

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 13-247—HB 6706
Emergency Certification

**AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET
FOR THE BIENNIUM ENDING JUNE 30, 2015 CONCERNING
GENERAL GOVERNMENT**

SUMMARY:

This act makes changes to implement the state budget for FY 14 as well as many other unrelated statutory changes. Among its major provisions, the act:

1. revises and updates the education cost sharing (ECS) formula that distributes the largest source of state education aid to towns;
2. maintains existing caps on certain state education formula grants for two more fiscal years, through June 30, 2015;
3. reduces the scheduled increases in per-student grants to state charter schools;
4. delays, from July 1, 2013 to October 1, 2014, a requirement that online regulations posted by the secretary of the state be the “official version” of state agency regulations, and requires agencies to post notices of proposed regulations to the “eRegulation System;”
5. requires the chief court administrator and the commissioner of the Department of Correction (DOC) to assess the effectiveness of family violence training programs by May 31, 2014;
6. requires the Department of Energy and Environmental Protection (DEEP) to consult with the Department of Public Health (DPH) to assess pesticide use at UConn’s Plant Science Research and Education Facility;
7. allows the comptroller to develop and implement a plan to allow nonstate public employees to participate in the Health Enhancement Program established in accordance with the 2011 revised SEBAC agreement;
8. authorizes the emergency services and public protection (DESPP) commissioner to award the Connecticut Medal of Bravery to any Connecticut citizen for saving a life or sustaining injury or death in service to the state or on behalf of another’s health, welfare, or safety;
9. requires electric and gas companies to develop, by September 1, 2013, a three-year furnace replacement loan program;
10. establishes a two-year moratorium on film production tax credits for FYs 14 and 15 for motion pictures that have not been designated as state-certified productions by July 1, 2013;
11. extends by two years, from June 30, 2013 to June 30, 2015, the First Five Plus Program’s sunset date;
12. transfers responsibilities for the “all-payer claims database” from the Office of Health Reform and Innovation, which the act eliminates, to the Connecticut Health Insurance Exchange (HIX);

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13. dissolves the Department of Construction Services (DCS) and transfers its powers and duties to the Department of Administrative Services (DAS);
14. eliminates regional planning agencies and regional councils of elected officials after January 1, 2015, leaving regional councils of governments as the only type of regional planning organization; and
15. requires the labor commissioner to establish a grant program for S-corporations, limited liability companies, limited liability partnerships, and limited partnerships that employ apprentices in the manufacturing, construction, or plastics trades.

The act also makes numerous minor, technical, and conforming changes.

A section-by-section analysis of the act appears below. Sections not described below were either deleted from the act (§§ 3-10, 15-23, 39, 135, 237, and 377) or make technical changes (§§ 61, 78-80, 88, and 261-319).

EFFECTIVE DATE: July 1, 2013, unless otherwise specified.

§§ 1-2, 97-112, & 389 — ADJUSTMENTS IN FYS 14 AND 15 APPROPRIATIONS

The act adjusts funds appropriated in the budget act (PA 13-184) for state agency operations and programs in FYS 14 and 15. The changes affect the General Fund and Soldiers', Sailors' and Marines' Fund. The act's total adjusted net appropriations for these funds for each fiscal year are shown in Table 1.

Table 1: Revised FYS 14 & 15 Appropriations By Fund

Fund	New Net Appropriation		Change from PA 13-184	
	FY 14	FY 15	FY 14	FY 15
General Fund	17,188,726,568	17,497,560,861	2,765,000	(7,235,000)
Soldiers', Sailors' and Marines' Fund	3,099,619	0	0	(3,156,988)

The act repeals the provisions of PA 13-184 concerning FYS 14 and 15 appropriations from the two funds and makes other conforming changes to that act.

§§ 11-13 — EXTENDED DEADLINES FOR CLAIMING PROPERTY TAX EXEMPTIONS

The act gives manufacturers in Bloomfield and Seymour more time to file the necessary documents for claiming the statutory property tax exemption for manufacturing machinery and equipment. It gives those in Bloomfield until July 19, 2013 to file the documents for machinery and equipment the town included on its 2010 and 2011 grand lists. It also gives those in Seymour until that date to file the exemption documents for machinery and equipment the town included on its 2011 grand list.

In both cases, the towns must reimburse these manufacturers for any taxes they paid on the exempt property equal to the exempt amount. Manufacturers

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claiming the 2010 exemption in Bloomfield must also pay a late filing fee.
EFFECTIVE DATE: Upon passage

§ 14 — TECHNICAL CHANGES TO ESTATE TAX STATUTES

The act makes technical changes in the estate tax statutes.
EFFECTIVE DATE: Upon passage

§ 24 — METROPOLITAN DISTRICT COMMISSION CONTRACT COMPLIANCE

The act requires the Metropolitan District Commission (MDC) to participate in the state's small and minority business set-aside program (also called the supplier diversity program). It also extends to MDC contracts various requirements for non-discrimination provisions that apply to state contracts.

MDC is a nonprofit municipal corporation providing water and sewer service in the greater Hartford area. It operates primarily under a 1929 special act charter and answers to a 29-member commission consisting mostly of municipal representatives. Existing law already requires MDC to comply with various affirmative action laws that apply to the state.

Set-Aside Program

The act deems MDC to be a state agency for purposes of the state's set-aside program, thus requiring MDC to participate in the program. The program requires state contracting agencies and other state entities ("state agencies") and political subdivisions, other than municipalities, to annually set aside at least 25% of the value of their contracts for exclusive bidding by certified small businesses. They must also set aside 25% of that amount (6.25% of the total) for exclusive bidding by certified minority-owned businesses. For these purposes, small businesses are those with a principal place of business in Connecticut and up to \$15 million in gross revenues in the most recent fiscal year before applying to participate. Minority businesses are small businesses owned by women, members of minority groups, people with disabilities, or nonprofit organizations. (PA 13-304 adds the requirements that the (1) small businesses be independent and (2) minority business owners have managerial and technical competence and experience directly related to their principal business activities.)

The contracts may be for constructing roads and buildings or providing goods and services. State agencies and political subdivisions that are otherwise required to participate are exempt from the program if the total value of their contracts is less than \$10,000 in a given year.

Nondiscrimination Requirements for Contractors

Existing law generally requires state contracts and contracts of political subdivisions, other than municipalities, to contain provisions that protect people against discrimination based on race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, intellectual disability,

mental disability, physical disability, or sexual orientation. The act deems MDC to be a state agency for these purposes, thus extending these requirements to MDC contracts. By law, a person claiming to be aggrieved by a violation of these provisions can file a complaint with the state Commission on Human Rights and Opportunities (CHRO) (CGS § 46a-82).

By law, these requirements do not apply to contracts in which each party is (1) a municipality or other political subdivision of the state, (2) a quasi-public agency, (3) another state, (4) the federal government, (5) a foreign government, or (6) an agency of any of the above.

§ 25 — PROJECT LONGEVITY INITIATIVE

The “Project Longevity Initiative,” launched in New Haven in 2012, is a comprehensive community-based initiative designed to reduce gun violence in Connecticut’s cities.

This act requires the Office of Policy and Management (OPM) secretary to secure and use available federal and state funds and resources to (1) support the continued implementation of the initiative in New Haven and (2) work with specified federal and state officials to implement the initiative in Hartford and Bridgeport and create a plan to implement the initiative statewide.

Continued Implementation in the City of New Haven

The act requires the secretary, in order to ensure or support the project’s continued implementation in New Haven, to:

1. provide planning and management assistance to municipal officials in New Haven and
2. do all things necessary to apply for and accept federal funds allotted to or available to the state under any federal act or program.

The act allows the secretary to use state and federal funds as appropriated for the project’s continued implementation.

Implementation in Hartford, Bridgeport, and Statewide

The act requires the secretary, or his designee, in consultation with certain federal and state officials, to (1) implement the Project Longevity Initiative in Hartford and Bridgeport and (2) create a plan for its implementation statewide. These federal and state officials are:

1. the U.S. attorney for Connecticut,
2. the chief state’s attorney,
3. the DOC commissioner, and
4. the Court Support Services Division executive director.

For the implementation of the project in Hartford and Bridgeport, the act requires the secretary, or his designee, to also consult with the cities’ mayors, clergy members, nonprofit service providers, and community leaders.

Under the act, the secretary is required to (1) provide the municipal officials in Hartford and Bridgeport with planning and management assistance and (2) secure available federal and state funds to implement the Project Longevity Initiative in

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both cities, as is required for New Haven's continued implementation.

Acceptance and Use of Bequests, Devises, or Grants to Further the Objectives of the Project Longevity Initiative

The act authorizes the secretary, with the governor's and attorney general's approval, to (1) accept and receive any bequest, devise, or grant made to OPM to further the objectives of the Project Longevity Initiative and (2) hold and use such property for the purpose specified, if any, in the bequest, devise, or gift.

§§ 26-36 & 388 — E-REGULATIONS

PA 12-92 required that, on and after July 1, 2013, state agency regulations be available to the public on the secretary of the state's and regulating agency's Internet websites, rather than published in the *Connecticut Law Journal*. It established the same requirement for notices of proposed regulations and their accompanying documents.

This act modifies several of the provisions in PA 12-92. It delays, from July 1, 2013 until no later than October 1, 2014, a requirement that online regulations posted by the secretary of the state be the "official version" of the regulations of state agencies for "all purposes, including all legal and administrative proceedings." It requires the Commission on Official Legal Publications (COLP) to continue publishing regulations in the *Connecticut Law Journal* until this time.

The act names the electronic regulations compilation the "eRegulations System" and requires (1) agencies, and not the secretary, to post to the system notices of proposed regulations and regulation-related documents and (2) the secretary to post the final regulations. It eliminates requirements for agencies to post regulations and regulation-related documents (e.g., notice of a proposed action) on their own websites.

The act generally eliminates provisions that require a regulation to be submitted in hard copy at various stages of the regulation adoption process. However, it requires the secretary, by January 1, 2014, to develop and implement a plan to maintain at her office a paper copy of all regulations posted on the eRegulations System.

The act revises the requirements for selecting the Regulation Review Committee's co-chairpersons to conform law to current practice. It also requires that several manuals published by the Department of Social Services (DSS) be posted on the eRegulations System. Lastly, it repeals requirements, due to take effect on July 1, 2013, that agencies (1) post all manuals and guidance documents online and (2) post on their websites policies that are implemented before being adopted in regulation form (§ 388, effective upon passage).

§§ 26-29 & 33 — eRegulations System

§§ 26-27 & 33 — *Official Version of State Agency Regulations*. PA 12-92 required the secretary of the state, beginning July 1, 2013, to post online a compilation of all effective state agency regulations, including emergency regulations, adopted on and after October 27, 1970. It (1) required that the

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compilation be easily accessible to, and searchable by, the public and (2) designated it as the “official version” of the regulations of state agencies for “all purposes, including all legal and administrative proceedings.”

The act delays the date on which the electronic regulations compilation (which the act names the “eRegulations System”) becomes the official version until the time that the secretary certifies, in writing, that the system is technologically sufficient for this purpose. Under the act, this certification must be (1) made by the secretary by October 1, 2014 and (2) published on the secretary’s website and in the *Connecticut Law Journal*.

The act retains PA 12-92’s requirement that, beginning July 1, 2013, the secretary post existing regulations online, but it specifies that these regulations are unofficial until she makes the above certification. However, it retains a requirement that regulations noticed on and after July 1, 2013 be posted online in order to be enforceable.

By law, certain regulations that are incorporated by reference into another regulation may be omitted from publication (1) in the *Connecticut Law Journal*, until July 1, 2013, and (2) on the eRegulations System on and after July 1, 2013. Under prior law, in both instances, a notice had to be published (in the journal or on the system, as appropriate) that identified an omitted regulation, its subject matter, and information on where one could learn more about the regulation. The act delays, from July 1, 2013 until October 1, 2014, the requirement that this notice be published on the eRegulations System, thus eliminating its publication for this 15-month period.

The act requires COLP, within available appropriations, to provide any assistance requested by the secretary in the creation of the eRegulations System. This assistance includes providing the secretary with all effective regulations for posting online.

