

OFFICE OF FISCAL ANALYSIS

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sHB-5510

AN ACT INCLUDING THE UNITED STATES SPACE FORCE IN
REFERENCES TO THE UNITED STATES ARMED FORCES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Constituent Units of Higher Education	Tuition - Revenue Loss	Potential Minimal	Potential Minimal
Policy & Mgmt., Off.	GF - Potential Cost	None	Potential Minimal

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 24 \$	FY 25 \$
Various Municipalities	Grand List Reduction	None	Potential Minimal

Explanation

The bill expands the general definitions of “armed forces” to include members of the U.S. Space Force, which may increase the number of individuals qualifying for certain benefits available to veterans, including constituent unit tuition waivers and the Veteran’s Property Tax Exemption. Consequently, the bill results in a potential minimal revenue loss beginning in FY 24 to the constituent units and a potential minimal grand list reduction to certain municipalities beginning in FY 25. The bill also results in a potential General Fund cost beginning in FY 25 within the Office of Policy and Management, associated with the Property Tax Relief for Veterans account. It is anticipated that any revenue loss or cost incurred would be minimal as there are few Space Force veterans and no Space Force facilities in New England.

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The bill could result in a potential tuition fund revenue loss to the constituent units of higher education beginning in FY 24, associated with providing tuition waivers to Space Force veterans.

The bill could also result in a grand list reduction in any municipality where a Space Force veteran receives this exemption, beginning in FY 25, given a constant mill rate.

The bill may also impact the General Fund's Property Tax Relief for Veterans account beginning in FY 25. There was a lapse in the account in FY 22 and FY 23 as less claims were made than that of the appropriated amount. To the extent the bill results in increased number of claims, this account may have a lower or no lapse. If the amount of claims exceeds the appropriation then each town's grant from the account would be reduced proportionately as the grant is capped.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation in constituent unit tuition and real property assessment values, and the number of qualifying members of the U.S. Space Force.