

OFFICE OF FISCAL ANALYSIS

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

SB-127

AN ACT CONCERNING COMMUNITY INVESTMENT BOARDS AND NEIGHBORHOOD ASSISTANCE.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$	The Out Years
State Comptroller - Fringe Benefits ¹	GF - Cost	Up to 17,000	Up to 17,000	Up to 17,000
Policy & Mgmt., Off.	GF - Cost	Up to 42,000	Up to 42,000	Up to 42,000
Policy & Mgmt., Off.	GF - Cost	None	None	Potential

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires certain large municipalities to establish community investment boards and requires those boards to identify priorities for the use of certain grants funded from the Municipal Revenue Sharing Account (MRSA). Beginning in FY 23, the bill allows such municipalities to spend a portion of their MRSA funding on the priorities of those boards.

These provisions have no fiscal impact, as the bill does not change the allocation or amount of MRSA funding in any year, nor does it restrict a municipality's use of such funding. Under current law, an estimated

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 40.53% of payroll in FY 23.

\$424.7 million is estimated to be deposited into MRSA in FY 23.

The bill also requires the Office of Policy and Management (OPM) to create and maintain a website allowing residents and organizations to submit proposed solutions to specific urban area problems, and to offer financial awards to residents and organizations that submit ideas that become the basis for successful pilot programs. There is a cost of up to \$59,000 (\$42,000 in salary and \$17,000 in fringe benefits) annually for a permanent, part time employee to maintain the Web site.

There is an additional cost to OPM to offer financial awards to residents. This cost will vary based on the awards offered.

The bill also establishes a task force to study the (1) programs for which state funding is utilized by nonprofit providers, and (2) requirements imposed on nonprofit providers by state agencies and compliance with those requirements by nonprofit providers. The task force shall submit a report on its findings and recommendations to the Planning and Development Committee by January 1, 2023. This has no fiscal impact as PA 17-236 prohibits transportation allowances for task force members.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in the General Fund revenue diversion to the Municipal Revenue Sharing Account.