



House of Representatives

General Assembly

File No. 716

January Session, 2001

Substitute House Bill No. 6718

House of Representatives, May 9, 2001

The Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING STATE GRANTS FOR REGIONAL EFFICIENCY DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (a) As used in this section:
- 2 (1) "Municipality" means any town, city or borough, consolidated
- 3 town and city or consolidated town and borough;
- 4 (2) "Joint program" means a service, undertaking or operation to be
- 5 provided or performed in accordance with this section by more than
- 6 one municipality, either by a municipality for another municipality on
- 7 a contract basis or in any other manner authorized by law;
- 8 (3) "Political subdivision" means any local authority or district
- 9 which performs a public function or service in any of the following
- 10 areas: Fire protection, first aid, social services, community
- 11 development, community or regional planning or public health; and

12 (4) "Secretary" means the Secretary of the Office of Policy and
13 Management.

14 (b) The Secretary of the Office of Policy and Management shall
15 provide financial assistance, within available appropriations, to
16 municipalities for regional efficiency development. Notwithstanding
17 the provisions of the general statutes, grants shall be made to any
18 municipality to provide a joint program that (1) a feasibility study
19 prepared under subsection (d) of this section determines could only be
20 provided on a joint basis; (2) is currently not being provided at all or
21 which, based on the surveys submitted pursuant to subsection (d) of
22 this section, is being provided at a level substantially below the
23 minimum needs of the recipients; or (3) consolidates existing service
24 systems to achieve efficiency and economy. Applications for joint
25 program grants may be made for the following services: (A)
26 Assessment and collection of taxes; (B) maintenance of municipal
27 records and statistics and electronic data processing; (C) building,
28 housing and plumbing code inspection and enforcement; (D) economic
29 development strategies promoting transit oriented designs; (E) solid
30 waste collection and disposal or recycling; (F) air pollution control
31 inspection and enforcement; (G) welfare and social service programs;
32 (H) maintenance and administration of parks and recreational and
33 cultural facilities; (I) maintenance of roads, public works and beaches;
34 (J) fire departments; and (K) energy conservation services.

35 (c) A municipality may apply for a grant under this section to
36 provide for the services specified in subsection (b) of this section. A
37 political subdivision may apply to participate in a joint program and
38 receive financial assistance under this section provided application is
39 made by the municipality in which the political subdivision is located.

40 (d) No grant shall be made unless the applicant has submitted to the
41 secretary a plan of operation based on a feasibility study of the joint
42 program proposed to be conducted. A feasibility study shall include

43 such detailed surveys of existing service standards in the areas to be
44 served by the joint program as may be required by the secretary to
45 determine that a joint program would (1) enable provision of a needed
46 service that would not otherwise be provided, or remedy existing
47 levels of service provision, or otherwise produce better services at
48 relatively lower unit costs or more efficient administration, (2) not
49 adversely affect neighboring local units, and (3) not exclude adjacent
50 municipalities that might benefit from the joint program. Not more
51 than thirty days after submission of the feasibility study, the secretary
52 shall conduct a public hearing in each municipality to be included in
53 the proposed joint program. Not more than thirty days after the last
54 hearing on the feasibility study, the program shall be eligible for aid
55 under this section. If the study recommends establishment of a joint
56 program, not more than six months after the date of the last public
57 hearing on the feasibility study, the legislative body of each
58 municipality that participated in the study shall submit a statement to
59 the secretary indicating its intention to implement the
60 recommendation or detailing its objections to each recommendation
61 made in the feasibility study for establishing a joint program. No joint
62 program shall receive financial assistance unless the legislative body of
63 each municipality has passed identical resolutions ratifying the
64 conditions of the grant.

65 (e) The secretary may provide financial assistance to municipalities
66 to conduct a feasibility study for a joint program.

67 (f) The secretary, upon request of the chief executive officer of a
68 municipality, shall conduct a preliminary survey of the eligibility of
69 the municipality for a grant under subsection (b) of this section with
70 respect to any joint programs specified or suggested in such request.
71 The preliminary survey shall be of sufficient scope and detail to enable
72 the secretary to advise all municipalities and political subdivisions
73 affected by the proposed joint program that a detailed feasibility study
74 is warranted pursuant to this section. The commissioner shall transmit

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Uncertain

Affected Agencies: Office of Policy and Management

Municipal Impact: Uncertain

Explanation

State and Municipal Impact:

The bill results in an uncertain impact on the state and municipalities. It establishes a program in the Office of Policy and Management (OPM) to provide grants to municipalities seeking to engage, or that are currently engaged, in joint programs for a variety of purposes. The bill requires OPM to make available to municipalities \$4,500,000¹ in grants to support regional efficiency, and requires that these grants be provided “within available resources.” It is unlikely that the agency would be able to provide these grants without additional funding or significantly affecting other programs. It is unknown what types of grants or sources of funding that could be reduced. To the extent that OPM can divert sufficient resources from existing programs to administer the program and provide grants under the bill, municipalities could experience a revenue gain and achieve savings from increased efficiencies.

