

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sSB-477

AN ACT CONCERNING THE FAILURE TO FILE FOR CERTAIN GRAND LIST EXEMPTIONS, A MUNICIPAL OPTION TO ABATE DELINQUENT PROPERTY TAXES ON CERTAIN PARCELS OF LAND, ALLOCATIONS OF CERTAIN STATE FUNDS AND ITEMS IMPLEMENTING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027.

As Amended by Senate "A" (LCO 6140), Senate "B" (LCO 6173)
House Calendar No.: 580
Senate Calendar No.: 417

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

Sections 1 through 7 allow taxpayers in Berlin, Lebanon, Meriden, Middletown, Waterbury, and West Hartford to receive tax exemptions that they will have otherwise been eligible to receive if they had not missed the filing deadline for such exemptions in certain years. Depending on whether the payments have already been made, this results in a cost or a revenue loss to these towns to reimburse such taxpayers. It is anticipated that any impact will only occur in FY 27.

Section 8 allows municipalities to abate certain delinquent taxes. This results in a revenue loss in FY 27 to the extent a municipality votes to abate these taxes.

Section 9 validates mailed notices for the town of Wilton's assessment increase for the October 1, 2025, grand list. This results in a potential savings to the town of Wilton to the extent they will have to

re-mail the notices.

Section 10 carries forward up to \$45,000 to FY 27 of the unexpended funds for the Connecticut Academy of Science and Engineering account within the Office of Legislative Management (OLM).

Section 11 provides a grant increase of \$10,000 to the Stamford Public Education Foundation in FY 27 to reflect associated funding provided in the budget.

Section 12 changes the account from Various Grants to SERC for a grant to SERC from SDE for disconnected youth programming to reflect how funding was provided in the budget.

Sections 13 – 17 apply a 4.35% raise to judges' salaries, resulting in a cost of \$2.65 million to the Judicial Department; \$189,000 to the Workers' Compensation Commission; \$10,800 to the Governor; \$9,050 each to the Lieutenant Governor, Treasurer, Secretary, Comptroller and Attorney General; and \$297,000 to the State Comptroller – Fringe Benefits in FY 27 and FY 28. The budget provides funds for these increases.

Section 21 carries forward up to \$200,000 of the unexpended balance from the Auditors of Public Accounts (APA) Personal Services account to the APA's Other Expenses account for FY 27.

Sections 23 – 24 amend the charter of the Cornfield Point Association special district within Old Saybrook to allow increased assessments on property located within the district. This results in a revenue gain to the district beginning in FY 28 that is dependent on the amount of the assessment and the number of properties on which it is assessed.

Section 25 allows Hartford to delay an October 1, 2026 revaluation by one year. This shifts any costs associated with revaluation and any subsequent grand list changes into the future, provided the municipal legislative body approves the delay.

Sections 29-32 make procedural changes to eligibility for a Non-Residential Energy Solutions (NRES) program tariff for specific

municipalities and makes other procedural changes to the application process that will likely result in a cost avoidance to eligible municipalities.

Section 33 adds the Finance, Revenue, and Bonding Committee as a recipient to reporting on deposits into the hospital supplemental payment account and the use of such funds. This does not result in any fiscal impact.

Section 34 clarifies the eligibility and certification process for the temporary supplemental film tax credit which does not result in any fiscal impact.

Sections 36-39 make a variety of changes to sHB 5001 as amended, including requiring municipal clerks to prefill certain information for absentee ballot applications for electors with automatic absentee ballot application status. This results in a potential annual cost to all municipalities beginning in FY 28 to the extent additional labor and supplies are required to prefill absentee ballot applications for these electors. The exact cost will depend on how municipalities choose to prefill applicable absentee ballot applications and the number of electors with automatic absentee ballot application status.

The bill also makes procedural changes regarding automatic absentee ballot status and clarifies restrictions on certain law enforcement agencies' presence near election sites. These changes have no fiscal impact to the state or municipalities.

Section 40 increases Medicaid rates for optometrists for certain codes. Related funding of \$850,000 is included in the Department of Social Services (DSS) FY 27 budget for this purpose.

Section 41 specifies that certain studies by the Insurance Department required by sSB 1 as amended be implemented within available appropriations. This does not alter the fiscal impact as identified in the underlying fiscal note.

