

OFFICE OF FISCAL ANALYSIS

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SB-289

AN ACT CONCERNING THE AUTHORITY OF THE DEPARTMENTS OF ENERGY AND ENVIRONMENTAL PROTECTION AND TRANSPORTATION OVER VEGETATION MANAGEMENT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Department of Energy and Environmental Protection	GF - Cost	Significant	Significant
State Comptroller - Fringe Benefits ¹	GF - Cost	Significant	Significant
Department of Transportation	TF - Potential Cost	See Below	See Below

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact: None

Explanation

The bill creates new oversight processes for vegetation management at state parks and campgrounds, and along state highways. The bill's changes result in significant costs to the state beginning in FY 25, as described below.

Section 1 is expected to result in costs exceeding \$1 million annually, beginning in FY 25. The section establishes the Beneficial Arbor Retention Commission and requires a licensed arborist and the commission to evaluate the proposed removal or pruning of any tree,

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.

shrub, or group of shrubs in any of the 142 state parks and 13 state campgrounds.² The bill places the commission within the Department of Energy and Environmental Protection (DEEP) for administrative purposes only. As DEEP and nonprofit partners are continuously engaged in such vegetation management, it is expected that the commission's cost of arborist evaluations for such work will exceed \$1 million annually beginning in FY 25. The cost is anticipated to be similar whether the commission hires arborists to conduct the evaluations or contracts out. DEEP estimates that the cost of arborist evaluation that meets the requirements of the bill for one tree is \$200.

Due to the volume of tree and shrub evaluations that must be done by the arborists and the commission, it is anticipated that one Environmental Analyst 2 position will be required to staff the commission. The costs of the new position are expected to be approximately \$73,800 in FY 25 (\$48,700 salary and \$5,000 other expenses to DEEP, and fringe benefits of \$20,100) and annualized costs of \$92,700 in FY 26 and beyond (\$64,900 salary and \$1,000 other expenses, and \$26,800 in fringe benefits). FY 25 costs reflect an October 1, 2024 hire date.

Section 3 requires the Department of Transportation (DOT), or its contractor, to get a certificate from DEEP within 30 days of operating machinery or equipment for vegetation management at both its maintenance and construction projects. This potentially requires DOT to apply for several thousand certificates a year which, to the extent that it leads to project delays, results in a cost to DOT. The actual cost will depend on the process developed by DEEP and the length of any delays.

When evaluating whether to issue each certificate, DEEP must consider multiple factors. This evaluation may result in significant annual costs to DEEP beginning in FY 25, associated with the requirements to consider whether the equipment's use is consistent with state emissions goals and the effects of particulate matter associated with its use. It is unclear whether it would be possible to use other

² The removal or pruning cannot proceed without commission approval.

entities' test results for equipment emissions and particulate matter. If so, DEEP will require a significant number of additional staff, given the volume of certificates expected. If emissions and particulate data are unavailable, the cost to develop such information by in-house testing of equipment could exceed \$100 million, based on a similar program executed by California. The costs would include building a testing laboratory, purchasing and maintaining specialized testing equipment, and hiring new staff qualified to use the testing equipment.

DEEP's evaluation for the certificate must also consider how the planned vegetation management would impact the spread of invasive species, and prescribe how to mitigate such spread. To implement this aspect of the certification requirements, DEEP will hire two additional staff – a Forester 1 and a Wildlife Biologist 1 – at a total estimated cost to the state of \$208,300 in FY 25 and \$188,300 in FY 26 (and annually thereafter). The annual cost components are: (1) salaries totaling \$129,800 (\$64,900 for each); (2) fringe benefits of \$53,500; and (3) other expenses of \$25,000 in FY 25 (including a vehicle) and \$5,000 in FY 26, and annually thereafter.

The Out Years

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