

OFFICE OF FISCAL ANALYSIS

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HB-6853

AN ACT CONCERNING FUNDING FOR MICROGRIDS AND RESILIENCE PROJECTS.

As Amended by House "A" (LCO 8767)

House Calendar No.: 157

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Treasurer, Debt Serv.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

.The bill makes various changes to the microgrid and resilience grant and loan program, including expanding the pool of eligible recipients, which could result in increased or more rapid use of previously authorized bond funds. The program is funded through General Obligation (GO) bond funds. Future General Fund debt service costs may be incurred sooner under the bill to the degree that it causes authorized GO bond funds to be expended or to be expended more rapidly than they otherwise would have been.

As of March 1, 2023, there is an unallocated bond balance of \$15 million available under the relevant authorization. The bill does not change GO bond authorizations relevant to the program.

Lastly, the bill provides the option for state agencies to engage in decarbonization projects with approval by the Department of

Environmental Protection in consultation with the Department of Administrative Services. This could be done without requiring additional resources.

House "A", eliminates the bill and its associated fiscal impact and results in the impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the terms of any bonds issued.