

OFFICE OF FISCAL ANALYSIS

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sHB-6917

AN ACT CONCERNING THE MANAGEMENT OF SOLID WASTE IN THE STATE.

AMENDMENT

LCO No.: 9618

File Copy No.: 884

House Calendar No.: 578

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Administrative Services; Various State Agencies	App Fund - Cost	None	None
Various State Agencies	All Funds - Potential Cost	None	See Below
State Comptroller - Fringe Benefits ¹	GF - Cost	None	None
Resources of the General Fund	GF - Potential Revenue Gain	None	None
Consumer Protection, Dept.	GF - Cost	None	None

Note: App Fund=All Appropriated Funds; All Funds=All Funds; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities	Potential Revenue Gain	See Below	See Below
Various Municipalities	STATE MANDATE ² - Cost	None	See Below

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 40.71% of payroll in FY 26.

² State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

Local and Regional School Districts	STATE MANDATE - Cost	None	See Below
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Explanation

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

Section 1 allows municipalities to spend certain funds on a municipal or regional waste coordinator which does not result in a fiscal impact as it only expands the possible use of funds municipalities already receive.

Section 2 requires certain commercial and industrial entities to adopt a written policy pertaining to a food donation program that covers various requirements outlined under the amendment. This does not result in any fiscal impact.

Section 3 results in out-year costs which are outlined below.

Section 4 requires water fountains in state and municipal buildings to be replaced with water filling stations whenever such water fountains need to be replaced, or when capital projects are undertaken in those buildings. These requirements conform to current practice for certain state agencies, local and regional school districts, and municipalities. The requirements result in a cost to the extent state agencies, local and regional school districts, and municipalities, do not currently conform to these requirements beginning in FY 27. The cost of replacing a water fountain with a water filling station is between \$5,000 and \$10,000 per unit, which is \$1,000 to \$2,000 more than replacing the old fountain with a similar water fountain.

Section 5, which establishes a task force to study the reduction of single-use plastics in the state, does not result in a fiscal impact to the state or municipalities because the task force has the expertise to carry out these requirements.

Section 6 establishes a goal of allocating not less than 20% of funds

available in the sustainable materials management account to municipalities with populations of up to 20,000. This results in a potential revenue gain to such municipalities.

The Out Years

State Impact:

Agency Affected	Fund-Effect	FY 28 \$	FY 29 \$	FY 30 \$
Department of Administrative Services; Various State Agencies	App Fund - Cost	1.3 million	1.3 million	1.3 million
Various State Agencies	All Funds - Potential Cost	See Below	See Below	See Below
State Comptroller - Fringe Benefits	GF - Cost	40,179	40,179	40,179
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below	See Below
Consumer Protection, Dept.	GF - Cost	101,195	98,695	98,695

Note: App Fund=All Appropriated Funds; All Funds=All Funds; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 28 \$	FY 29 \$	FY 30\$
Various Municipalities	Potential Revenue Gain	See Below	See Below	See Below
Various Municipalities	STATE MANDATE - Cost	See Below	See Below	See Below
Local and Regional School Districts	STATE MANDATE - Cost	Potential Significant	Potential Significant	Potential Significant

Section 3, effective July 1, 2027, bans polystyrene foodware and packaging products and single-use plastic stirrers and sticks by various entities including state and municipal agencies, schools, vendors with government contracts.

The ban requires the state to renegotiate various food contracts to meet the new requirements resulting in a cost of \$1.3 million per year beginning in FY 28. The ban results in a potential cost to local and

regional school districts starting in FY 28, to the extent school districts are not compliant with the requirements of the bill. School districts may have to renegotiate various contracts and may require additional equipment and staffing for dishwashing, or need to purchase disposable items that comply with the bill. For districts that do not currently comply with the bill's requirements, the costs may be significant. The ban may also result in a potential cost to municipalities to the extent they have to renegotiate contracts to meet these requirements.

In addition, **Section 3** requires the Department of Consumer Protection (DCP) and the Department of Energy and Environmental Protection (DEEP)³ to regulate and enforce the provisions of the bill resulting in a cost to the state. To meet the requirements of the bill DCP would need to hire one state program manager for a salary and other expenses cost of \$101,195 in FY 28 and \$98,695 in FY 29 and FY 30, along with an annual associated fringe benefit cost of \$40,179. This employee is needed to conduct educational outreach, provide guidance and resources to help business and institutions transition to sustainable alternatives, and enforce the provisions of the bill.

The bill includes a \$250 penalty for second and subsequent violations resulting in a potential revenue gain to the state to the extent this occurs.

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.

³It is anticipated that DEEP can meet the requirements of the bill with existing resources.