OLR Bill Analysis

sHB 6718

AN ACT CONCERNING STATE GRANTS FOR REGIONAL EFFICIENCY DEVELOPMENT.**SUMMARY:**

This bill provides, within available funds, grants from the Office of Policy and Management (OPM) to groups of municipalities that devise ways to provide specified types of services efficiently. Towns can also use the grants to fund “undertakings” and “operations.” They must first determine if it is feasible to provide the services. OPM must adopt regulations specifying the application process and eligibility criteria. It can grant no more than \$300,000 to all towns within a state-designated planning region.

EFFECTIVE DATE: July 1, 2001

ELIGIBILITY***Municipalities***

Towns, cities, boroughs, consolidated towns and cities, and consolidated towns and boroughs qualify for the grants. Authorities and health, transit, special, special services, and other districts can receive grants through their host towns. These entities, which the bill labels “political subdivisions,” can receive funds if they provide fire protection, first aid, or social services; run community development programs; do community or regional planning; or are involved in public health.

Activities

Municipalities can use the grants to fund joint services, undertakings, or operations. The bill does not define the latter two terms. A

¹ Municipalities within a planning region may receive up to \$300,000. There are 15 designated planning regions. (15 @ \$300,000 = \$4,500,000).

municipality can contract with another one to do these things on its behalf. Or two or more municipalities can do them jointly under an interlocal agreement or other arrangement the law allows.

Towns can use the grants to:

1. assess and collect taxes;
2. maintain municipal records and statistics and electronic data processing;
3. inspect for and enforce building, housing, and plumbing codes;
4. prepare economic development strategies that promote transit oriented designs;
5. collect and dispose of solid waste;
6. operate recycling programs;
7. inspect and enforce air pollution requirements;
8. operate welfare and social services programs;
9. maintain and administer parks and recreational and cultural facilities;
10. maintain roads, public facilities, and beaches;
11. operate fire departments; and
12. operate energy conservation services.

OBTAINING GRANTS

Request for Preliminary Survey

Municipalities must request a preliminary survey and complete a feasibility study before they can apply for grants. A municipality's chief elected official must identify the type of joint program it wishes

to run and ask the OPM secretary to determine if it qualifies for a grant. He must do this by conducting a survey to give him enough information to decide whether a feasibility study is needed. He must tell all of the affected municipalities and political subdivisions about the results.

Feasibility Study

The secretary can provide fund a feasibility study if he decides one is needed. The municipality proposing the joint study can request funding and prepare the study, which must provide information about the existing service standards in the proposed program's service area. The secretary must use the study to decide whether to fund the proposed program.

For the proposed program to receive funding, the study must show that it would provide a service that would not otherwise be provided, improve the levels of the existing services, provide better services at lower cost, or improve their administration. It must also show that the proposed program would not adversely affect neighboring local governmental units (i.e., municipalities and political subdivisions) or prevent adjoining municipalities from participating in the services.

Public Hearing

The secretary must hold a public hearing on the feasibility study in each municipality included in the joint program within 30 days after receiving it. The joint program qualifies for a grant no later than 30 days after the last hearing.

Legislative Body Actions

The municipalities involved in the joint program must tell the secretary whether they intend to implement it. If the feasibility study recommended establishing the joint program, the legislative bodies of the municipalities that were involved in the study must submit a statement to the secretary indicating whether they accept or reject its recommendations. They must do this within six month of the last hearing on the study. The secretary cannot fund the joint program unless all of these municipalities adopt identical resolutions ratifying

the grant conditions.

Grant Applications

A municipality applying for a grant must submit a plan, based on the feasibility study, showing how the joint program will be operated. The secretary can grant funds if:

1. the feasibility study shows that the proposed program can only be provided on a joint basis;
2. the proposed program is not being operated in the area or is operating at a level that fails to meet the minimum needs of its recipients; or
3. it consolidates existing service systems to achieve efficiency and economy.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Change of Reference
Yea 17 Nay 0

Appropriations Committee

Joint Favorable Substitute
Yea 38 Nay 7