list will be reflected when such projects are considered by the legislature in the future.

Section 513 makes changes to DPH's immunization information system that have no fiscal impact.

Section 514, which makes a technical change regarding the immunization information system, has no fiscal impact.

Section 515, which makes changes to the Advisory Committee on Medically Contraindicated Vaccinations within DPH related its immunization information system, has no fiscal impact.

Sections 516 to 528 bill makes several changes to the assessment process for motor vehicle property taxes. It (1) establishes a depreciation schedule for motor vehicle taxes; (2) exempts all-terrain vehicles, snowmobiles and certain utility trailers from property taxes; (3) expands the supplemental motor vehicle tax to vehicles registered in August and September; and (4) makes other motor vehicle assessment changes.

The bill results in a shift in municipal grand lists to real and personal property by establishing a depreciation schedule for motor vehicles. This precludes any increase in a municipality's motor vehicle grand list

that would otherwise occur by assessing vehicles based on manufacturer's suggested retail price (MSRP).

The bill results in a grand list reduction to municipalities by exempting all-terrain vehicles, snowmobiles and utility trailers. This grand list reduction is at least partially offset by the expansion of the supplemental motor vehicle tax to vehicles registered in August and September. The net impact of these two changes on municipal grand lists is expected to be minimal.

The other changes made in the bill to the motor vehicle assessment process have no fiscal impact. The bill also makes various changes to the process by which DMV reports registered vehicles to municipal assessors, which has no fiscal impact.

Sections 529 to 531 makes minor, technical, and conforming changes to replace references to obsolete permits that no longer exist. These changes have no fiscal impact.

The amendment repeals sections 196, 229, 261, 265, 299, 464, 474 that result in no fiscal impact.

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.