



# House of Representatives

General Assembly

**File No. 514**

February Session, 2002

Substitute House Bill No. 5790

*House of Representatives, April 16, 2002*

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 PAYMENTS FROM THE MASHANTUCKET PEQUOT AND MOHEGAN FUND.**

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

1 Section 1. Section 3-55j of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2002*):

3 (a) Twenty million dollars of the moneys available in the  
4 Mashantucket Pequot and Mohegan Fund established by section 3-55i  
5 shall be paid to municipalities eligible for a state grant in lieu of taxes  
6 pursuant to section 12-19a in addition to the grants payable to such  
7 municipalities pursuant to section 12-19a, subject to the provisions of  
8 subsection (b) of this section. Such grant shall be calculated under the  
9 provisions of section 12-19a and shall equal one-third of the additional  
10 amount which such municipalities would be eligible to receive if the  
11 total amount available for distribution were eighty-five million two  
12 hundred five thousand eighty-five dollars and the percentage of  
13 reimbursement set forth in section 12-19a were increased to reflect

14 such amount. Any eligible special services district shall receive a  
15 portion of the grant payable under this subsection to the town in  
16 which such district is located. The portion payable to any such district  
17 under this subsection shall be the amount of the grant to the town  
18 under this subsection which results from application of the district mill  
19 rate to exempt property in the district. As used in this subsection and  
20 subsection (c) of this section, "eligible special services district" means  
21 any special services district created by a town charter, having its own  
22 governing body and for the assessment year commencing October 1,  
23 1996, containing fifty per cent or more of the value of total taxable  
24 property within the town in which such district is located.

25 (b) No municipality shall receive a grant pursuant to subsection (a)  
26 of this section which, when added to the amount of the grant payable  
27 to such municipality pursuant to section 12-19a, would exceed one  
28 hundred per cent of the property taxes which would have been paid  
29 with respect to all state-owned real property, except for the exemption  
30 applicable to such property, on the assessment list in such  
31 municipality for the assessment date two years prior to the  
32 commencement of the state fiscal year in which such grants are  
33 payable, except that, notwithstanding the provisions of said subsection  
34 (a), no municipality shall receive a grant pursuant to said subsection  
35 which is less than one thousand six hundred sixty-seven dollars.

36 (c) Twenty million one hundred twenty-three thousand nine  
37 hundred sixteen dollars of the moneys available in the Mashantucket  
38 Pequot and Mohegan Fund established by section 3-55i shall be paid to  
39 municipalities eligible for a state grant in lieu of taxes pursuant to  
40 section 12-20a, as amended, in addition to and in the same proportion  
41 as the grants payable to such municipalities pursuant to section 12-20a,  
42 as amended, subject to the provisions of subsection (d) of this section.  
43 Any eligible special services district shall receive a portion of the grant  
44 payable under this subsection to the town in which such district is  
45 located. The portion payable to any such district under this subsection  
46 shall be the amount of the grant to the town under this subsection  
47 which results from application of the district mill rate to exempt

48 property in the district.

49 (d) Notwithstanding the provisions of subsection (c) of this section,  
50 no municipality shall receive a grant pursuant to said subsection  
51 which, when added to the amount of the grant payable to such  
52 municipality pursuant to section 12-20a, as amended, would exceed  
53 one hundred per cent of the property taxes which, except for any  
54 exemption applicable to any private nonprofit institution of higher  
55 education, nonprofit general hospital facility or free standing chronic  
56 disease hospital under the provisions of section 12-81, as amended,  
57 would have been paid with respect to such exempt real property on  
58 the assessment list in such municipality for the assessment date two  
59 years prior to the commencement of the state fiscal year in which such  
60 grants are payable.

61 (e) Thirty-five million dollars of the moneys available in the  
62 Mashantucket Pequot and Mohegan Fund established by section 3-55i  
63 shall be paid to municipalities in accordance with the provisions of  
64 section 7-528, except that for the purposes of section 7-528, "adjusted  
65 equalized net grand list per capita" means the equalized net grand list  
66 divided by the total population of a town, as defined in subdivision (7)  
67 of subsection (a) of section 10-261, as amended, multiplied by the ratio  
68 of the per capita income of the town to the per capita income of the  
69 town at the one hundredth percentile among all towns in the state  
70 ranked from lowest to highest in per capita income, and "equalized net  
71 grand list" means the net grand list of such town upon which taxes  
72 were levied for the general expenses of such town two years prior to  
73 the fiscal year in which a grant is to be paid, equalized in accordance  
74 with section 10-261a.

75 (f) Five million four hundred seventy-five thousand dollars of the  
76 moneys available in the Mashantucket Pequot and Mohegan Fund  
77 established by section 3-55i shall be paid to the following  
78 municipalities in accordance with the provisions of section 7-528,  
79 except that for the purposes of said section 7-528, "adjusted equalized  
80 net grand list per capita" means the equalized net grand list divided by

81 the total population of a town, as defined in subdivision (7) of  
82 subsection (a) of section 10-261, as amended, multiplied by the ratio of  
83 the per capita income of the town to the per capita income of the town  
84 at the one hundredth percentile among all towns in the state ranked  
85 from lowest to highest in per capita income, and "equalized net grand  
86 list" means the net grand list of such town upon which taxes were  
87 levied for the general expenses of such town two years prior to the  
88 fiscal year in which a grant is to be paid, equalized in accordance with  
89 section 10-261a: Bridgeport, Hamden, Hartford, Meriden, New Britain,  
90 New Haven, New London, Norwalk, Norwich, Waterbury and  
91 Windham.

