

OFFICE OF FISCAL ANALYSIS

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SB-100

AN ACT ESTABLISHING AN ACCOUNT IN THE GENERAL FUND TO PROVIDE GRANTS TO TOWNS THAT NEED PFAS TESTING AND REMEDIATION.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Department of Energy and Environmental Protection	GF - Cost	25,059,679	59,679
State Comptroller - Fringe Benefits ¹	GF - Cost	23,842	23,842

Note: GF=General Fund

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Municipal Impact:

Municipalities	Effect	FY 24 \$	FY 25 \$
Various Municipalities	Revenue Gain	25 million	See Below

Explanation

The bill results in a cost to General Fund through the Department of Energy and Environmental Protection (DEEP) of \$25,059,679 in FY 24 and \$59,679 in FY 25 and a revenue gain of \$25 million in FY 24 in the form of grants to various municipalities for the testing and remediation of “perfluoroalkyl and polyfluoroalkyl substances” (PFAS) in drinking water. It would also result in costs to DEEP of \$59,679 in each of FY 24 and FY 25 to hire an Environmental Analyst I, plus fringe benefits of

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

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\$23,842 in each of FY 24 and FY 25 to administer the new grant program.

The bill establishes a separate, non-lapsing General Fund account, the "PFAS Testing account," for municipal grants to test and remediate contamination in drinking water. It appropriates \$25 million in FY 24 from the General Fund to DEEP for deposit into the account, to be used by DEEP to provide such municipal grants, in consultation with the Department of Public Health. The bill also allows the account to accept funds from other public and private sources, and if any such funds are received, then the bill's revenue gain to municipalities would exceed \$25 million.

To the extent the full \$25 million is not paid out in FY 24, the revenue gain of any remaining amount may be received by various towns in FY 25 and future years.

The Out Years

The fiscal impact identified above for grants would end in FY 24, except that any moneys remaining in the PFAS Testing account after FY 24 would continue to be available for providing municipal grants. The fiscal impact for the position would continue into the future subject to inflation.