

OFFICE OF FISCAL ANALYSIS

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sHB-5036

AN ACT STREAMLINING RESIDENTIAL SOLAR PERMITTING AND ENERGY INFRASTRUCTURE.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Department of Administrative Services	GF - Cost	14,700,000	1,700,000
State Comptroller - Fringe Benefits ¹	GF - Cost	209,100	209,100

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which requires the Department of Administrative Services to develop or implement a state-wide solar permitting platform, results in a General Fund cost of \$14,909,100 in FY 27 and \$1,909,100 annually thereafter. The costs include 1) a one-time cost of \$13 million to build the platform, 2) \$500,000 in salary and \$209,100 in fringe to hire five new employees, and 3) \$1.2 million annually for training, licenses, and other operating expenses including cloud computing services.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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 41.82% of payroll in FY 27.

The bill results in a potential savings to municipalities in the out years to the extent less resources are required to approve certain building applications and permits. The bill also results in a potential revenue loss to municipalities associated with lower permit fees as the bill requires municipalities to revise permitting fee schedules to reflect any savings to the municipalities. It is expected that the overall net impact to municipalities will be zero.