



General Assembly

Substitute Bill No. 6585

January Session, 2009

* HB06585FIN 042809 *

AN ACT CONCERNING REGIONALISM.

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

1 Section 1. (NEW) (*Effective October 1, 2009*) (a) As used in this
2 section, "legislative body" means the council, commission, board, body
3 or town meeting, by whatever name it may be known, having or
4 exercising the general legislative powers and functions of a
5 municipality and "municipality" means any town, city or borough,
6 consolidated town and city or consolidated town and borough.

7 (b) Notwithstanding any provision of the general statutes or any
8 special act, municipal charter or home rule ordinance, the chief elected
9 officials of two or more municipalities that are members of the same
10 federal economic development district, established under 42 USC 3171,
11 may initiate a process for such municipalities to enter into an
12 agreement to promote regional economic development and share the
13 real and personal property tax revenue from new economic
14 development. Such agreement shall provide that the municipalities
15 agree not to compete for new economic development and shall specify
16 the types of new economic development projects subject to the
17 agreement. The agreement shall also have terms providing for (1)
18 identification of areas for (A) new economic development, (B) open
19 space and natural resource preservation, and (C) transit oriented
20 development, including housing; (2) capital improvements, including

21 the shared use of buildings and other capital assets; (3) regional energy
22 consumption, including strategies for cooperative energy use and
23 development of distributive generation and sustainable energy
24 projects; and (4) promotion and sharing of arts and cultural assets. The
25 agreement shall also include terms providing for at least three
26 municipal cooperative programs and at least three educational
27 cooperative programs, including, but not limited to, the following: (A)
28 Collective bargaining, (B) purchasing cooperatives, (C) health care
29 pooling with each other or the state, (D) regional shared school
30 curriculum and special education services, through regional
31 educational service centers, established under section 10-66a of the
32 general statutes, and (E) any other initiatives mutually agreed upon.
33 Each municipality that is party to the agreement shall participate in at
34 least one municipal cooperative program and one educational
35 cooperative program. The provisions of this section shall not be
36 construed to require each municipality that is party to the agreement
37 to participate in all municipal cooperative programs and educational
38 cooperative programs described in the agreement.

39 (c) The agreement shall be prepared pursuant to negotiations and
40 shall contain all provisions on which there is mutual agreement
41 between the municipalities. The agreement shall establish procedures
42 for amendment, termination and withdrawal. The negotiations shall
43 include an opportunity for public participation. The agreement shall be
44 approved by each municipality that is a party to the agreement by
45 resolution of the legislative body.

46 (d) The municipality in which real property with new economic
47 development is located that is subject to shared revenue pursuant to an
48 agreement under this section shall maintain a separate list describing
49 such properties. The mill rate used to determine the amount of taxes
50 imposed on such new economic development shall be the mill rate of
51 the municipality in which the development is located.

52 Sec. 2. (NEW) (*Effective October 1, 2009*) The board of directors of
53 each federal economic development district, established under 42 USC

54 3171, shall send a copy of the regional economic development plan for
55 such district to the Secretary of the Office of Policy and Management.
56 The secretary shall approve such plan not more than thirty days after
57 receipt of such plan.

58 Sec. 3. (NEW) (*Effective October 1, 2009*) The municipalities that are
59 parties to a regional economic development agreement entered into
60 and approved under the provisions of section 1 of this act shall send a
61 copy of such agreement to the Secretary of the Office of Policy and
62 Management. Not more than thirty days after receipt of such
63 agreement the secretary shall make a written determination as to
64 whether or not the agreement is consistent with the requirements of
65 said section 1. The secretary shall send a copy of the determination to
66 each municipality that is a party to the agreement and the
67 Commissioner of Revenue Services.

68 Sec. 4. (NEW) (*Effective July 1, 2010*) Notwithstanding the provisions
69 of the general statutes, the Commissioner of Revenue Services and
70 each municipality participating in an agreement entered into and
71 approved under the provisions of section 1 of this act that has been
72 determined by the Secretary of the Office of Policy and Management to
73 be consistent with said section 1 shall enter into a memorandum of
74 understanding to segregate a portion of the sales and use tax under
75 chapter 219 of the general statutes that is derived from items or
76 transactions occurring on or after July 1, 2010, in the municipalities
77 that are parties to the agreement. Such segregated funds shall be
78 allocated to the municipalities that are parties to the agreement on a
79 per capita basis, as established by the last annual population estimate
80 by the Department of Public Health for each such municipality, and
81 expended for such purposes as are jointly determined by the
82 municipalities.

83 Sec. 5. Section 4-124d of the general statutes is repealed and the
84 following is substituted in lieu thereof (*Effective October 1, 2009*):

85 The council shall consider such matters of a public nature common

86 to two or more members of the council as it deems appropriate,
87 including matters affecting transportation and the health, safety,
88 welfare, education and economic conditions of the area comprised by
89 its members. The council shall identify opportunities and obstacles to
90 interlocal agreements that promote regional cooperation. The council
91 shall promote cooperative arrangements, including regional economic
92 development agreements between towns entered into pursuant to
93 section 1 of this act, and coordinate action among its members and
94 make recommendations therefor to the members and such other public
95 agencies as exist or perform functions within the region or regions.

96 Sec. 6. (NEW) (*Effective July 1, 2010*) (a) As used in this section,
97 "hotel" and "lodging house" have the same meanings as provided in
98 section 12-407 of the general statutes.

99 (b) The municipalities that are parties to an agreement entered into
100 and approved under the provisions of section 1 of this act may, by
101 ordinance adopted by the legislative body of each municipality, or, in
102 the case of a municipality in which the legislative body is a town
103 meeting, by the board of selectmen, establish a tax upon the transfer of
104 occupancy of any room or rooms in a hotel or lodging house of not
105 more than one per cent of the total amount of rent for each such
106 occupancy occurring on or after July 1, 2010. Any tax imposed
107 pursuant to this section shall be in addition to any state tax imposed on
108 the same activity. Amounts collected from such tax shall be allocated
109 to the municipalities that are parties to the agreement entered into and
110 approved under the provisions of section 1 of this act on a per capita
111 basis, as established by the last annual population estimate by the
112 Department of Public Health for each municipality, and expended for
113 such purposes as are jointly determined by the municipalities.

114 (c) Any tax imposed under the provisions of this section shall be
115 collected and administered by the Department of Revenue Services, in
116 accordance with the provisions of a memorandum of understanding
117 entered into by the department and each municipality in which such
118 tax is imposed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	New section
Sec. 2	<i>October 1, 2009</i>	New section
Sec. 3	<i>October 1, 2009</i>	New section
Sec. 4	<i>July 1, 2010</i>	New section
Sec. 5	<i>October 1, 2009</i>	4-124d
Sec. 6	<i>July 1, 2010</i>	New section

FIN *Joint Favorable Subst.*