§ 26 — *Publication in the Connecticut Law Journal*. Under prior law, COLP’s publication of regulations in the *Connecticut Law Journal* was scheduled to cease on July 1, 2013. The act requires that, until the secretary certifies that the eRegulations System is ready to be the official version, (1) the secretary forward an electronic copy of each certified regulation to COLP and (2) COLP continue publishing regulations in the journal. Additionally, the act designates the COLP-published regulations as the official version until this time.

Under provisions in prior law that were repealed, effective July 1, 2013, by PA 12-92, COLP had to follow several requirements when publishing regulations. For example, it had to publish (1) in the *Connecticut Law Journal*, a monthly update of approved regulations and (2) a semiannual compilation of all adopted state agency regulations. A regulation or notice of a regulation’s adoption also had to appear in the journal for the regulation to be enforceable.

The act does not specify requirements for COLP’s publication of regulations on and after July 1, 2013, and it eliminates COLP’s ability to omit certain regulations from publication on and after this date (see above). Additionally, even though COLP must publish the official version of the regulations, they do not have to appear in the *Connecticut Law Journal* to be enforceable if they are noticed on and after July 1, 2013. Conversely, although under the act the

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eRegulations System is not the official version until certified by the secretary of the state, regulations noticed on and after July 1, 2013 must be posted on the eRegulations System in order to be enforceable (see above).

§ 28 — *Notices of Proposed Regulations*. Under PA 12-92, agencies had to, beginning July 1, 2013, (1) post on their websites notices of proposed regulations and regulation-related documents and (2) submit these notices and documents to the secretary of the state for posting on the online compilation. The act eliminates these requirements and instead requires agencies to post these notices and, on and after October 1, 2014, the regulation-related documents, on the eRegulations System. It thus delays, from July 1, 2013 until October 1, 2014, the requirement that the regulation-related documents be posted online.

By law, an agency may propose, without prior notice, (1) technical amendments to regulations when necessary to conform to certain changes (e.g., a change to the agency's name) or (2) a repeal of a regulation if the authorizing statute is repealed. The act requires the agency to post any such proposed technical amendments or repeals on the eRegulations System, rather than its own website.

By law, any agency that fails to post notice of intent to adopt required regulations by the applicable deadline must explain its reasons in an electronic statement to the governor, legislative committee of cognizance, and Regulation Review Committee. The act requires that, on and after October 1, 2014, the agency also post this statement on the eRegulations System.

EFFECTIVE DATE: July 1, 2013 and applicable to regulations noticed on and after that date.

§ 29 — *Official Regulation-Making Record*. The law requires agencies to create an official regulation-making record that includes, among other things, the notice of intent to adopt regulations, written analyses upon which the regulation is based, submissions and comments received by the agency, and official documents related to the regulation.

The act requires agencies to post this record on the eRegulations System, rather than maintain it as prior law required. It prohibits posting of audio recordings of hearings on the system unless the secretary of the state confirms that posting them would not violate any state or federal law regarding accessibility for people with disabilities. The act requires agencies to maintain audio recordings that are not posted on the eRegulations System and make them available to the public upon request.

EFFECTIVE DATE: October 1, 2014 and applicable to regulations noticed on and after that date.

§ 26 — *Hyperlink on Agency Websites*. The act requires each state agency and quasi-public agency with regulatory authority to post on its website a conspicuous link to the eRegulations System and, if practicable, a link to the specific regulatory provisions that concern the agency or quasi-public agency's particular programs.

§§ 30-32 — *Regulation Adoption*

By law, proposed regulations must be approved by the attorney general for

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legal sufficiency before being submitted to the Regulation Review Committee for approval. The act specifies that this requirement also applies to proposed regulations that are resubmitted to the committee. It also requires that (1) proposed regulations be submitted electronically to the attorney general and (2) the attorney general's approval be provided to the agency electronically and submitted by the agency electronically to the Regulation Review Committee. Under prior law, the attorney general's approval was indicated on the original of the proposed regulation, which was then submitted to the committee. The act retains existing law's requirement that the agency submit the original of the proposed regulation to the committee.

By law, once the committee approves a regulation, the agency must submit it to the secretary of the state. Effective July 1, 2013, the law requires agencies to submit one certified and one electronic copy of an approved regulation to the secretary along with a statement from the agency head certifying that the electronic version is a true and accurate copy of the approved regulation. The act instead requires that, for regulations noticed on and after October 1, 2014, (1) agencies submit only a certified electronic copy to the secretary and (2) the agency head's statement be filed electronically.

EFFECTIVE DATE: July 1, 2014 and applicable to regulations noticed on and after that date, except that the provision on filing with the secretary is effective October 1, 2014 and applicable to regulations noticed on and after that date.

§ 31 — *Regulation Review Committee Co-Chairpersons*. The act conforms law to current practice by revising the procedures for selecting the co-chairpersons of the Regulation Review Committee. It requires that (1) the committee's co-chairpersons be from different political parties; (2) the House chair and Senate chair alternate between political parties in successive terms; and (3) the co-chairpersons be appointed by either the Senate president pro tempore or minority leader, or the House speaker or minority leader, as appropriate. Prior law required the committee to elect its House and Senate co-chairpersons.

EFFECTIVE DATE: July 1, 2014

§§ 34-36 — *DSS Manuals and Policies*

§§ 34 & 35 — *eRegulations Posting Requirements*. The act eliminates, effective October 1, 2014, requirements that DSS (1) distribute its medical services and public assistance manuals to its regional and subregional offices, town halls, and legal assistance programs and (2) post the manuals and any updates to them on its website. It instead requires DSS to post these manuals and updates on the eRegulations System.

By law, DSS must adopt as regulations policies necessary to conform to certain federal or joint federal and state program requirements. The law allows the department to operate under such policies while in the process of adopting them in regulation form. Under existing law, DSS must publish a notice of intent to adopt the regulations in the *Connecticut Law Journal* and, effective July 1, 2013, post the policies on its website and electronically submit them to the secretary of the state for online posting. The act, effective October 1, 2014, eliminates these requirements and instead requires DSS, like other agencies, to post the policies on

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the eRegulations System. However, for other agencies, this change is effective July 1, 2013.

By law, DSS, instead of submitting these proposed regulations to the Regulation Review Committee, may submit a notice to the committee (1) explaining why it will not meet the submission deadline, and (2) stating when it will submit them. The act requires this notice to be electronic.

The act also eliminates DSS's community services policy manual and instead requires the newly-formed Department of Aging to adopt (and post to the eRegulations System) regulations to carry out the purposes of the federal Older Americans Act of 1965. This provision conforms to the transfer of DSS's Aging Services Division to the Department of Aging, as both the manual and the act address services for older adults. The act extends to the Department of Aging (1) DSS's authority to operate under a policy before adopting it in regulation and (2) the requirements DSS must follow when doing this (see above).

EFFECTIVE DATE: October 1, 2014 and applicable to regulations noticed on and after that date.

§ 36 — *DSS Uniform Policy Manual*. The act requires DSS to make technical and structural changes to its Uniform Policy Manual so that it conforms to the numbering, organization, form, and style of state agency regulations. The act allows DSS to make these changes without following the law's requirements concerning regulation-making proceedings.

DSS must submit the changes to the Regulation Review Committee for review. The act (1) limits the committee's review to confirming that the changes are technical and structural and (2) deems the changes approved if the committee does not act within 45 days after the submission.

Upon the committee's approval, DSS must transfer a certified electronic copy of the changes to the secretary of the state for posting on the eRegulations System. The act deems the corresponding sections of the Uniform Policy Manual as superseded once she does this.

§ 37 — POTABLE WATER

By law, if the (1) DEEP commissioner determines that groundwater pollution has or is reasonably expected to occur and (2) public health commissioner determines that the pollution creates or is reasonably expected to create an unacceptable risk to people using the water for drinking or other domestic or personal uses, the DEEP commissioner may order the person or municipality responsible for the pollution to provide potable drinking water to all people affected by it.

The act eliminates a requirement that the DEEP commissioner, within available appropriations, provide potable drinking water on a short-term basis to residential buildings and elementary and secondary schools affected by the pollution. Under prior law, he had to provide the water until (1) he ordered provision of a short-term water supply and the recipient complied with the order or (2) a long-term supply of potable water was provided, whichever occurred first.

§ 38 — AUTHORIZATION TO PAY CERTAIN BEARER BONDS

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The act authorizes the State Treasurer's Office to pay, from the appropriation for debt service, \$50,000 for outstanding bearer bonds from the 1956 issue of the State of Connecticut Expressway Revenue and Motor Fuel Tax Bond-Greenwich Killingly Expressway, Second Series.

EFFECTIVE DATE: Upon passage

§ 40 — YOUTH VIOLENCE INITIATIVE DISTRIBUTION

The act specifies how \$500,000 of the Judicial Branch Youth Violence Initiative appropriation for the city of Hartford must be distributed in both FYs 14 and 15. It provides for grants of (1) \$375,000 to the Greater Hartford YMCA to collaborate with the Urban League of Greater Hartford and Hartford Communities that Care on a Stop the Violence Increase the Peace youth collaborative and (2) \$125,000 to the Blue Hills Civic Association Inc. to collaborate with the Connecticut Center for Nonviolence on an Urban Youth Nonviolence Leadership and Intervention project.

§ 41 — EDUCATION FUNDING TRACKING AND ACCOUNTABILITY COLLECTION REPORT

By June 30, 2014, the act requires the State Department of Education (SDE) to adopt regulations to implement a fiscal accountability data collection report on where public and charter public schools and school districts get their funds, amounts of the funds, and how they use them.

It requires the SDE to report this data with school size, student demographics, geography, cost-of-living indicators, and any other factors the department determines to the Appropriations and Education committees by December 31, 2014 and annually thereafter.

EFFECTIVE DATE: Upon passage

§ 42 — RESULTS FIRST POLICY OVERSIGHT COMMITTEE

The act establishes a Results First Policy Oversight Committee to advise on the development and implementation of the Pew-MacArthur Results First cost-benefit analysis model. The committee's overall goal is to promote cost effective state policies and programs.

The committee must at least consist of the following 14 members:

1. four legislators (the House speaker, Senate president pro tempore, and House and Senate minority leaders appoint one each);
2. the chief court administrator, or his or her designee;
3. the comptroller, or his designee;
4. the directors of the non-partisan offices of Legislative Research, Fiscal Analysis, and Program Review and Investigations;
5. the director of Central Connecticut State University's Institute for Municipal and Regional Policy;
6. the Commission on Children's executive director;
7. a private higher education representative, whom Connecticut Conference

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- of Independent Colleges appoints; and
8. two Connecticut business community members, whom the majority leaders of the House and Senate appoint.

The act allows the committee to add members. Members serve without compensation but may receive necessary expenses for performing their duties.

Appointing authorities must make the initial appointments by July 19, 2013. The chairperson, whom the House speaker and Senate president jointly select, must schedule the committee's first meeting for no later than August 18, 2013.

By October 1, 2013, and annually thereafter, the committee must report to the governor and the Appropriations Committee with recommended measures for implementing the Pew-MacArthur Results First cost-benefit analysis model.

EFFECTIVE DATE: Upon passage

§ 43 — TOBACCO MASTER SETTLEMENT AGREEMENT LITIGATION SETTLEMENT

The budget act (PA 13-184 (§112)) specifies how litigation settlement funds received under the 1998 Master Settlement Agreement must be spent. Under that act, \$13 million of the settlement funds are directed to a nonlapsing fund to fund enforcement activity related to the agreement. This act (1) directs the funds to a nonlapsing account, rather than fund; (2) specifies that the attorney general and the Department of Revenue Services (DRS) must use these funds for enforcement activities; and (3) authorizes the OPM secretary to determine when to make funds available and in the amounts he specifies.

EFFECTIVE DATE: Upon passage

§ 44 — GOVERNMENT ACCOUNTABILITY COMMISSION

The act prohibits state employees from serving as designees on the Government Accountability Commission. By law, the commission is within the Office of Government Accountability and consists of the following nine members, or their designees: the chairpersons of the Citizen's Ethics Advisory Board, State Elections Enforcement Commission, Freedom of Information Commission, Judicial Selection Commission, Board of Firearms Permit Examiners, and State Contracting Standards Board; Judicial Review Council executive director; and the child and victim advocates.

