

OFFICE OF FISCAL ANALYSIS

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sHB-6854

AN ACT ESTABLISHING THE OFFICE OF THE FOOD ACCESS
ADVOCATE AND TAX INCENTIVES FOR GROCERY STORES IN
FOOD DESERTS.

AMENDMENT

LCO No.: 8195

File Copy No.: 503

House Calendar No.: 316

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact resulting in the following impact.

Section 2 requires the Commission on Women, Children, Seniors, Equity and Opportunity to recruit and employ a food and nutrition policy analyst resulting in an approximate annual cost to the Commission of \$90,000 per year, along with a fringe benefit cost of approximately \$38,500 per year. The actual cost is dependent on the salary range for the new position.

Section 3 allows a municipality to provide a short-term property tax abatement for any new grocery store established in a food desert during two assessment years. This results in a potential revenue loss to municipalities beginning in FY 24. The extent of the revenue loss is dependent on the amount of the abatement and the number of such grocery stores.

Section 4 allows municipalities to receive state financial assistance, up to the amount of abated property taxes under Section 4, in the form of a state grant-in-aid. This will mitigate, in whole or part, any revenue loss from the property tax abatement for grocery stores in food deserts

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beginning in FY 24. This section also results in a potential cost to the DECD, as the bill allows DECD discretion in awarding any grant-in-aid. The total potential cost per fiscal year is dependent upon the aggregated amount of property tax abatement approved by municipalities.

Section 5 does not result in a fiscal impact by requiring DECD to develop a strategic plan to provide incentives for grocery store construction in a food desert and file a report on the plan by January 1, 2024. It is anticipated that DECD can develop this plan within existing resources.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.