Section 49 provides \$500,000 as a grant-in-aid in FY 26 to aid to the

Northwest Resource Recovery Authority from a non-lapsing account under the Office of Policy and Management that was established and funded with \$2 million from the resources of MIRA Dissolution Authority under PA 23-170.

Section 50 adjusts the angel investor tax credit program. This does not result in any fiscal impact as the program is subject to an aggregate annual cap of \$5 million and currently reaches that cap (which is unchanged in the bill).

Section 54 specifies that the one-time FY 27 municipal grant funded in the budget is not included in Bridgeport's minimum budget requirement for education.

Section 55 makes \$4 million from DOT's Rail Operations account available in FY 27 for Shore Line East and separately requires that \$3 million from that account be expended for the purposes of increasing services on Shore Line East. The budget provides funds for these purposes.

Section 59 clarifies provisions that must be included in the workforce and productivity gap contribution plan which does not result in any fiscal impact.

Section 64 changes the administering agency of a high school bus pass grant program established by sSB 9, as amended, from the State Department of Education to the Department of Transportation.

Section 65 requires that \$2.5 million appropriated to DOT's bus operations account in FY 27 be expended to (1) implement a bus pass discount program for veterans and high school students and (2) issue grants pursuant to the high school bus pass program in Section 64. The budget provides \$2.5 million in FY 27 to DOT for these purposes.

Section 67 carries forward, into FY 27, funds provided to SDE in FY 26 for the Bridgeport Public Schools Debate League and makes a clarifying change to the recipient organization's name.

Section 68 specifies that \$150,000 from the carry forward of up to \$1.15 million for the Working Cities Challenge shall be used for Middletown Works.

Section 70 makes a clarifying change to the farm investment tax credit program which is not anticipated to result in any fiscal impact.

Section 77 reduces the penalty for unlicensed operation of certain health institutions from a class D felony to a class C misdemeanor, resulting in a minimal potential revenue loss from fines.

Section 78 allows the Department of Public Health (DPH) to impose a maximum civil penalty of \$5,000 per day (compared to \$25,000 under sSB 1 as amended) against anyone who establishes, conducts, manages, or operates a health care facility without a required DPH license (or certificate for nursing facility management services). This reduces the potential revenue gain to the General Fund from the bill as amended. The amount of the revenue gain, if any, remains dependent on the number of violations and DPH's discretion regarding civil penalties.

Section 79 requires that any unexpended funds in the Early Childhood Education Endowment as of the end of FY 26 shall not lapse and will remain available for use in subsequent fiscal years until fully exhausted.

Section 80 makes a clarifying change regarding supplemental education aid grant funds provided in FY 26.

Section 81 repeals a duplicative section which does not result in any fiscal impact.

Section 85 makes a technical change to the Individual Coverage Health Reimbursement Arrangement tax credit and facilitates the sharing of certain taxpayer information between the Department of Revenue Services and the Connecticut Health Insurance Exchange. This does not result in any fiscal impact.

Section 86 carries forward up to \$500,000 from FY 26 into FY 27 in the Department of Economic and Community Development's Various Grants account for the High Poverty Community Leadership Development program in Hartford.

Section 87 changes the maximum amount that may be carried forward, from \$100,000 to \$200,000, from the Judicial Department in FY 26 to the Department of Economic and Community Development in FY 27 for My Architecture Workshops.

Section 88 carries forward, from FY 26 into FY 27, up to \$90,000, rather than \$25,000, of unexpended funds for Burns Latino Academy for musical instruments and instruction within SDE.

Section 99 makes a technical change to reflect funding provided in the budget for RESC magnet operational support.

Section 101 makes clarifying changes to the sales and use tax exemption on school supplies that are not anticipated to result in a fiscal impact.

Section 104 carries forward up to \$100,000 from FY 26 into FY 27 in the Department of Economic and Community Development's Various Grants account for a grant-in-aid to Angel of Edgewood, Inc.

Section 108 carries forward \$175,000 in the Department of Economic and Community Development to provide a grant to the Rich Dae Foundation in FY 27.

All sections not identified above do not have a fiscal impact.

Senate "A" strikes the underlying bill and replaces it with language that results in the fiscal impact described above, except section 108.

Senate "B" adds language that results in the impact of section 108. The remaining sections of the amendment do not result in a fiscal impact.

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State Impact: See Above

Municipal Impact: See Above

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.