§ 45 — EDUCATION TALENT DEVELOPMENT AND STATEWIDE STANDARDS REPORT

By January 1, 2014 and quarterly thereafter until January 1, 2016, the act requires the SDE commissioner to report to the Appropriations and Education committees on local and regional board of education talent development programs and the implementation of statewide education standards. For each program, the report must include program evaluation measures, the program's status based on performance, the number of evaluators hired and certified, the total number of evaluators and where they are located, and the program's personnel and finances.

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§§ 46-50 — CHILDREN'S TRUST FUND COUNCIL

The act eliminates the Children's Trust Fund Council and makes many conforming changes to the laws specifying its duties, several of which it shared with the social services commissioner.

§ 47 — Use of Children's Trust Fund Resources

By eliminating the council, the act gives the social services commissioner exclusive authority to use the Children's Trust Fund. This authority includes: (1) applying for, accepting, and administering, federal funds and (2) soliciting and accepting funds for the prevention of child abuse and neglect and for family resource programs.

§ 47 — Regulations

By eliminating the council, the act also gives the social services commissioner the exclusive authority to adopt regulations to administer the fund and establish program eligibility requirements.

§ 46 — Child Poverty and Prevention Council Membership

By eliminating the council, the act removes the chairperson of the Children's Trust Fund Council from membership on the Child Poverty and Prevention Council, which, by law, must (1) develop a 10-year plan to reduce the number of children living in poverty by 50%, beginning June 8, 2004 and (2) within available funding, establish prevention goals and recommendations and measure prevention service outcomes to promote the health and well-being of children and families.

§ 48 — Kinship Fund and Grandparents and Relatives Respite Fund Administration

The act eliminates the Children Trust Fund Council's authority to administer the Kinship Fund and the Grandparents and Relatives Respite Fund, leaving its administration exclusively to DSS through the Probate Court. The fund provides grants to grandparents or other relative caregivers appointed as a child's guardian by the Superior Court.

§ 49 — Child Abuse and Neglect Prevention Programs

The act eliminates the requirement that DSS collaborate with the Children's Trust Fund Council in executing its duties as lead agency for prevention programs designed to prevent child abuse and neglect. These programs include:

1. Nurturing Families Network,
2. Family Empowerment Initiative programs,
3. Help Me Grow,
4. Kinship Fund and Grandparents Respite Fund,

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5. Family School Connection,
6. support services for residents of a respite group home for girls,
7. legal services for indigent children,
8. volunteer services,
9. family development training,
10. shaken baby syndrome prevention, and
11. child sexual abuse prevention.

§ 50 — *Nurturing Families Network*

The act reassigns several duties of the Children's Trust Fund Council to the executive director of the Office of Early Childhood, which the governor created under Executive Order No. 35 (June 24, 2013). These duties relate to the Nurturing Families Network, which aims to reduce the abuse and neglect of infants through hospital assessments and home visits. They include:

1. establishing the structure for a statewide system for the Nurturing Families Network;
2. developing a comprehensive risk assessment for the network's providers to use;
3. developing the training program, standards, and protocols for pilot programs;
4. developing, issuing, and evaluating requests for proposals for service delivery systems for programming;
5. establishing a data system to enable programs to document information in a standard way; and
6. reporting to the General Assembly about the Nurturing Families Network on January first and July first annually.

§ 51 — MAGISTRATES' PER DIEM FEES

The act increases, from \$150 to \$200, the per diem fee for magistrates hearing small claims and motor vehicles cases.

§ 52 — OFFICE OF THE CHILD ADVOCATE

The act reduces the number of candidates that the Office of the Child Advocate advisory committee must submit to the governor when a vacancy in the advocate position occurs. Under prior law, the committee had to submit at least five, but not more than seven, candidates. Under the act, it must submit at least three, but not more than five.

By law, the committee must meet to consider and interview successor candidates and submit a list of individuals to the governor, ranked in order of preference, for appointment. Within eight weeks, the governor must designate a candidate from among the choices on the list. If he does not, the first-ranked choice receives the designation and is referred to the General Assembly for confirmation.

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§§ 53 & 54 — JUDICIAL BRANCH'S COURT SUPPORT SERVICES DIVISION (CSSD) AND DOC PROGRAMS RELATED TO FAMILY VIOLENCE

The act requires the chief court administrator and the DOC commissioner, by May 31, 2014, to (1) assess the effectiveness of the family violence programs provided by CSSD (including the pretrial family violence education, EVOLVE, and EXPLORE programs) and DOC; (2) consider the Pew-MacArthur Results First Initiative's cost-benefit analysis model with respect to each program; and (3) determine whether any changes may be implemented to improve the programs' cost-effectiveness.

The act also requires the chief court administrator and the commissioner to submit a report to the Appropriations and Judiciary committees by June 30, 2014. The report must (1) describe the assessment, (2) identify any program changes CSSD and DOC implemented as a result, and (3) make any recommendations they deem appropriate concerning statutory program changes to improve the programs' cost-effectiveness.

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§ 55 — PROBATE COURT ADMINISTRATION FUND

Beginning with FY 13, the act annually transfers, from the probate court Administration Fund to the General Fund, any probate fund balance on June 30 exceeding 15% of its authorized expenditures in the coming fiscal year. Under prior law, all surplus funds from the probate fund were annually transferred to the General Fund.

§ 56 — PESTICIDE ASSESSMENT OF UCONN'S PLANT SCIENCE RESEARCH AND EDUCATION FACILITY

The act requires DEEP, by October 31, 2013, to assess the pesticide practices used at UConn's Plant Science Research and Education Facility. DEEP must do the assessment in consultation with DPH.

The assessment must examine the facility's (1) procedures for pesticide storage and application; (2) protocols to ensure safe pesticide application, including pesticides that require a U.S. Environmental Protection Agency experimental use permit; and (3) water testing regimen. The water testing regimen evaluation must include a review of the (1) timing, locations, and types of testing involved; (2) number of wells subject to testing; and (3) types of pesticides identified by the testing.

The act requires the agencies to provide to the Environment Committee by February 1, 2014 any recommendations for legislation or revised practices that they determine are needed based on the assessment's results.

EFFECTIVE DATE: Upon passage

§ 57 — FUNDS FOR GROUNDWATER TESTING

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The act transfers up to \$100,000 of UConn's FY 14 Operating Expenses appropriation to DEEP for FY 14. DEEP must (1) use the funds to investigate groundwater flow quality in bedrock and (2) enter into a memorandum of understanding with UConn for this purpose.

§ 58 — OFFICE OF FISCAL ANALYSIS FISCAL NOTE REVIEWS

The act eliminates the requirement that the Office of Fiscal Analysis, every second and fourth year after an enacted bill's effective date, review the bill's fiscal note and compare it to the original fiscal note prepared when the bill was enacted.

§ 59 — REEMPLOYED RETIRED TEACHERS AND TENURE

The act prohibits retired teachers who are rehired to teach at a public school at a lower pay scale and while collecting their pension from having their retired service count toward earning tenure.

§ 60 — SUPPORTIVE HOUSING SERVICES

The act authorizes the Department of Mental Health and Addiction Services (DMHAS), DSS, and DOC commissioners; the OPM secretary; and the Judicial Branch's Court Support Services Division's executive director to (1) develop a plan to provide supportive housing services, including housing rental subsidies during FYs 14 and 15 for an additional 160 individuals and families who frequently use expensive state services and (2) enter into memoranda of understanding to reallocate, within existing appropriations, the necessary support and housing resources for this purpose.

§ 62 — MUNICIPAL USE OF TELECOMMUNICATIONS WIRES

The act allows municipalities and the Department of Transportation (DOT) to use one position on overhead and underground telecommunication lines for any purpose, rather than just for municipal and state signal wires.

§ 63 — HIGHER EDUCATION POLICE FORCES

By law, UConn and all its campuses and the four universities in the Connecticut State University System (CSUS) are authorized to establish their own special police forces, whose officers are classified state employees. The act repeals a provision in PA 13-3 that exempted these police forces from certain provisions of the State Personnel Act that address civil service qualifying exams and hiring timelines. It removes authority granted by that act for UConn and the Board of Regents for Higher Education (BOR, which governs CSUS) to determine the:

1. preliminary requirements, including educational qualifications, for members of the special police forces for UConn and CSUS, respectively, and

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2. timeline for filling vacancies on the respective police forces, including (a) when an exam for a vacant position will be offered and how soon after the exam an appointment to a vacant position can be made and (b) if an exam is unnecessary because of a sufficient candidate list provided by the administrative services commissioner, when to make an appointment from that list.

The act thus returns this authority to DAS.

§§ 64 & 65 — PAYMENT OF CRIMINAL AND PROBATE COURT FEES WITH CREDIT OR DEBIT CARDS

The act allows courts in criminal cases and probate courts to accept payment of fees by credit, charge, or debit cards, and charge related service fees (which cannot exceed the card issuer's charge, including the discount rate).

Existing law already grants superior courts (presumably for all cases) and probate courts the authority to accept credit cards and charge service fees (CGS §§ 51-193b, 45a-113).

§ 66 — PETROLEUM PRODUCTS GROSS EARNINGS TAX EXEMPTION

The act exempts from the petroleum products gross earnings tax propane gas used for school bus fuel.

§ 67 — MIXED MARTIAL ARTS (MMA)

The act makes any person, firm, or corporation that employs or contracts with someone to compete in an MMA match liable for health care costs the competitor incurs for any injury, illness, disease, or condition resulting from participating. This includes diagnosis, care, and treatment costs for the duration of the injury, illness, disease, or condition. (PA 13-259 legalized MMA.)

EFFECTIVE DATE: October 1, 2013

§ 68 — HOSPICE ZONING REGULATIONS

The act requires local zoning regulations to treat as single-family homes certain DPH-licensed inpatient hospice facilities serving up to six people. These facilities must be:

1. managed by a tax-exempt nonprofit organization,
2. served by public sewer and water, and
3. located in a city with more than 100,000 residents within a zone allowing development on one or more acres.

EFFECTIVE DATE: October 1, 2013

§ 69 — INTEREST RATE ON DELINQUENT PROPERTY TAXES

sSB 820 would have given towns the option of reducing the annual interest rate they charge on delinquent property taxes from 18% per year to between 15% and 18%. The act would have made the interest rate for delinquent property taxes

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on property sold for tax purposes between 15% and 18%, to conform to sSB 820, but sSB 820 did not become law. Thus, this provision has no legal effect.

EFFECTIVE DATE: October 1, 2013, and applicable to assessment years starting on or after that date.

§ 70 — ELECTRIC VEHICLE CHARGING STATIONS

The act repeals a provision of PA 13-298 that bars vehicle manufacturers or distributors from requiring a dealer to purchase goods or services (e.g., vehicle battery charging stations) from a vendor the manufacturer or distributor chooses if substantially similar items are available from other sources.

EFFECTIVE DATE: Upon passage

§ 71 — ECONOMIC DEVELOPMENT STRATEGIC PLAN

The act delays, by one year, the date by which the economic and community development (DECD) commissioner must prepare her next economic development strategic plan. It requires a report every four instead of every five years, starting by July 1, 2015. Under the previous five-year schedule, the next report was due by July 1, 2014.

§ 72 — BIOSCIENCE AND PHARMACEUTICAL BUSINESSES IN SOUTHEASTERN CONNECTICUT

The act requires Connecticut Innovations, Inc. (CII) to develop a plan, for which it may spend up to \$50,000, to aid the growth of bioscience and pharmaceutical businesses in southeastern Connecticut. CII must (1) consult with the DECD commissioner to ensure that the plan aligns with the state's bioscience economic development strategy and (2) submit the plan to the governor, DECD, and the Commerce Committee by January 1, 2014.

§ 73 — CARBON FOOTPRINT DATA STUDY

The act requires the DAS commissioner to study the feasibility of including carbon footprint data as factors in awarding state contracts. The data must include the:

1. distance that bidders and proposers must travel in performing the contract,
2. bidders' and proposers' potential fuel consumption, and
3. potential environmental impact and pollution created by transporting necessary goods and services.

The commissioner must (1) conduct the study in consultation with UConn and other agencies or entities he chooses and (2) report on the study's results to the Government Administration and Elections Committee by February 1, 2014.

§ 74 — DMHAS PILOT FOR ALCOHOL-DEPENDENT PEOPLE IN NEW HAVEN

The act requires the DMHAS commissioner to establish and implement a pilot

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program to help alcohol-dependent people discharged from New Haven-area hospitals. The program must help such people obtain outpatient treatment and community support services, including housing.

