

OFFICE OF FISCAL ANALYSIS

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

sHB-5473

AN ACT CONCERNING THE EXPANSION OF MUNICIPAL SEWERAGE SYSTEMS TO PROMOTE THE DEVELOPMENT OF HOUSING AND REQUIRING THE MAJORITY LEADERS' ROUNDTABLE GROUP ON AFFORDABLE HOUSING TO STUDY THE ELIMINATION OF MUNICIPAL DESIGN REVIEW PROCESSES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Policy & Mgmt., Off.	GF - Cost	See Below	See Below
Policy & Mgmt., Off.	GF - Cost	81,000	80,000
State Comptroller - Fringe Benefits ¹	GF - Cost	33,000	33,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Municipal Water Companies; Various Municipalities	Cost	See Below	See Below
Municipal Water Companies; Various Municipalities	Revenue Gain	See Below	See Below

Explanation

The bill requires municipal water pollution control authority (WPCA) plans in certain municipalities to: (1) include a plan for providing sewer service to promote the development of housing opportunities, and (2) submit these plans to the Office of Policy and Management (OPM). The bill also requires OPM to create and

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 41.25% of payroll in FY 25.

administer a sustainable and equitable infrastructure and support program to provide funding for sewer infrastructure-related costs and provide planning grants of up to \$35,000 to municipalities.

This results in a cost of \$81,000 in FY 25 and \$80,000 in FY 26 to OPM for one environmental analyst 1 to assist with the requirements of the bill. There is a corresponding cost of \$33,000 in FY 25 and FY 26 to the Office of the State Comptroller for associated fringe benefits.

There is an additional cost to OPM beginning in FY 25 to provide funding and one-time grants up to \$35,000 to qualifying municipalities.

The bill results in a cost to WPCA in various municipalities beginning in FY 25 for updating plans to meet these requirements. This cost may be partially or fully offset to the extent that municipalities are awarded grants from OPM.

The bill also requires the majority leaders' roundtable group on affordable housing to conduct a study of the potential elimination of municipal design review processes, which is not anticipated to have a fiscal impact. Members of the roundtable have expertise in the subject area and research staff that can assist as needed.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.