



Senate

File No. 788

General Assembly

January Session, 2001

(Reprint of File No. 67)

Senate Bill No. 1040
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 18, 2001

AN ACT AUTHORIZING MUNICIPALITIES TO JOINTLY PERFORM MUNICIPAL FUNCTIONS.

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

1 Section 1. (NEW) Two or more municipalities may jointly perform
2 any function that each municipality may perform under any provision
3 of the general statutes or special act. Any agreement entered into
4 pursuant to this section shall be approved in accordance with the
5 provisions of the charter, home rule ordinance or special act of each
6 participating municipality. The terms of each agreement shall establish
7 a process for withdrawal and shall require that the agreement be
8 reviewed at least once every five years by the legislative body of any
9 participating municipality to assess the record of such agreement in
10 performing the function that is the subject of the agreement. As used in
11 this section "municipality" means any town, city or borough,
12 consolidated town and city or consolidated town and borough within
13 the state of Connecticut.

14 Sec. 2. This act shall take effect July 1, 2001.

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: None

Affected Agencies: None

Municipal Impact: Potential Savings

Explanation**Municipal Impact:**

The bill results in potential savings to municipalities, as it would allow savings associated with economies of scale. The level of savings would depend upon the functions that were jointly performed and the number of municipalities involved.

House "A" specified that any agreement to jointly perform municipal functions must: (1) be approved in accordance with each participating municipality's charter, home rule ordinance or special act; and (2) establish a process for withdrawal from the agreement. These specifications have no fiscal impact.

OLR Amended Bill Analysis

SB 1040 (as amended by House "A")*

AN ACT AUTHORIZING MUNICIPALITIES TO JOINTLY PERFORM MUNICIPAL FUNCTIONS.**SUMMARY:**

This bill gives towns blanket authority to perform jointly any function the statutes or special acts allow them to perform individually. It requires any joint agreement to (1) include a process for a town to withdraw and (2) be approved in accordance with the participating towns' charters, home rule ordinances, or special acts. It applies to towns, cities, boroughs, consolidated towns and cities, and consolidated towns and boroughs. At least once every five years, the legislative bodies of the participating towns must review any agreement to jointly perform functions and assess its results.

Current law allows municipalities to perform only certain specific functions jointly. In a number of cases, it requires them to form interlocal advisory boards, designate interlocal employees, and take other steps in order to do so. Municipalities can also make agreements to share real and personal property tax revenue.

*House Amendment "A" adds the provisions requiring any agreement (1) include a withdrawal process and (2) be approved in accordance with the participating towns' charters, home rule ordinances, or special acts.

EFFECTIVE DATE: July 1, 2001

BACKGROUND***Interlocal Agreements***

Current law establishes a process for towns and other municipal bodies to enter into interlocal agreements with towns within or outside Connecticut. It restricts these agreements to a specific, but long, list of municipal functions and services. The proposed agreement must be

submitted to the local legislative bodies, which must hold at least one hearing on the proposal, consider suggesting changes, and approve or reject the final proposal. The statutes require agreements to address: (1) maximum duration, (2) employee indemnification, (3) dispute settlement, and (4) other issues.

Municipal Revenue Sharing

PA 00-85 authorized two or more municipal chief elected officials to initiate a process to agree to share real and personal property tax revenue. The agreement must be negotiated, with an opportunity for public participation, and adopted by each participating municipality's legislative body. The agreement must contain provisions for amending, terminating, and withdrawing from the agreement.

The agreement can include what tax revenue will be shared and how it will be collected and shared. Municipalities can enter into these agreements notwithstanding provisions of other state laws, charters, or home rule ordinances.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Report
Yea 17 Nay 0