The act allows the commissioner to contract for services to administer the pilot program.

EFFECTIVE DATE: October 1, 2013

§ 75 — LONG ISLAND SOUND ASSEMBLY GRANTS

The act carries forward up to \$150,000 of unspent funds previously appropriated to DEEP for environmental conservation and makes them available for grants to the Long Island Sound Assembly (LISA) of \$75,000 each in FYs 14 and 15. LISA, composed of three regional advisory councils and representing 36 coastal and watershed communities, submits annual reports to the legislature on the use and preservation of Long Island Sound.

§ 76 — OPM YOUTH SERVICES PREVENTION

The act specifies that the OPM Youth Services Prevention appropriations must be distributed to certain governmental and non-governmental entities, in both FYs 14 and 15. Table 2 provides each grant recipient and amount received.

Table 2: OPM Youth Services Prevention Grants

<i>Grant Recipient</i>	<i>Grant Amount</i>
Communities That Care	\$42,177
Supreme Being, Inc.	42,177
Windsor Police Department Partnership Collaboration	42,177
Hartford Knights	42,177
Ebony Horsewomen, Inc.	42,177
Boys and Girls Clubs of Southeastern Connecticut	81,104
Compass Youth Collaborative Peacebuilders Program	396,661
Artist Collective	43,740
Wilson-Gray YMCA	43,740
Joe Young Studios	43,740
Believe in Me Inc.	50,000
Institute for Municipal and Regional Policy	341,339
Solar Youth New Haven	30,446
Dixwell Summer Stream - Dixwell United Church of Christ	100,000
Town of Manchester Youth Service Bureau Diversion Program	85,303
East Hartford Youth Task Force Youth Outreach	85,303
City of Bridgeport Office of Revitalization	67,163
Walter E. Lockett, Jr. Foundation	67,163
Bridgeport PAL	134,326
Regional Youth Adult Social Action Partnership	44,775
Save Our Youth of Connecticut	44,775
Action for Bridgeport Community Development	44,775
Gang Resistance Education Training (Captain Roderick	67,163

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Porter)	
Family Re-entry Inc. (Fresh Start Program)	67,163
The Village Initiative Project, Inc.	134,326
Yerwood Center	125,000
Boys and Girls Club of Stamford	45,994
Chester Addison Community Center	100,000
Neighborhood Links Stamford	25,000
River-Memorial Foundation, Inc.	60,357
Hispanic Coalition of Greater Waterbury, Inc.	60,357
Police Activity League, Inc. (Long Hill Rec. Center)	60,357
Willow Plaza Center	60,357
Boys and Girls Club of Greater Waterbury	60,357
W.O.W. (Walnut Orange Wood) NRZ Learning Center	60,357
Serving All Vessels Equally	211,584
Human Resource Agency of New Britain, Inc.	100,000
Pathways Senderos	45,000
Prudence Crandall of New Britain	20,000
OIC of New Britain	45,000
Nurturing Families Network (New Britain)	23,715
City of Meriden Police Department	150,652
North End Action Team	64,579

§ 77 — EXPANSION OF HEALTH ENHANCEMENT PROGRAM

The act allows the comptroller to (1) develop and implement a plan to allow non-state public employees to participate in the Health Enhancement Program (HEP) established in accordance with the provisions of the 2011 Revised SEBAC Agreement and (2) adopt implementing regulations. HEP requires participants to maintain a prescribed schedule of check-ups and screenings or face higher health insurance premiums.

§§ 81 & 82 — RECORDING FEES FOR NOMINEES OF MORTGAGEES

The act (1) increases the fees a “nominee of a mortgagee” must pay to town clerks when recording certain documents, including warranty deeds, quitclaim deeds, mortgage deeds, or mortgage assignments, and (2) specifies how the fee revenue must be allocated. Under prior law, anyone recording these documents paid \$10 for recording the first page and \$5 for each additional page. They also paid \$2 for each mortgage assignment after the first two assignments. The recording party had to pay separate \$3 and \$40 recording surcharges, a portion of which was remitted to the state and used to capitalize various accounts.

The act establishes, for nominees, a new recording fee schedule that depends on whether the nominee either appears as the assignor in the mortgage assignment or releases the mortgage. If the nominee appears as the assignor or releases the mortgage, there is a flat \$159 fee for the entire assignment or release, including the fees required under prior law. For any other document, the fee is \$116 for the first page, \$5 for each additional page, \$2 for each mortgage assignment after the first two assignments, plus a \$43 recording surcharge. The act also specifies how the fees collected from nominees must be allocated, as Table 3 shows.

Under the act, a “nominee of a mortgagee” is any person who (1) serves as

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mortgagee for a mortgage loan that is registered on a national electronic database that tracks changes in mortgage servicing and ownership interests in residential mortgage loans on behalf of its members and (2) is a nominee or agent for the promissory note’s owner or the note’s subsequent buyer, transferee, or owner.

Table 3: Fee Revenue Allocation Requirements

<i>Document</i>	<i>State Share</i>	<i>Municipal Share</i>
Any document recorded by a nominee except mortgage assignments in which nominee appears as assignor or releases the mortgage	\$110, of which: 1. \$74 goes to the General Fund and 2. \$36 to the Community Investment Account	\$49, of which: 1. \$39 goes to the municipality’s general revenue and 2. \$10 to the town clerk’s fund Town also keeps any fees for additional pages
Mortgage assignment in which nominee appears as assignor or releases the mortgage	\$127, of which: \$31 goes to the General Fund, \$36 to the Community Investment Account, and \$60 to the State Banking Fund for Foreclosure Mediation Program until October 1, 2014	\$32, which goes to the municipality’s general revenue

EFFECTIVE DATE: July 15, 2013. (PA 13-184 (§§ 97 & 98) contains similar recording fee provisions that are effective July 1, 2013.)

§§ 83 & 84 — REPORTS BY BOARD OF REGENTS

The act requires BOR to report to the Appropriations and Higher Education committees, by November 1, 2013, on the status of the (1) development and implementation of remedial support offered by the regional community-technical colleges (CTC) and (2) employment of academic counselors by CSUS.

By law, CSUS and CTC must, beginning by the 2014 fall semester, offer certain students remedial support embedded with the corresponding entry level course in a college-level program. They must offer this support (1) to students who they determine, through use of multiple commonly accepted measures of skill level, are likely to succeed in college level work with supplemental support and (2) during the same semester as, and in conjunction with, the entry level course.

EFFECTIVE DATE: Upon passage

§§ 85 & 86 — WATER POLLUTION CONTROL AUTHORITY POWER

The act allows an ordinance establishing a water pollution control authority (WPCA) in a distressed municipality of at least 140,000 people (i.e., Bridgeport) to give the WPCA the power to recommend a levy on taxable real property in the

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authority's area for stormwater control systems. The levy may be for system planning, lay out, acquisition, construction, reconstruction, repair, maintenance, supervision, and management.

The act permits the municipality, when imposing the levy, to consider the (1) amount of impervious surfaces making stormwater runoff, (2) land use types that make higher stormwater pollution concentrations, and (3) property's grand list valuation.

Under the act, levy charges unpaid 30 days after the due date are delinquent. The act (1) specifies that delinquent charges bear interest from the due date at the tax collector's delinquent property tax rate and (2) makes unpaid charges liens on the real property subject to the levy from the delinquency date. The liens may be continued, recorded, and released like property tax liens.

EFFECTIVE DATE: October 1, 2013

§§ 87 & 328 — MUNICIPAL REIMBURSEMENT AND REVENUE ACCOUNT

The act establishes the municipal reimbursement and revenue account as a separate, nonlapsing General Fund account and specifies that its funds may be used by OPM for the Nutmeg Network, a tax incidence study, and the universal chart of accounts. It allocates:

1. \$1,087,000 for the Nutmeg Network in both FYs 14 and 15,
2. \$500,00 in FY 14 and \$200,000 in FY 15 for a tax incidence study, and
3. \$450,000 in FY 14 for the universal chart of accounts.

The act transfers, from the regional planning incentive account to the municipal reimbursement and revenue account: \$2,820,000 in FY 14, \$2,070,000 in FY 15, and \$1,870,000 in FY 16.

EFFECTIVE DATE: Upon passage, except the provision transferring money into the account is effective July 1, 2013

§ 89 — RESIDENTIAL CARE HOMES (RCH)

PA 13-234 (§ 73) prohibits DSS from considering whether an RCH has rebased when determining rates in FYs 14 and 15. This act removes the prohibition. When a facility's rates are rebased, DSS looks at more recent costs when calculating the rate.

§ 90 — NURSING HOME RATES—STOP LOSS

PA 13-234 (§ 74) prohibits DSS, in FY 14, from issuing a nursing home a rate that is 4% lower than the rate in effect on June 30, 2013. This act instead caps the amount a home's rate may decrease (stop-loss) at 4%.

§ 91 — MEDICAID RATES PAID TO HOSPITALS

PA 13-234 (§ 76) (1) requires the DSS commissioner to establish acuity-based rates for reimbursing acute care hospitals for Medicaid inpatient and outpatient services and (2) eliminates the department's statutory obligation to set the rates it

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pays chronic disease hospitals for serving Medicaid-eligible patients.

This act (1) provides that the prior system (reasonable cost-based) for paying both types of hospitals continues until the commissioner establishes the new payment system and (2) reinstates the requirement that DSS establish rates it pays to chronic disease hospitals.

§ 92 — HEALTHY START

PA 13-234 (§ 122) requires the Healthy Start plan for maximizing federal funds and expanding services within available state funds to include a (1) “venue-based” billing and payment system and (2) funding allocation formula. This act removes these requirements. Healthy Start provides services to lower income women who are pregnant by promoting and supporting positive maternal and neonatal health outcomes.

§ 93 — RESTORATION OF COMMUNITY RESIDENTIAL FACILITY REVOLVING LOAN FUND DEFINITION

PA 13-234 (§ 156) repeals definitions relating to the Community Residential Facility Revolving Loan Fund (CGS § 17a-220). This act restores the definitions.
EFFECTIVE DATE: January 1, 2014

§ 94 — CHILDHOOD OBESITY TASK FORCE

PA 13-173 established a childhood obesity task force effective October 1, 2013. This act changes the effective date to upon passage.
EFFECTIVE DATE: Upon passage

§ 95 — HEALTHCARE ADVOCATE BUDGET CARRY FORWARD

The act carries forward up to \$70,000 from the Office of the Healthcare Advocate’s FY 13 unspent funds to FY 14 for equipment.

§ 96 — TOWN AID ROAD

The act allows the OPM secretary to approve a town’s use of state Town Aid Road funds for purposes other than those related to building, improving, and maintaining roads and bridges, and for other highway, traffic, and parking purposes. Under prior law, these funds, allocated by DOT, could be used only for these specified purposes

§ 113 — CONNECTICUT MEDAL OF BRAVERY

The act allows the DESPP commissioner to award the Connecticut medal of bravery directly or posthumously to any Connecticut citizen in recognition of (1) a valorous and heroic deed performed in saving a life or (2) injury or death or threat of such incurred (a) in service to Connecticut or the person’s community or (b) on behalf of the health, welfare, or safety of other people.

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Under the act, any person may submit recommendations for award recipients to the commissioner, in the form and manner he prescribes.

EFFECTIVE DATE: October 1, 2013

§ 114 — CONNECTICUT NATIONAL GUARD MEDAL OF ACHIEVEMENT

The act establishes a medal of achievement to be awarded to any Connecticut National Guard member for outstanding achievement or meritorious service during military service ordered by the governor, including state service, federal service, and emergency service in other states conducted under the emergency management assistance compact.

The act requires the adjutant general to appoint and work with two officers of field grade (i.e., the rank of major in the Army, Air Force, and Marines) or above to constitute a board to select medal recipients from recommendations made through military channels, within available appropriations.

Under the act, recipients receive a bronze oak leaf cluster for succeeding awards, and a silver oak leaf cluster must be worn in place of five bronze clusters.

EFFECTIVE DATE: Upon passage

§§ 115 & 116 — STATE MILITARY EMERGENCY SERVICE AND OUTSTANDING UNIT AWARDS

The act makes technical changes to provisions allowing the Military Department to award service ribbons to (1) state armed forces members for emergency service and (2) Connecticut National Guard members for membership in an outstanding unit. By law, award recipients receive a bronze oak leaf cluster for succeeding awards. The act requires repeat recipients to wear a silver oak leaf cluster instead of five bronze clusters, rather than allowing them to wear a silver cluster instead of three bronze clusters, as under prior law.

