

# OFFICE OF FISCAL ANALYSIS

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

sHB-6551

AN ACT CONCERNING ENVIRONMENTAL AIR QUALITY.

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Energy and Environmental Protection	GF - Cost	228,118	236,413
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	91,932	95,274
Department of Energy and Environmental Protection	GF - Potential Cost	200,000	200,000

Note: GF=General Fund

**Municipal Impact:** None

### **Explanation**

The bill alters various environmental justice (EJ) laws.

**Section 1** requires that the environmental equity working group, in consultation with the Department of Energy and Environmental Protection (DEEP) and the Departments of Public Health (DPH) and Labor (DOL), establish criteria to identify disadvantaged communities. This requirement has no fiscal impact to DEEP, DOL or DPH as they currently have expertise to identify these communities.

**Section 2** of the bill requires DEEP to deny an application or permit for a new or expanded facility if less harmful alternatives are found; it also allows for resubmittal of applications. This provision requires

---

<sup>1</sup>The 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 41.3% of payroll in FY 22 and FY 23.

DEEP to obtain new information for certain permit applications in advance of creating new EJ decisions. These new requirements would result in costs to DEEP of \$228,118 in FY 22 and \$236,413 in FY 23 to hire two additional Environmental Analyst 3 (EA) positions and a new Attorney. There would also be associated fringe benefit costs of \$91,932 and \$95,274, respectively for the three new positions.

There are currently two Attorney's covering 125 permitting processes under the Environmental Quality side of DEEP (including materials management/solid waste, air, and industrial waste water programs). The two DEEP staff persons that currently work on EJ programs also cover the "bottle bill" and are not dedicated EJ staff. The additional EA positions are required to handle the bill's provisions and would work on data collection and analysis required for permitting decision-making as required under the bill's expanded EJ thresholds. There may also be costs to DEEP associated with retaining outside consultants, estimated to be approximately \$200,000 in each of FY 22 and FY 23 to the extent consulting with DPH is required to meet the public health criteria set forth under the bill for each EJ project, as DEEP currently does not have expertise in this area.

Additionally, current law requires DEEP to publish a schedule of regulatory actions and policies to demonstrate progress towards meeting a schedule of reduced greenhouse gas levels. **Section 3** of the bill requires action on this schedule of reduced emissions to ensure that the state reach these levels. Changing the scope of the report does not result in a fiscal impact to the state or municipalities.

Lastly, **Section 4** establishes (1) emissions requirements for fossil fuel burning generators used by qualified data centers and (2) green building standards for these centers. The bill requires qualified data centers who enter into agreements with the Department of Economic and Community Development (DECD) that each fossil fuel burning emergency use generator used by that data center meet certain standards of the Federal Environmental Protection Agency. This is not anticipated to result in a fiscal impact to the state or municipalities as it

would apply to private, third-parties.<sup>2</sup>

### ***The Out Years***

The annualized ongoing fiscal impact identified above may continue into the future subject to the number of EJ projects DEEP is required to review. It is estimated that any consulting costs would only occur in FY 22 and FY 23 and costs for DEEP staff would continue into the future subject to inflation.

---

<sup>2</sup> A data center is a facility used to house networked computer servers in one location or contiguous locations.