

2955

FISCAL NOTE (Form 1)
(Office of Fiscal Analysis)
Analyst: SP, Sted 12
tk
Version: 6

BILL NUMBER: SB 2019
FILE NUMBER:
AMENDMENTS: Senate "A" & "B"

TITLE: "AN ACT CONCERNING TRANSPORTATION MANAGEMENT PROGRAMS
REQUIRED UNDER THE CLEAN AIR ACT"

FAVORABLY REPORTED BY Emergency Certification

EFFECTIVE DATE: Upon Passage

* * * * *

FISCAL IMPACT STATEMENT - BILL NUMBER SB 2019

STATE IMPACT	Potential Costs, (Transportation Fund), Minimal Increase, see explanation below	Significant Revenue, Minimal Workload	Future Gain, Potential
MUNICIPAL IMPACT	Potential Future Costs, Potential Revenue Loss, Potential Minimal Cost, see explanation below		
STATE AGENCY(S)	Department of Transportation and Other State Agencies		

EXPLANATION OF ESTIMATES:

STATE IMPACT: The implementation of Transportation Management Programs will require employers, primarily in Fairfield County, with 100 or more employees to increase, by November 15, 1996, the average passenger occupancy rate to their work locations during the morning peak hours of 6:00 A.M. to 10:00 A.M. (Mondays - Fridays, excluding holidays) to at least 25% above the areawide baseline average.

To accomplish this requirement, the bill, as amended, requires the Transportation Commissioner to expend at least 70% of the money the state will receive for "Congestion Mitigation and Air Quality Improvement" programs under the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) on eligible projects. The total dollar amount the Department of Transportation, (DOT), expects to receive for the program from ISTEA funds is approximately \$19.4 million in FY 1993 and \$23.0 million each year thereafter. Thus, \$13.6 million and \$16.1 million would be allocated to projects in severe non-attainment areas in FY 1993 each year thereafter. In order to provide technical assistance and informational support, it is anticipated costs will be incurred by the DOT. In fiscal year 1993, one-time costs of \$100,000 for consultant services will be necessary to develop the Transportation Management package. Some time in the near future, the DOT anticipates the need for at least

3 additional planning positions and 1 clerical position to monitor and to continue program implementation. Annual salaries are expected to be approximately \$120,000. Costs for the adoption of regulations, as well as for the submission of annual reports by the task force to develop transportation management plans, can be absorbed within available budgetary resources.

Costs to the Department of Environmental Protection for consulting services with the DOT to determine the areawide baseline vehicle occupancy and for developing regulations are expected to be minimal.

Costs to the Department of Labor for providing requested information to the DOT and for consulting on regulations are also expected to be minimal.

Costs to employers, with 100 employees or more, including the state and municipalities could be potentially significant. It is anticipated that cost for developing and submitting compliance plans to the DOT could be absorbed by the impacted governmental subdivisions within budgetary resources. Ultimately, cost to the state and to municipalities will depend on the type of programs the political subdivisions decide to undertake. For instance, allowing for flexible hours and providing preferential parking for ridesharing employees will not be as costly as paying for all or part of the costs of vans used by employees, providing shuttle bus services, bus passes, etc..

It is worthwhile to note that the bill does not specify whether state agencies will be submitting individual plans to the DOT or whether the state will submit one compliance plan to cover all executive branch agencies.

The revenue gain to the Special Transportation Fund from filing fees from employers in severe non-attainment areas is estimated to be approximately \$150,000. An indeterminate revenue gain is anticipated from the imposition of penalties. However, due to the severity of the penalties, (\$10 per day per employee for each work site, up to \$5,000 per day), close to full compliance is anticipated. Thus, the revenue gain which is to be deposited into the Special Transportation fund is expected to be minimal.

There is a minimal cost to the Department of Public Utility Control associated with receiving developers' notices to rescind contracts and giving directions to companies to pay developers.

With costs pertaining to these situations by public service companies included in the rate base, there could be a potential minimal cost associated with energy usage for the State.

MUNICIPAL IMPACT: Since municipalities are subject to the penalties enumerated under the agreement, a potential cost to municipalities, including school districts, exists. Again, since nearly full compliance is expected, a minimal fiscal impact may be anticipated.

With costs incurred by public service companies included in the companies' rate base, there could be a potential minimal cost associated with energy usage.

Repealing Section 23 of PA 92-162 will eliminate the \$100,000 payment to municipalities by wood burning facility applicants, which stand 2 at the present time.

Senate "A" which deletes the provision creating a separate non-lapsing account; requires that at least 70% of the money received under the Congestion Mitigation Air Quality grant be spent on eligible projects in severe non-attainment areas; allows, rather than mandates, the DOT to forward compliance plans to regional planning agencies; adds the application fee provisions and imposes penalties would have the potential future costs and revenue gain to the Special Transportation Fund and the potential future costs on municipalities from the imposition of penalties.

Senate "B" which authorizes a cooperating developer who wishes to offer to rescind a contract to file notice of such offer with the Department of Public Utility Control (DPUC); requires the DPUC to direct the company to pay the cooperating developer in each case a sum equal to \$400 multiplied by the number of kilowatts of rated capacity of a facility which burns wood; requires cooperating developers and municipalities to be reimbursed for associated costs and which repeals Section 23 of PA 92-162 would have a minimal cost to the DPUC and a potential minimal cost to other state agencies, and a potential minimal cost and a potential revenue loss to municipalities resulting from the repeal of Section 23 of PA 92-162 which eliminates the \$100,000 payment to municipalities by wood burning facility applicants.

"THIS DOCUMENT IS PREPARED FOR THE BENEFIT OF THE MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION. IT DOES NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."