EFFECTIVE DATE: Upon passage

§§ 117 & 118 — REPLACEMENT HEATING EQUIPMENT PROGRAM

The act requires electric and gas companies to develop, by September 1, 2013, a three-year residential heating equipment replacement loan program that must be designed to minimize the impact on ratepayers. DEEP, in consultation with the Energy Conservation Management Board (ECMB), must approve or modify the program within 60 days of receiving it.

The companies must hire an administrator by January 1, 2014 to develop the program with their assistance. The administrator must provide financing for improvement projects by property owners, loan servicing, and program administration.

The program is open to all residential property owners who are electric company customers, regardless of how they heat their buildings. To be eligible, the customer (1) must have six consecutive months of on-time utility bill payments and (2) may not be behind on his or her electric or gas bill. Customers must apply to the administrator, who must screen each applicant to ensure that he

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or she meets the eligibility and other program requirements. The replacement equipment must result in net savings to the participating customer over the program's life.

Costs

Participants must pay at least 10% of the cost of the replacement heating equipment (furnaces, boilers, and water heaters and associated equipment), which must be Energy Star rated. Program participants can receive loans for up to \$15,000 at up to 3% interest rates, based on income eligibility criteria set by the administrator. The maximum loan term is the lesser of (1) 10 years or (2) the amount of time it takes for the replacement heating equipment to pay for itself from energy savings, plus two years.

Under the act, participants must repay the loan on their electric or gas bill. If the property is sold, the unpaid loans must be transferred to the new owner, who may participate in the program, unless the seller and buyer agree that the loan will not be transferred. The third-party administrator can take legal actions to secure the loans, including attaching liens to participating properties.

The initial cost of the financing, the administrator's costs, and the cost of any defaults must be recovered through the systems benefits charge on electric bills. The electric companies must recover their administrative and capital carrying costs through this charge or another electric rate component, as approved by the Public Utilities Regulatory Authority.

Report

By January 1, 2016, DEEP and ECMB must (1) engage an independent third party to evaluate the program and (2) report to the Energy and Finance, Revenue and Bonding committees on this program and a related one created by PA 13-298, under which loans for energy efficiency measures are funded by private capital and repaid on the participating customer's electric or gas bill. The report must cover, for each program, the (1) program's cost-effectiveness, (2) number of customers served and potential for growth, (3) customer classes served, and (4) fuel used by the replacement equipment.

EFFECTIVE DATE: Upon passage

§ 119 — ELECTRIC BILLING CREDITS

PA 13-298 gives certain electric company customers who install renewable generating systems on their property a partial credit on the transmission and distribution charges on their electric bills. It phases down the bill credit over three years starting July 1, 2013. This act begins the phase-down period based on when a customer's system begins operation, rather than tying the phase-down to specific dates.

§ 120 — ESTATE TAX

The act conforms law to DRS practice by modifying how estate taxes are

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calculated for Connecticut residents who have estate property in other states.

Existing law gives resident estates a credit against the estate tax for estate taxes paid to any other state or the District of Columbia on real or tangible personal property under another state's jurisdiction. Under prior law, the credit was the lesser of (1) the actual taxes paid to the other state or (2) the full Connecticut tax, excluding any gift tax credits, that would otherwise be due multiplied by the percentage of the gross estate that was under the jurisdiction of the other state for estate tax purposes. The act instead makes the credit equal to the full Connecticut tax, excluding gift tax credits, multiplied by the percentage of the gross estate's value that is attributable to real or tangible personal property located outside the state.

By law, Connecticut's estate tax has jurisdiction over a resident estate's (1) real and tangible personal property located in the state and (2) intangible personal property, regardless of its location. The act specifies that the intangible property must be included in the decedent's gross estate, not just owned by the decedent, in order for the estate tax to apply.

The act also provides, for both resident and nonresident estates, that the state is permitted to calculate and levy the tax to the fullest extent permitted by the U.S. Constitution.

EFFECTIVE DATE: Upon passage, and applicable to deaths on or after January 1, 2013.

§§ 121 & 122 — SOLDIERS', SAILORS' AND MARINES' FUND

The act generally puts the Soldiers', Sailors' and Marines' Fund (SSMF) under the American Legion's (AL) control by eliminating provisions that allowed the (1) Finance Advisory Committee to appropriate general funds to the SSMF, under certain conditions, and (2) comptroller to transfer excess SSMF interest earnings to the general fund. It also allows the AL to (1) consult with the state treasurer about investing SSMF assets and (2) utilize up to \$300,000 to administer the fund. By law, the AL administers the fund.

The act requires the AL to, biennially, on or before January 15, cause an independent audit of the SSMF. The audit report must include:

1. a detailed description of the fund investments;
2. a description of investment returns, including interest, dividends, realized capital gains, and unrealized capital gains organized by investment type;
3. a list of operating expenditures that describes the type and amount of each expenditure;
4. a list of the number of grant recipients each month;
5. the fund balance and interest earned for the current year, the estimated fund balance, and interest earned for the subsequent year; and
6. other information the treasurer requires.

The act further requires the AL to (1) report the audit's findings to the Finance, Revenue and Bonding and Veterans' Affairs committees within seven business days of receiving the report and (2) make the report publically available in paper and electronic form.

EFFECTIVE DATE: July 1, 2014

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§ 123 — PRESCHOOL MAGNET SCHOOL SLIDING TUITION SCALE

The act requires SDE, in consultation with DSS, to annually develop a sliding tuition scale based on family income to calculate the amount that a regional education service center (RESC) may charge for tuition to the parent or guardian of a child enrolled in a preschool program at a magnet school the RESC operates. The sliding scale tuition must be used in FY 15 and each following fiscal year.

EFFECTIVE DATE: Upon passage

§§ 124 & 125 — PRESCHOOL MAGNET SCHOOL TUITION

Tuition Phase-in

The act uses a multi-year approach to change the way the state permits RESC-operated interdistrict magnet schools to charge tuition for the preschool programs they operate. Under prior law, a RESC could charge tuition only to the district where the student lived. By FY 15, the act allows the school to charge tuition to the parents of the preschool student on a sliding scale, with SDE paying for the portion the sliding scale does not cover.

While the act has a slightly different phase-in for RESC magnet schools in the *Sheff* region compared with RESC magnets outside the *Sheff* region, the tuition calculation is the same for both. By law and unchanged by the act, tuition cannot be more than the difference between (1) the average per-pupil expense for the magnet school and (2) the per-student state grant under law plus any revenue from any other source on a per-student basis. For RESC magnets in the Hartford area, the tuition amount ranged from \$2,900-\$3,800 for the 2011-12 school year.

Table 4 presents the act’s changes to the tuition for magnets outside the *Sheff* region.

Table 4: Parties Responsible for Preschool Tuition for Magnets Outside *Sheff* Region

	<i>Prior Law</i>	<i>Act</i>	
Non- <i>Sheff</i> RESC Magnet School Preschool Programs	School districts where student resides	FYs 13 and 14: SDE	FY 15 and each following fiscal year: Parent or guardian of the child, with SDE responsible for any portion not charged to a parent or guardian per the sliding scale

Table 5 presents the act’s changes to the tuition for magnets inside the *Sheff* region.

Table 5: Parties Responsible for Preschool Tuition in *Sheff* Region

	<i>Prior Law</i>	<i>Act</i>		
<i>Sheff</i> Region	School	FY 13:	FY 14:	FY 15 and

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RESC Magnet School Preschool Programs	districts where student resides	Prohibited from charging tuition	SDE	each following fiscal year: Parent or guardian of the child, with SDE responsible for any portion not charged to a parent or guardian per the sliding scale
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The *Sheff* region is defined as the Avon, Bloomfield, Canton, East Granby, East Hartford, East Windsor, Ellington, Farmington, Glastonbury, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, South Windsor, Suffield, Vernon, West Hartford, Wethersfield, Windsor, and Windsor Locks school districts. This region is the group of towns affected by the *Sheff v. O’Neill* court ruling and stipulation regarding racial desegregation of Hartford and its surrounding towns (see BACKGROUND).

The act permits the education commissioner to conduct a comprehensive review of the operating budget of any magnet school charging tuition to verify the tuition rate.

It also removes the ability of the Great Path Academy at Manchester Community College, operated by the Hartford School District, to charge preschool tuition. (Great Path currently does not offer preschool.)

§ 126 — *SHEFF* REPORT

The act requires SDE to submit a report, by February 1, 2014, to the Education Committee on the levels of diversity and integration for each public school located in the *Sheff* region. The report must include (1) the number and percentage of minority students in each such school and (2) an analysis of how this data relates to the state’s efforts to meet the goals of the 2008 *Sheff* court stipulation and order.

EFFECTIVE DATE: Upon passage

§ 127 — MUNICIPAL AID ADJUSTMENT ACCOUNT

The act establishes a “Municipal Aid Adjustment” account in the General Fund. It requires the OPM secretary to spend account funds for grants to specified municipalities, totaling \$4,467,456 in FY 14 and \$3,608,728 in FY 15. The grant recipients include 14 municipalities, three boroughs, four regional school districts, four fire departments, and one municipal district. PA 13-184, § 66, also created this account, but did not specify grant amounts or recipients.

§ 128 — GRANTS PURSUANT TO BONDING FOR MUNICIPAL AID

The act specifies the amounts and recipients of the municipal grants

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authorized by § 55 of the bond act (PA 13-239). That section authorized \$56,429,907 in general obligation (GO) bonds per year in FYs 14 and 15 for grants to municipalities for municipal purposes and projects. This act specifies that these bonds are authorized under the Town Aid Road program, but allows the bonds, in the OPM secretary's discretion, to be used for purposes other than Town Aid Road projects.

The grants are for most municipalities and certain other municipal entities (such as several fire departments).

§ 129 — FILM PRODUCTION TAX CREDIT MORATORIUM

PA 13-184 (§ 75) established a two-year moratorium on film production tax credits for FYs 14 and 15 by (1) barring the issuance of tax credit vouchers for motion pictures and (2) excluding motion pictures from the types of productions eligible for the credits for those years.

The act instead establishes the two-year moratorium for FYs 14 and 15 by barring the issuance of tax credit vouchers for motion pictures that have not been designated as state-certified productions prior to July 1, 2013.

The act creates an exception for FY 15 for a motion picture that conducts at least 25% of its principal photography days in a Connecticut facility that (1) receives at least \$25 million in private investment and (2) opens for business on or after July 1, 2013. PA 13-184 created the same exception.

EFFECTIVE DATE: July 1, 2013, and applicable to tax credits issued on or after that date.

§ 130 — BEHAVIORAL HEALTH PARTNERSHIP (BHP) COUNCIL OVERSIGHT OF BHP RATES

By law, the Department of Children and Families (DCF), DSS, and DMHAS must submit BHP rate proposals to the BHP council. The act eliminates (1) the council's authority, if it does not accept these proposals, to make recommendations to the legislature and (2) the requirement for the legislature to hold a hearing and make recommendations on them. It continues to require the agencies of cognizance over BHP rates to make every effort to incorporate council recommendations when setting the rates.

Additionally, the act requires the BHP council, in consultation with DCF, DSS, and DMHAS, to identify \$1 million in savings in FY 15.

EFFECTIVE DATE: Upon passage

§ 131 — REGIONAL GREENHOUSE GAS INITIATIVE (RGGI)

Under RGGI (in which Connecticut participates), electric generators buy allowances to emit carbon dioxide. The revenue from the allowance auctions goes into an account administered by DEEP and is used for energy efficiency and renewable energy programs.

The budget act temporarily redirects part of the auction revenue that would otherwise go to the Clean Energy Finance and Investment Authority (CEFIA) to

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the General Fund. This act allows DEEP, until July 1, 2015, to allocate to CEFIA for energy efficiency programs, any part of auction proceeds above the amounts budgeted by electric companies in their 2012 conservation plan. The allocation may be on a pro rata basis at the conclusion of an auction.

§ 132 — FIRST FIVE PLUS PROGRAM SUNSET EXTENSION

The act extends by two years, from June 30, 2013, to June 30, 2015, the sunset date for the First Five Plus economic development program. The program provides loans, tax incentives, and other forms of economic development assistance to up to 15 businesses committing to create jobs and invest capital within the law's timeframes.

