



# House of Representatives

General Assembly

**File No. 497**

January Session, 2009

Substitute House Bill No. 5267

*House of Representatives, April 6, 2009*

The Committee on Environment reported through REP. ROY, R. of the 119th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT PROHIBITING THE USE OF SMALL TOWN ECONOMIC ASSISTANCE PROGRAM FUNDS TO CONVERT PRIME FARMLAND TO NONAGRICULTURAL USE.***

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

1 Section 1. Subsection (b) of section 4-66g of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2009*):

4 (b) The proceeds of the sale of said bonds, to the extent of the  
5 amount stated in subsection (a) of this section, shall be used by the  
6 Office of Policy and Management for a small town economic assistance  
7 program the purpose of which shall be to provide grants-in-aid to any  
8 municipality that is not economically distressed within the meaning of  
9 subsection (b) of section 32-9p, does not have an urban center in any  
10 plan adopted by the General Assembly pursuant to section 16a-30 and  
11 is not a public investment community within the meaning of  
12 subdivision (9) of subsection (a) of section 7-545. Such grants shall be  
13 used for purposes for which funds would be available under section 4-

14 66c. No municipality may receive more than five hundred thousand  
 15 dollars in any one fiscal year under said program. No such grant shall  
 16 be awarded for a project that converts prime farmland, as defined in  
 17 section 22-26bb, to nonagricultural use. Notwithstanding the  
 18 provisions of this subsection and section 4-66c, a municipality that is  
 19 (1) a distressed municipality within the meaning of subsection (b) of  
 20 section 32-9p or a public investment community within the meaning of  
 21 subdivision (9) of subsection (a) of section 7-545, and (2) otherwise  
 22 eligible under this subsection for the small town economic assistance  
 23 program may elect to be eligible for said program in lieu of being  
 24 eligible for financial assistance under section 4-66c, by a vote of its  
 25 legislative body or, in the case of a municipality in which the  
 26 legislative body is a town meeting, its board of selectmen, and  
 27 submitting a written notice of such vote to the Secretary of the Office  
 28 of Policy and Management. Any such election shall be for the four-year  
 29 period following submission of such notice to the secretary and may be  
 30 extended for additional four-year periods in accordance with the same  
 31 procedure for the initial election.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	4-66g(b)

**ENV**      *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:** None

**Explanation**

The bill prohibits the use of Small Town Economic Assistance Program (STEAP) funds to convert prime farm land to nonagricultural purposes unless the town meets certain criteria. This could result in some STEAP applications being eliminated from consideration for funding but the bill is not expected to have a fiscal impact because the Office of Policy and Management receives significantly more applications for this program than there are funds available. The current unallocated balance for this program is \$20 million.

**OLR Bill Analysis****sHB 5267*****AN ACT PROHIBITING THE USE OF SMALL TOWN ECONOMIC ASSISTANCE PROGRAM FUNDS TO CONVERT PRIME FARMLAND TO NONAGRICULTURAL USE.*****SUMMARY:**

This bill prohibits the state from awarding Small Town Economic Assistance Program (STEAP) grants for projects that convert prime farmland to a nonagricultural use.

EFFECTIVE DATE: October 1, 2009

**BACKGROUND*****STEAP***

The Office of Policy and Management authorizes STEAP awards. STEAP funds can be used only for capital costs for public improvement projects, including mass transit, recreational, and solid waste; developing business and mixed-use properties and low- and moderate-income housing; and preserving historic properties.

***Farmland Preservation***

The goal of the Department of Agriculture's farmland preservation program is to secure a food and fiber producing land resource base, consisting primarily of prime and important farmland soils, for the state's agriculture future. The state purchases development rights to the farmland, permanently preserving it for agricultural use.

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute

Yea 28 Nay 3 (03/20/2009)