92 (g) Notwithstanding the provisions of subsections (a) to (f),  
93 inclusive, of this section, the total grants paid to the following  
94 municipalities from the moneys available in the Mashantucket Pequot  
95 and Mohegan Fund established by section 3-55i shall be as follows:

T1	Bloomfield	\$ 267,489
T2	Bridgeport	10,506,506
T3	Bristol	1,004,050
T4	Chaplin	141,725
T5	Danbury	1,612,564
T6	Derby	432,162
T7	East Hartford	522,421
T8	East Lyme	488,160
T9	Groton	2,037,088
T10	Hamden	1,592,270
T11	Manchester	1,014,244
T12	Meriden	1,537,900
T13	Middletown	2,124,960
T14	Milford	676,535
T15	New Britain	3,897,434
T16	New London	2,649,363
T17	North Haven	268,582
T18	Norwalk	1,451,367
T19	Norwich	1,662,147
T20	Preston	461,939
T21	Rocky Hill	477,950

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T22	Stamford	1,570,767
T23	Union	38,101
T24	Voluntown	156,902
T25	Waterbury	5,179,655
T26	Wethersfield	371,629
T27	Windham	1,307,974
T28	Windsor Locks	754,833

96 (h) (1) The municipalities of Ledyard, North Stonington and Preston  
97 shall each receive a grant of one hundred seventy-five thousand  
98 dollars, [and] except that for the fiscal year ending June 30, 2003, said  
99 municipalities shall each receive a grant of three hundred fifty  
100 thousand dollars, (2) the municipality of Montville shall receive a grant  
101 of one hundred fifty thousand dollars, [which] except that for the fiscal  
102 year ending June 30, 2003, said municipality shall receive a grant of  
103 three hundred twenty-five thousand dollars, and (3) for the fiscal year  
104 ending June 30, 2003, the municipality of Norwich shall receive a grant  
105 of one hundred seventy-five thousand dollars. Grants pursuant to this  
106 subsection shall be paid from the Mashantucket Pequot and Mohegan  
107 Fund established by section 3-55i and [which] shall be in addition to  
108 the grants paid to said municipalities pursuant to subsections (a) to (g),  
109 inclusive, of this section.

110 (i) For the fiscal year ending June 30, 1999, and each fiscal year  
111 thereafter, if the amount of grant payable to a municipality in  
112 accordance with this section is increased as the result of an  
113 appropriation to the Mashantucket Pequot and Mohegan Fund for  
114 such fiscal year which exceeds eighty-five million dollars, the portion  
115 of the grant payable to each eligible service district, in accordance with  
116 subsections (a) and (c) of this section shall be increased by the same  
117 proportion as the grant payable to such municipality under this section  
118 as a result of said increased appropriation.

119 (j) For the fiscal year ending June 30, 2000, and each fiscal year  
120 thereafter, the municipality of Ledyard shall receive a grant of two  
121 hundred fifty thousand dollars, which shall be paid from the  
122 Mashantucket Pequot and Mohegan Fund established by section 3-55i.

123 Said grant shall be in addition to the grants paid to said municipality  
124 pursuant to subsections (a) to (h), inclusive, of this section.

125 (k) For the fiscal year ending June 30, 2000, and each fiscal year  
126 thereafter, the sum of forty-nine million seven hundred fifty thousand  
127 dollars shall be paid to municipalities, in accordance with this  
128 subsection, from the Mashantucket Pequot and Mohegan Fund  
129 established by section 3-55i. The grants payable under this subsection  
130 shall be used to proportionately increase the amount of the grants  
131 payable to each municipality in accordance with subsections (a) to (j),  
132 inclusive, of this section and shall be in addition to the grants payable  
133 under said subsections.

This act shall take effect as follows:	
Section 1	July 1, 2002

**APP**      *Joint Favorable Subst.*

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:

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

<b>Effect</b>	<b>Municipalities</b>	<b>FY 03 \$</b>
Implements the Budget	All Municipalities	See Below

**Explanation**

The bill implements a provision of the budget, sHB 5019 “AA Making Adjustments to the State Budget for the Biennium Ending June 30, 2003 and Making Appropriations Therefor”, as favorably reported by the Appropriations Committee on March 26, 2002.

In FY 03, the bill provides an additional \$175,000 in the formula for the Mashantucket Pequot and Mohegan grants for each of the five host towns near the casinos: Ledyard, North Stonington, Preston, Montville and Norwich. These funds are in addition to the monies the host towns currently receive under the statutory formula.

**OFA Bill Analysis**

sHB 5790

**AN ACT CONCERNING PAYMENTS FROM THE MASHANTUCKET PEQUOT AND MOHEGAN FUND.****SUMMARY:**

For FY 03, the bill provides an additional \$175,000 in the formula for the Mashantucket Pequot and Mohegan grants for each of the five host towns near the casinos: Ledyard, North Stonington, Preston, Montville and Norwich. These funds are in addition to the monies the host towns currently receive under the statutory formula.

EFFECTIVE DATE: July 1, 2002

**BACKGROUND**

Currently, some of the host towns receive impact aid as part of the statutory formula

Towns	Statutory Host Town Impact Aid		Additional Host Town Impact Aid
	Aid Pursuant to CGS Sec. 3-55j(h)	Aid Pursuant to CGS Sec. 3-55j(i)	Aid Pursuant to sHB 5790
Ledyard	\$ 175,000	\$ 250,000	\$175,000
Preston	175,000		175,000
North Stonington	175,000		175,000
Montville	150,000		175,000
Norwich			175,000

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute

Yea 32 Nay 17