§ 133 — CONNECTICUT LOTTERY CORPORATION (CLC) TRANSFER OF MONEY TO CHRONIC GAMBLING TREATMENT

The act increases, from \$1.9 million to \$2.3 million, the annual amount CLC must transfer from lottery ticket sales revenue to the chronic gamblers treatment rehabilitation account.

§ 134 — VETERAN-OWNED SMALL BUSINESS REGISTRY

The act requires the DECD, within available resources, to create and maintain a data registry that tracks small businesses in the state that are owned and controlled by either veterans or service-disabled veterans (those with service-connected disabilities). The registry must include the (1) name of the veteran or veterans who own the business and (2) type and location of the business. DECD must annually request this information from the U.S. Department of Veterans Affairs and any other appropriate state or federal agencies annually.

The act also requires DECD to report annually to the state Veterans' Affairs Committee on the number of these businesses.

EFFECTIVE DATE: Upon passage

Veteran-Owned Small Businesses in Connecticut

Under the act, a "small business concern," generally, is independently owned and operated and is not dominant in its field of operation. Such a business is "owned and controlled by veterans" if (1) more than 50% of the business or public stock in the business is owned by a veteran and (2) one or more veterans manage and operate the business on a daily basis.

Under the act, a small business is "owned and controlled by service-disabled veterans" if (1) more than 50% of the business or public stock in the business is owned by a veteran with a service-connected disability and (2) the business is managed and operated on a daily basis by at least one veteran with service-connected disabilities, or, if such veteran is permanently or severely disabled, by his or her spouse or permanent caregiver. A "veteran" means a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable. A "service-connected disability" is a

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disability that was incurred or aggravated in the line of duty in active military, naval, or air service.

Under the act, the registry must track only those businesses whose principal place of business is in Connecticut.

§§ 136-145 & 147-148 — CONNECTICUT HEALTH INSURANCE EXCHANGE

The act makes several changes affecting the HIX.
EFFECTIVE DATE: Upon passage

§ 137 — Board of Directors

The act (1) reduces the number of voting members on the HIX board of directors from 12 to 11 by removing the Special Advisor to the Governor on Healthcare Reform and (2) specifies that six, rather than seven, members constitutes a quorum. It also adds the DMHAS commissioner as a nonvoting member.

§§ 138, 140-144, 147-148, & 388 — All-Payer Claims Database

The act transfers responsibilities for the “all-payer claims database” from the Office of Health Reform and Innovation (OHRI) (which the act eliminates, see below) to the HIX. In doing so, it requires the (1) HIX board of directors to adopt written procedures for implementing and administering the database; (2) HIX to seek funding for the database and oversee the planning, implementation, and development of policies and procedures for it; and (3) HIX chief executive officer (CEO) to discuss the status of the HIX’s implementation and administration of the database in his annual report to the governor and legislature (the last report is due January 1, 2014).

The act allows the HIX to (1) impose a civil penalty, after notice and hearing, of up to \$1,000 per day on insurers and other reporting entities that fail to report data to the all-payer claims database and (2) charge a fee to entities that request data from the database. It allows the HIX CEO to give the name of any reporting entity on which a penalty has been imposed to the insurance commissioner. After consulting with the CEO, the commissioner may request the attorney general to bring action in Hartford Superior Court to recover the penalty.

The act permits disclosure of health information (as defined in federal regulations) from the database, as long as (1) the disclosure is allowed under the federal Health Insurance Portability and Accountability Act and related regulations and (2) any personal identifiers are removed. It requires that any disclosure of other information from the database protect the confidentiality of the information, as required by state and federal law.

The all-payer claims database receives and stores data relating to medical, dental, and pharmacy insurance claims. Insurers and various other reporting entities that administer health care claims and payments must provide information for inclusion in the database. Under the act, the HIX must use the data in the database to provide health care consumers with information concerning the cost

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and quality of health care services so they can make economically sound and medically appropriate health care decisions. It also must make data available to any state agency, insurer, employer, health care provider, health care consumer, and researchers to allow them to review data relating to utilization, cost, or service quality.

§§ 139 & 140 — Miscellaneous Revisions

The act allows the HIX to impose interest and penalties on health carriers that pay exchange assessments or user fees late. By law, the HIX may charge assessments or user fees to health carriers that are capable of offering a qualified health plan through the exchange.

The act allows the HIX to award grants to trained and certified people and institutions that will assist individuals, families, and small employers and their employees with enrolling in coverage through the exchange. Prior law allowed the HIX to award grants to “navigators.”

By law, the HIX must assign a rating to each qualified health plan offered through the exchange and determine each plan’s level of coverage in accordance with federal regulations. The act requires that the HIX do this on or before the open enrollment period for plan year 2017.

§ 145 — Sustinet Health Care Cabinet

The act adds the HIX CEO, or his designee, to the Sustinet Health Care Cabinet, replacing the Special Advisor to the Governor on Healthcare Reform. It eliminates the requirement that the cabinet develop a business plan to evaluate private and public mechanisms to provide adequate health insurance products beginning January 1, 2014. It also requires the lieutenant governor and healthcare advocate offices to provide support staff to the cabinet.

§§ 145-146 & 388 — OFFICE OF HEALTH REFORM AND INNOVATION

The act eliminates OHRI and makes technical and conforming changes. Among other things, prior law required OHRI to coordinate and implement the state’s responsibilities under state and federal health care reform.

Prior law required OHRI to report to the HIX board, governor, and the Appropriations and Insurance and Real Estate committees (1) an analysis of the cost impact on the state and (2) a cost-benefit analysis of the “essential health benefits” required by federal law. The act instead requires the HIX board of directors to do this analysis, which is due within six months after the U.S. Health and Human Services secretary publishes the benefits.

EFFECTIVE DATE: Upon passage

§§ 149 & 150 — FYS 14 AND 15 BANKING FUND TRANSFERS

The act increases, from \$8,000,000 to \$10,700,000 in FY 14 and from \$3,000,000 to \$5,700,000 in FY 15, the amounts transferred in PA 13-184 from the State Banking Fund to the General Fund.

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EFFECTIVE DATE: Upon passage

§ 151 — LOCAL PLANS OF CONSERVATION AND DEVELOPMENT

The law requires municipal planning commissions to prepare 10-year plans of conservation and development (plans of C&D) for their municipalities and, under certain conditions, disqualifies those that fail to update their plans from receiving discretionary state funds until they do so or the OPM secretary waives this provision.

Prior law relieved municipal planning commissions from the obligation to prepare or amend a municipal plan of C&D between July 1, 2010 and June 30, 2013 and specified that any municipality that chose to delay amending its plan during this period would be subject to the disqualification provision starting July 1, 2014.

The act delays by one year, from July 1, 2013 to July 1, 2014, the date by which municipal planning commissions must prepare or amend a municipal plan of C&D. It also suspends, until July 1, 2015, the provision disqualifying towns that fail to update their plans from receiving discretionary state funds until they do so or the OPM secretary waives the provision.

EFFECTIVE DATE: Upon passage

§§ 152 & 153 — ECS FORMULA

The act revises the ECS formula, which is the largest form of state education aid to towns. (This act and the state budget act, PA 13-184, appropriate the money to be distributed through the formula.)

Fundamentally, the formula is comprised of three factors: (1) foundation aid, (2) the town's base aid ratio, and (3) the town's number of total need students (i.e., total students adjusted to account for educational and economic need). A "fully funded" ECS grant is the product of the three factors plus, for qualified districts, a relatively small regional bonus.

The act uses the fully funded amount for each town as the basis for determining ECS grants for the next two fiscal years. Under the act, the FY 14 and 15 grants are a portion of the fully funded amount. Under prior law and the act, the formula awards aid more generously to poorer towns. It provides minimum aid to the state's wealthiest towns.

Foundation

For FY 14 and each year thereafter, the act raises the per-student foundation amount from \$9,687 to \$11,525. The foundation is the level of weighted per-student spending that ECS grants help towns achieve. All towns receive less than the foundation amount per student with the town's tax revenue accounting for most of the remainder of the per-student cost. A higher foundation increases grants to all towns.

Base Aid Ratio

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The base aid ratio is a numerical representation of a town's property wealth, with a small adjustment for income, in relation to a median town wealth level set in the formula. Poorer towns have higher ratios than wealthier towns. The larger a town's ratio, the closer the town comes to receiving the maximum aid.

Under prior law, in calculating a town's base aid ratio, town wealth was compared to the state guaranteed wealth level (GWL). The GWL was 1.75 times the state's median town wealth. The act replaces the GWL with the wealth adjustment factor (WAF) for FY 14 and each year thereafter.

The WAF is determined by a three-step process: (1) determining the property and income wealth measures with each expressed in a ratio, (2) applying weights to each, and (3) adding the ratios together.

The property wealth measure is the ratio of (1) a town's equalized net grand list (ENGL) per capita to (2) the ENGL per capita of the town with the state's median ENGL, multiplied by 1.5. The income wealth measure is the ratio of (1) a town's median household income to (2) the state's median town household income, multiplied by 1.5. By lowering the multiplier (from 1.75 in prior law to 1.5), this part of the formula decreases the state's share of total education funding.

Next, WAF weighs the property wealth of a town at 90% and income wealth at 10%. In the last step of determining the wealth adjustment, the two resulting ratios are added together.

Minimum Aid Ratio. Under the act, the minimum aid ratio is 10% for alliance districts (the 30 districts with the lowest district performance indexes (DPIs) based on state standardized tests) and 2% for all other districts. Under prior law, the minimum aid ratio was 9%, except it was 13% for the 20 districts with the highest concentrations of low-income students. The minimum aid ratio guarantees that wealthier towns receive at least a minimum amount of ECS aid.

Student Need

By law, the ECS formula weighs student counts for educational and economic need by increasing a town's student count for certain types of students. This creates a "need student" count for each town.

Prior law gave students in poverty, as measured by the number of students eligible for federal Title I funds, a weighting of 1.33 and limited English proficient students (in most circumstances) a weighting of 1.15 (it was possible for students to count in both). For school years starting with 2013-14, the act replaces both of these with the single weighting of 1.30 for every student eligible for free or reduced price lunch (FRPL) or free milk under the federal Department of Agriculture's National School Lunch Program. This means that under the act, 100 students that qualify for FRPL would count as 130 need students in the formula.

Base Aid

The act makes each town's FY 13 ECS grant its base aid. Under prior law, a town's FY 07 ECS grant was its base aid.

FYs 14 and 15 Funding

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The act establishes the ECS grant levels for the next two fiscal years, with lower performing districts receiving a larger percentage of their fully funded grant. The act includes different funding percentages for three types of towns: (1) non-alliance districts, (2) alliance districts, and (3) educational reform districts. Reform districts are the 10 lowest performing alliance districts (see BACKGROUND). (The funding percentages for FY 14 are somewhat unclear.) The funding percentages are shown in Table 6.

Table 6: ECS Funding Percentage Increase by Town Type and Fiscal Year

<i>Type of Town</i>	<i>FY 14 %</i>	<i>FY 15 %</i>
Non-alliance	1%	1.8%
Alliance District	8%	14.4%
Reform District	12%	21.6%

For FYs 14 and 15 each town's grant is the greater of:

1. the amount received in FY 13 (its base aid) or
2. the sum of the town's (a) base aid plus (b) the difference between the town's fully funded grant and the town's base aid, multiplied by the funding percentage.

For example, for a non-alliance town, the FY 14 funding percentage is 1%, so the grant amount would be its base aid plus 1% of the difference between the fully funded grant and the town's base aid.

§ 154 — MINIMUM BUDGET REQUIREMENT

MBR for FYs 14 & 15

By law, towns receiving ECS grants must budget minimum annual amounts for education. This is known as the MBR. Under the act, each town's base MBR for FY 14 is the amount it budgeted for education in FY 13 plus any ECS aid increase received for FY 14, with certain reductions permitted. Similarly, the MBR for FY 15 is the amount the town budgeted for education in FY 14 plus any ECS aid increase received for FY 15, again with reductions permitted.

