

# OFFICE OF FISCAL ANALYSIS

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sSB-1198

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
SCHOOL INDOOR AIR QUALITY WORKING GROUP.

## ***OFA Fiscal Note***

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

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$	Out Years \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below	465.4 million total
Department of Administrative Services	GF - Cost	See Below	See Below	See Below

Note: GF=General Fund

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

Municipalities	Effect	FY 24 \$	FY 25 \$
Local and Regional School Districts	STATE MANDATE <sup>1</sup> - Cost	See Below	See Below

### ***Explanation***

The bill, which makes changes to various school air quality-related programs, results in the following impacts to the state and municipalities:

**Section 1** makes changes to the school indoor air quality working group and has no fiscal impact.

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<sup>1</sup> State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

**Section 2** results in costs to the Department of Administrative Services (DAS) to create the School Indoor Air Quality and HVAC Portal. The estimated costs include initial startup costs to create the portal and ongoing costs including software licensing and maintenance of the portal. The costs may be reduced to the extent DAS is able to complete and maintain the portal leveraging existing resources within DAS.

**Section 3** results in an annual cost beginning in FY 24 to local and regional school districts to test indoor air quality in certain schools annually, rather than every three years. Such costs are anticipated to be no more than \$2,500 per inspection per school. The bill will triple each district's current inspection costs (unless the district is testing more frequently than currently required). Additionally, should the inspection results call for corrective actions, then there are potential costs to districts, which may in some cases be significant depending on the corrective actions needed. The costs are anticipated to vary widely among districts.

The bill also delays, from FY 24 to FY 25, the first year in which districts are required to test the HVAC system in each school, and allows districts to receive a waiver from the FY 25 deadline in certain circumstances. These provisions potentially change the timing in which districts will incur costs to test and upgrade their HVAC systems, but do not change the overall cost of doing so.

**Section 4** authorizes \$300 million in General Obligation bonds (\$150 million in each of FY 24 and FY 25) for the school air quality grant program, to be administered by the Department of Administrative Services. To the extent bonds are fully allocated and expended, total debt service is expected to be approximately \$465.4 million over the 20-year duration of the bonds.

**Section 5**, which requires the Department of Public Health to develop guidelines on optimal thermal comfort for school buildings and facilities, does not result in a fiscal impact to the agency.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the terms of any bonds issued.