

OFFICE OF FISCAL ANALYSIS

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HB-5002

AN ACT CONCERNING HOUSING AND THE NEEDS OF
HOMELESS PERSONS.

AMENDMENT

LCO No.: 9796

File Copy No.: 973

House Calendar No.: 151

Senate Calendar No.: 550

OFA Fiscal Note

See Fiscal Note Details

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

Section 1 establishes a tax credit for the conversion of commercial buildings into residential developments. This results in (1) a General Fund revenue loss of up to \$3 million annually beginning in FY 27 and (2) an annual cost of approximately \$300,000 to the Department of Housing (DOH) beginning in FY 26 to contract the administration of tax credit vouchers under this program.¹

Section 2 allows housing units that are created as a result of conversion from a commercial building to a residential development to be counted toward a moratorium under the affordable housing appeals procedure. This may result in a potential savings to municipalities beginning in FY 26 for legal costs to the extent more municipalities are awarded a moratorium.²

¹ Connecticut Housing and Finance Authority (CHFA) currently administers similar programs, and it is likely that CHFA would be contracted to administer this program as well.

² Several municipalities reported spending up to \$215,000 on legal costs, appeals, and litigations related to CGS 8-30g projects within the past two years.

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.