Allowable MBR Reductions

The act maintains permitted MBR reductions through FYs 14 and 15. If eligible, towns may choose one from among the following potential ways to reduce their MBR. The reductions are:

1. Towns without high schools pay tuition to other towns so their resident students can attend school there. A town with no high school that is paying for fewer students to attend high school outside the district than it paid for in the previous year can reduce its budgeted education appropriation by the full amount of its lowered tuition payments.
2. A town may reduce its MBR when its student population has decreased. The reduction equals the difference in the number of students multiplied by \$3,000, up to a limit of 0.5% of the budgeted education appropriation

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for the previous fiscal year.

3. A town can reduce its MBR to reflect half of any new and documented savings from (a) increased efficiencies within its school district, as long as the education commissioner approves the savings or (b) a regional collaboration or cooperative arrangement with one or more other districts. The overall reduction for this savings is limited to a maximum of 0.5% of FY 13's budgeted education appropriation.

The act specifies that the decreasing student enrollment reduction for FY 14 must use the data of record as of January 31, 2013 and consider the difference in the student count from October 1, 2011 to October 1, 2012. The student count reduction for FY 15 must use the data of record as of January 31, 2014 and consider the difference in the student count from October 1, 2012 to October 1, 2013.

The act maintains a fourth type of MBR reduction, for permanent school closings, through FYs 14 and 15. It allows the commissioner to permit a town to reduce its MBR if a school district permanently closes one or more schools because of falling enrollment. The closures must take place in FYs 11, 12, or 13. The school closure reduction is permitted regardless of whether a town uses one of the three other reductions mentioned above.

Alliance District MBR

Prior law created a separate MBR for alliance districts. The act maintains it for FYs 14 and 15. It keeps the same mechanism for determining the MBR with each new fiscal year and requires an increased level of local funding.

An alliance district's MBR is the previous year's MBR plus the amount needed to bring the district up to its minimum local funding percentage (21% for FY 14 and 22% for FY 15). By law, minimum local funding percentages increase by one percentage point each year until reaching 24% for FY 17.

The education commissioner may permit an alliance district town to reduce its MBR if it can demonstrate that it has increased its local contribution for education for that fiscal year (see BACKGROUND).

§ 155 — ALLIANCE DISTRICTS

The act makes some changes to the alliance district program. Prior law required the state comptroller to hold back any ECS grant increase over the prior year's amount that is payable to an alliance district in FY 13 or any following fiscal year. The comptroller was required to transfer the money to the education commissioner. The commissioner could withhold increases in ECS funding designated for an alliance district until the district supplies the commissioner with a plan that addresses objectives and targets to improve student achievement.

The act applies the holdback requirement to FYs 14 and 15, but makes FY 12 the baseline ECS funding for this determination. This means any amount that represents an increase over FY 12 must be transferred to the education commissioner. By law, any other ECS funding is sent directly to the towns.

By law, the alliance district plan may contain a number of items, including a

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system of interventions in low-performing schools and ways to strengthen early reading programs. The act specifies that the plan may include provisions for implementing statewide education standards that the State Board of Education (SBE) adopts and activities related to these standards.

§§ 156-163 — CAPS ON EDUCATION GRANTS

The act maintains existing caps on certain state education formula grants to school districts and RESCs for two more fiscal years, through June 30, 2015. The caps require grants to be proportionately reduced if the state budget appropriations do not cover the full amounts required by the statutory formulas. The caps apply to state reimbursements for:

1. health services for private school students (CGS § 10-217a);
2. transportation for private school students (CGS § 10-281);
3. adult education programs (CGS § 10-71);
4. bilingual education programs (CGS § 10-17g);
5. RESC operations (CGS § 10-66j);
6. special education costs and excess costs, other than those for state-placed students for whom no financially responsible district can be identified (“no-nexus students”) (CGS § 10-76d & 10-76g); and
7. excess regular education costs for state-placed children educated by local and regional boards of education (CGS § 10-253).

§ 164 — CHARTER SCHOOL GRANTS

The act reduces the scheduled increases in per-student grants to state charter schools. By law, the grant was \$10,200 per student in FY 13. Under the act:

1. for FY 14, the grant is reduced from \$11,000 to \$10,500 per student, and
2. for FY 15 and each following year, the grant is reduced from \$11,500 to \$11,000.

§ 165 — SBE’S AUTHORITY TO ORDER LOCAL BOARDS TO INCREASE SPECIAL EDUCATION FUNDING

The act eliminates the SBE’s authority to order a local or regional school board to increase its special education spending following a finding that the board failed to implement the state’s educational interests. Existing law already prohibits SBE from ordering an increase in other educational spending in this circumstance, as long as the board is spending at least the minimum amount required by law.

§§ 166 & 167 — *SHEFF* MAGNET SCHOOL GRANTS AND BAN ON CHARGING TUITION

The act makes two funding changes that treat *Sheff* host magnet schools the same as Hartford host magnets. (A host magnet school means the school is operated by, and is part of, the district it is located in.) For FYs 14 and 15, it (1) extends to all *Sheff* host magnets the existing \$13,054 per student grant amount

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that Hartford host magnets receive and (2) continues the \$10,443 per student grant for non-host *Sheff* magnets (those operated by RESCs, colleges, and other entities approved by the commissioner).

It also bans all *Sheff* host magnets from charging tuition and continues the existing ban on Hartford host magnets charging tuition.

§ 168 — ADDITIONAL OPEN CHOICE FUNDING

The act provides a higher grant, \$8,000 per participating student, for a district with at least 4% of its student population coming from the Open Choice interdistrict public school attendance program. Under the act, districts with Open Choice students equal to or greater than 3% but less than 4% receive \$6,000 per student, the top amount under the prior law.

The law provides a second way for a district to receive \$6,000 per student: when the education commissioner determines that the receiving district has an overall enrollment of more than 4,000 students and the number of Choice students has increased by at least 50%. The act changes the date the commissioner uses to make this determination from October 1, 2012 to the previous fiscal year (presumably the start of the fiscal year).

§ 169 — *SHEFF* MAGNET SCHOOL TRANSPORTATION GRANTS

The act continues the *Sheff* magnet transportation grants at the same level, \$2,000 per student, for FYs 14 and 15.

It also (1) indefinitely authorizes the education commissioner to provide supplemental RESC transportation grants and (2) for FY 13, authorizes him to provide supplemental grants for *Sheff* magnet transportation and transportation provided by EASTCONN, a RESC, for interdistrict magnet schools. The supplemental grants are provided within available appropriations and upon an auditor's comprehensive financial review. The commissioner must select the auditor and the review must be paid for from part of the supplemental grant. Up to 50% of the grant may be paid by June 30, 2013 with the remainder (1) on or before September 1, 2013 and (2) after the auditor completes his or her review.

EFFECTIVE DATE: Upon passage

§ 170 — PER-STUDENT GRANT AND TUITION FOR REGIONAL AGRICULTURE CENTERS

The act increases, from \$1,750 to \$2,750, the per student grant for regional agricultural science and technology centers. As was the case in FY 13, it allows a board of education that operates a center to spend the increased state grant even if it exceeds the total amount budgeted for education. By law, the additional funds cannot be used to supplant local funding.

The act also lowers, from 82.5% to 62.47%, the maximum percentage of the state's per student foundation aid that is used to determine the tuition charged to the districts sending students to a center. Another provision in the act (§ 152) increases the foundation aid amount from \$9,687 to \$11,525 annually. This means

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the new percentage, 62.47%, will be applied to the new, higher foundation amount.

Table 7 displays how the two changes interact to produce a new maximum tuition of \$7,200, which is \$792 less than under prior law.

Table 7: Maximum Tuition for Regional Ag-Science Centers

	<i>Prior Law</i>	<i>Act</i>
Percentage of Foundation	82.5%	62.47%
Foundation	\$9,687	\$11,525
Maximum Tuition (% of foundation multiplied by foundation amount)	\$7,992	\$7,200

§ 171 — AID FOR TOWN RANKED SIXTH IN POPULATION

The act increases annual additional state education aid, from \$650,000 to \$2,020,000, for Norwalk (the town ranked sixth when all towns are ranked by population).

§ 172 — ADULT EDUCATION IN NEW HAVEN AND BRIDGEPORT

The act allows adult education programs in New Haven and Bridgeport to expand their scope to include more counseling and instructional services, including technology training, technical skills, literacy, and numeracy.

§ 173 — APPROPRIATION FOR LITERACY HOW PROGRAM

The act requires SDE to use up to \$200,000 of the biennial budget appropriation for the alternative high school and adult incentive program as a grant to the Literacy How program in North Haven for adult literacy services for FYs 14 and 15.

§§ 174-185 & 389 — GOVERNOR’S SCHOLARSHIP PROGRAM

The act establishes the Governor’s Scholarship program as a single, consolidated state financial aid program for Connecticut residents who are undergraduates at in-state public and private higher education institutions. The program replaces the state’s previous undergraduate student aid programs: Connecticut Aid to Public College Students (CAPCS), Connecticut Independent College Student Grant (CICSG), the Capitol Scholarship, and Connecticut Aid to Charter Oak (see BACKGROUND).

The act limits eligibility for the Governor’s Scholarship to Connecticut residents enrolled in at least six semester credit hours and pursuing their first associate or bachelor degree. It establishes four award categories: a (1) need and merit-based award, (2) need-based award, (3) performance incentive pool, and (4) Charter Oak Grant. The act specifies how the appropriation for the program must be allocated across these categories and establishes reporting and audit requirements for the program.

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The act requires the Office of Higher Education (OHE) to administer the Governor's Scholarship. It repeals a provision that placed OHE, for administrative purposes only, within the BOR, thus removing BOR's responsibility to provide OHE with certain administrative support (§ 174).

The act requires OHE, rather than BOR, to (1) perform several financial aid-related duties, including (a) establishing statewide student financial aid policies, (b) reviewing and approving certain applications, and (c) assisting high school guidance counselors and financial aid officers and (2) administer any scholarship aid provided to students who attend out-of-state programs that prepare teachers of children requiring special education. It also eliminates a seven-member advisory committee on student financial assistance matters (§§ 180, 181, & 184).

Additionally, the act repeals the award for excellence in science and technology, teacher incentive loan program, high technology assistantship program, and academic scholarship loan program. Each of these was defunct (§ 389).

§ 182 — Governor's Scholarship Overview

This act establishes the Governor's Scholarship program as a single, consolidated state financial aid program for Connecticut residents who are undergraduates at in-state public and private higher education institutions. It eliminates CAPCS, CICSG, the Capitol Scholarship, and Connecticut Aid to Charter Oak, but allows students who received awards under these programs in FY 13 to continue receiving them for the life of the original award so long as they meet and continue to meet the respective program's need and academic standards. Since these awards are one-year, renewable awards, the act presumably allows such renewals to continue until the students graduate.

The act specifies that the Governor's Scholarship begins with new and transfer students in FY 14. It appears that continuing students who did not previously receive a CAPCS, CICSG, Capitol Scholarship, or Connecticut Aid to Charter Oak award would thus be ineligible for any state financial aid.

Eligibility. The act establishes student eligibility criteria for the Governor's Scholarship that are narrower than the criteria for the state's previous programs. It limits eligibility for the Governor's Scholarship to students pursuing their first associate or bachelor degree. Prior law required that students receiving assistance from CAPCS, CICSG, and Connecticut Aid to Charter Oak be undergraduates, but did not limit participation to students pursuing their first associate or bachelor degree. (The Capitol Scholarship was available only to students who did not have a bachelor degree.) CAPCS also provided awards to students in precollege remedial programs, which are not allowed under the Governor's Scholarship.

Additionally, the act requires that part-time students be enrolled for at least six semester credit hours in order to be eligible for a Governor's Scholarship. Prior law did not establish a minimum credit load requirement for the four previous programs.

The act limits the costs to which the Governor's Scholarship can be applied to (1) tuition and required fees, as published by the institution, and (2) required books and educational supplies, in a fixed amount as determined by OHE. Prior

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law permitted the use of state financial aid for other costs (e.g., room and board).

The act also requires that Governor's Scholarship awards be based on a student's expected family contribution, as determined by the Free Application for Federal Student Aid. Under prior law, award amounts for the existing programs were generally based on a student's financial need, which is the difference between an institution's costs and the student's expected family contribution. The federally determined expected family contribution is the same across different institutions, whereas financial need varies based on institutions' costs.

Eliminated Awards. Under prior law, Connecticut residents who attended an out-of-state institution could receive a Capitol Scholarship award of up to \$500. The act eliminates these students' eligibility for state financial aid, but presumably allows students who previously received this award to continue doing so (see above).

