



General Assembly

January Session, 2007

Raised Bill No. 1056

LCO No. 3424

03424_____PD_

Referred to Committee on Planning and Development

Introduced by:
(PD)

**AN ACT CONCERNING STATE REVENUE SHARING FOR
COOPERATIVE MUNICIPAL ACTIVITIES.**

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

1 Section 1. (NEW) (*Effective July 1, 2007, and applicable to sales*
2 *occurring on or after July 1, 2007*) (a) The Commissioner of Revenue
3 Services shall segregate one-half per cent of the sales tax revenue that
4 accrues from sales within the meaning of subdivision (2) of subsection
5 (a) of section 12-407 of the general statutes.

6 (b) Such funds segregated under subsection (a) of this section shall
7 be allocated to the State Treasurer for deposit in the General Fund.
8 Upon deposit in the General Fund, such funds shall be credited to the
9 municipal joint performance incentive account established under
10 section 2 of this act.

11 Sec. 2. (NEW) (*Effective July 1, 2007*) There is established, within the
12 General Fund, a separate, nonlapsing account to be known as the
13 "municipal joint performance incentive account". The account shall
14 contain any moneys required by law to be deposited in the account.
15 The moneys in said account shall be available to the Secretary of the

16 Office of Policy and Management for grants under section 3 of this act.

17 Sec. 3. (NEW) (*Effective July 1, 2007*) (a) As used in this section,
18 "municipal intergovernmental agency" means a regional council of
19 elected officials or regional council of governments pursuant to
20 chapter 50 of the general statutes.

21 (b) There is established a state revenue sharing program which shall
22 be administered by the Office of Policy and Management. On or before
23 January 1, 2008, and June 1, 2008, and semiannually thereafter, each
24 municipal intergovernmental agency shall be paid by the state a grant
25 equal to one-half the amount determined in accordance with the
26 provisions of subsection (c) of this section. Funds received pursuant to
27 this section shall be expended by the municipal intergovernmental
28 agency for purposes of general revenue sharing grants to member
29 municipalities for specific initiatives undertaken jointly by two or more
30 member municipalities to consolidate services and promote
31 cooperation between municipalities to achieve economies of scale and
32 lower costs, except costs of education. Grants may be used for capital
33 improvements or other costs incurred by municipalities in
34 implementing joint initiatives. Such grants shall be disbursed in
35 accordance with an annual allocation plan approved by the municipal
36 intergovernmental agency after a public hearing.

37 (c) Grants made to municipal intergovernmental agencies pursuant
38 to subsection (b) of this section shall be equal to the amount segregated
39 pursuant to section 1 of this act, multiplied by the ratio that the total
40 population, as defined in section 10-261 of the general statutes, of all
41 member municipalities of a municipal intergovernmental agency bears
42 to the total population of all municipalities in the state.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007</i>	New section

Statement of Purpose:

To provide municipalities with an alternative revenue source if they engage in cooperative activities with other municipalities.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]