Prior law allowed CAPCS awards to fund student employment. It also required that a percentage of CAPCS and CICSG awards be used for (1) needy minority students and (2) on-campus or off-campus community service work study placements. The act does not transfer these requirements to the Governor's Scholarship. It makes a conforming change by eliminating institutions' responsibility to have a student community service coordinator.

§ 182 — Award Categories

The act establishes four Governor's Scholarship award categories: a (1) need and merit-based (merit) award, (2) need-based award, (3) performance incentive pool, and (4) Charter Oak Grant. It does not specify award amounts in any of the categories, thus leaving it to OHE to determine the amounts.

Merit Award. Under the act, OHE determines student eligibility for the merit award based on (1) financial need, as measured by expected family contribution and (2) merit, as measured by either high school academic achievement or performance on standardized academic aptitude tests.

The act requires OHE to make awards according to a sliding scale, annually determined by the office, up to a maximum family contribution and based on available appropriations and eligible students. It requires that the merit awards be higher than the need awards and prohibits merit recipients from receiving a need or incentive award. The accepting institution must disburse the merit award for payment of the student's eligible educational costs.

Need Award. The act requires OHE to determine eligibility for the need award based on expected family contribution.

Under the act, funds for the need award must be allocated to institutions for disbursement to students in accordance with requirements OHE establishes. The institution's allocation is determined by its actual eligible enrollment (i.e., the number of its students who are eligible for an award) during the fiscal year before the grant year.

As with the merit award, OHE must annually establish a sliding scale based on available appropriations and the number of eligible students. Institutions must (1) adhere to this sliding scale when making awards to students and (2) spend their need award allocation as direct financial assistance for eligible educational

costs.

Performance Incentive Pool. The act establishes an incentive pool to encourage retention and completion for students who (1) receive a need award, (2) return with sufficient credits to complete an associate degree in two years or a bachelor degree in four years (presumably two or four years from the time of initial enrollment), and (3) exceed minimum academic performance standards as determined by OHE. Students become eligible for a performance incentive award in the second year of their need award. The act requires that the incentive pool be distributed to participating institutions based on eligibility as determined by OHE.

The act does not specify any criteria for determining which eligible students will receive an incentive award.

Charter Oak Grant. Under the act, the requirements for the Charter Oak Grant are generally similar to those that existed under prior law for Connecticut Aid to Charter Oak (except for the changes to student eligibility noted above). Additionally, under prior law, an individual award could not exceed a student's financial need. Under the act, the award cannot exceed eligible educational costs.

Unlike with the other award components, the act does not require OHE to determine eligibility and award levels for the Charter Oak Grant. Instead, it requires only that the grant (1) be awarded to students who demonstrate substantial financial need and (2) not exceed a student's eligible educational costs.

§§ 179 & 182 — Appropriation

Under prior law, each of the scholarship programs received a separate appropriation. Under the act, the Governor's Scholarship receives a single appropriation.

The act allocates the appropriation across the four award categories as follows: (1) at least 20% for the merit award, (2) up to 80% for the need award, (3) at least 2.5% for the incentive pool, and (4) at least \$100,000 for the Charter Oak Grant. It also establishes an administrative allowance of \$100,000 or 0.25% of the appropriation, whichever is greater. It thus appears that no more than 77.25% of the appropriation, minus \$100,000, is available for the need award. Additionally, the act specifies that independent higher education institutions must receive at least (1) 38% of the FY 14 appropriation and (2) 36% of the FY 15 appropriation.

By law, the unexpended balance of an appropriation generally lapses at the end of the fiscal year for which it was made and reverts to the unappropriated surplus of the fund from which it was made (e.g., the General Fund). The act specifies that the appropriation for the Governor's Scholarship does not lapse until the end of the fiscal year after the one for which it was made. OHE must report annually by September 1, to the Appropriations Committee through the Office of Fiscal Analysis, on the amount of the appropriation carried over from the previous fiscal year.

The act requires that unexpended Governor's Scholarship funds be returned to OHE by February 15 each year for reallocation.

§ 182 — Reporting and Audit Requirements

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Under prior law, institutions that received CAPCS, CICSG, and Capitol Scholarship funds had to report to OHE, annually by October 1, certain information regarding the students that received this financial aid, including a recipient's (1) birth year, (2) home town, (3) cumulative grade point average, (4) expected graduation date, and (5) expected family contribution towards educational costs.

The act maintains the reporting requirement for institutions that participate in the Governor's Scholarship but eliminates the specific components required under prior law. It instead requires institutions to provide OHE with data and reports on all Connecticut students who applied for financial aid, including those who received a Governor's Scholarship award. The act also eliminates the annual reporting date and instead requires that the report be submitted in a form and at a time OHE determines.

As under prior law, institutions that do not submit the required information to OHE are ineligible to receive student aid from the state in the following fiscal year.

Accountability and Audit Requirements. The act extends to all higher education institutions the accountability and audit requirements that independent institutions previously had to follow under the CICSG program. These requirements include maintaining, for at least three years, (1) records substantiating the reported number of Connecticut students and (2) documentation used by the institution to determine students' eligibility for the awards.

The requirements also include biennial compliance audits, which under the act must begin in FY 15. Institutions must submit to OHE the results of an audit completed by an independent certified public accountant for each year of program participation. As under prior law for CICSG, an institution that OHE determines not to be in substantial compliance with the Governor's Scholarship requirements (1) is prohibited from receiving funds from the program in the following fiscal year and (2) does not regain eligibility until OHE determines that it has returned to substantial compliance.

§ 186 — HIGHER EDUCATION CONSOLIDATION COMMITTEE

By law, the Higher Education Consolidation Committee, which is composed of certain members of the Appropriations and Higher Education committees, establishes a meeting and public hearing schedule to receive updates from BOR on the progress of the consolidation of the state system of higher education. Under PA 13-261, BOR must additionally report to the committee about the program approval process for all campuses of UConn, the Connecticut State University System, the regional-technical community colleges, and the Board for State Academic Awards. This act requires that UConn also report on the program approval process.

§ 187 — ACADEMIC REVIEW COMMISSIONS

The act makes a technical change to the number of appointees to the panel from which OHE selects academic review commissions. The panel and

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commissions were established by PA 13-118. The commissions review and adjudicate appeals from OHE denial of licensure or accreditation involving independent higher education institutions.

§§ 188 & 189 — ACADEMIC ADVANCEMENT PROGRAM

The act requires SDE to establish an academic advancement program that allows students in grades 11 and 12 to graduate from high school early by accomplishing three substitute achievements in lieu of graduation requirements in state law. Students must:

1. achieve a passing score on an existing SDE-approved national examination, or on a series of examinations approved by the SBE;
2. achieve a certain SBE-approved cumulative grade point average; and
3. obtain at least three letters of recommendation from school professionals, who could be state-certified teachers, administrators, or other personnel.

The academic advancement program replaces the optional board examination series pilot program in prior law, which allowed students in grades 9 through 12 to participate and only required passing examination marks in order to graduate. SDE has chosen not to establish such a pilot program to date.

Beginning in the 2014-15 school year, the act requires local and regional boards of education to allow students to graduate from high school upon completing the academic advancement program. SBE must give an academic advancement program certificate to any student who successfully completes such program. Connecticut public colleges and universities must equate the certificate with a high school diploma when determining enrollment eligibility.

§ 190 — RESCS REMOVED FROM DEFINITION OF STATE CONTRACTING AGENCY

The act deletes RESCs from the definition of state contracting agency, thus removing them from being under the authority of the State Contracting Standards Board. (This repeals the provision of PA 13-286 which placed RESCs under the board for bidding and contracting rules.) This means RESCs are again under the same bidding and contracting rules as all local or regional boards of education.

§ 191 — SCHOOL SECURITY INFRASTRUCTURE COMPETITIVE GRANT PROGRAM

The act makes technical changes to PA 13-3, as amended by PA 13-122.
EFFECTIVE DATE: Upon passage

§ 192 — INTERNET POSTING OF SCHOOL SPENDING

The act requires each local and regional board of education, regional education service center, and state charter school governing authority to annually post on its website, beginning FY 14, its aggregate spending on various items for each school under its jurisdiction. Such items include:

1. salaries,

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2. employee benefits,
3. instructional supplies and equipment,
4. educational media supplies,
5. regular and special education tuition,
6. purchased services (excluding debt service), and
7. all other expenditure items.

§ 193 — SCHOOL-BASED HEALTH CENTERS

The act allows all school-based health centers to:

1. extend their hours,
2. expand the health care services they provide,
3. service students who live outside of their school district,
4. provide behavioral health services,
5. conduct community outreach, and
6. receive reimbursement for services from private insurance.

The act also requires such services to be provided in accordance with DPH licensure terms.

§ 194 — GRANTS FOR NEIGHBORHOOD YOUTH CENTERS

The act makes the following grants available to neighborhood youth centers through appropriations to SDE for FYs 14 and 15, as shown in Table 8.

Table 8: Youth Center Grants

<i>Grant Recipient</i>	<i>Grant Amount</i>
Boys and Girls Clubs of Southeastern Connecticut	\$70,586
Boys and Girls Clubs of Bridgeport	94,115
Bridgeport Housing Authority	70,000
Catholic Family Services	80,468
Connecticut Alliance of Boys and Girls Clubs	804,685
Central Connecticut Coast YMCA	71,057
Rivera Memorial Foundation Incorporated	20,117
Saint Margaret Willow Plaza	20,117
Valley Shore YMCA Incorporated	40,234

§§ 195-230 — MERGER OF DAS AND DEPARTMENT OF CONSTRUCTION SERVICES

The act dissolves the Department of Construction Services (DCS) and transfers its powers and duties to DAS (see BACKGROUND). The act makes numerous minor, technical, and conforming changes to implement this merger. For example, it reduces the size of commissions and councils of which both the DAS and DCS commissioners were members to reflect the elimination of the DCS commissioner position. Similarly, in cases where school districts must

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reimburse the state for noncompliance with school construction grant requirements, prior law allowed DCS to refer these cases to DAS for collection. The act instead requires DAS to collect this money directly.

Under the act, if any of the departments' orders or regulations conflict, the act allows the DAS commissioner to implement policies or procedures to resolve the conflict while adopting the policies and procedures in regulation.

DCS's duties and responsibilities that the act transfers include:

1. administering most state capital improvement construction and planning projects;
2. selecting consultants to assist on such projects;
3. providing technical advice and services to agencies planning to improve their physical space;
4. assistance with developing a capital program and budget for the state;
5. enforcing the state's building and fire safety codes; and
6. administering the school construction grant process, with assistance from SDE.

§ 231 — STATE LIBRARY OPERATING GRANTS

For FYs 14 and 15, the act allows a town to be eligible for a state library operating grant even if it reduces its annual tax levy or appropriation for its public library below the average amount for the three fiscal years immediately preceding the grant year.

EFFECTIVE DATE: Upon passage

§§ 232 & 233 — XL CIVIC CENTER MANAGEMENT

The act allows the Hartford-based Capital Region Development Authority (CRDA) to take any action with respect to the Hartford civic center and coliseum complex, now known as the XL Center, and qualifies it for certain insurance and utility rate benefits. Prior law limited CRDA's scope of action to renovating and rejuvenating the center. The center, along with the convention center, downtown higher education center, and various housing, redevelopment, and waterfront improvement projects, comprise the original Adriaen's Landing project.

The act also exempts the center's physical development from local oversight when undertaken by CRDA or another state or public entity. The exemption specifically applies to any work involving the center's demolition, construction, repair, improvement, expansion, or extension. The act also gives the state building inspector and state fire marshal original jurisdiction, including conducting necessary reviews and inspections and issuing building permits; certificates of occupancy; or other construction, occupancy, or fire safety permits.

The act designates the center as state-owned property for state insurance or self-insurance for as long as CRDA owns, leases, or manages it. The designation allows the state insurance and risk management board to determine, purchase, or arrange for the center's insurance or self-insurance.

Lastly, the act allows CRDA to purchase utility services for the center at rates available to state-owned facilities.

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§§ 234 & 235 — GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) IMPLEMENTATION

Annual GAAP Increments

The law requires the state to amortize and pay off any unreserved negative balances that have accumulated in state funds as a result of not applying GAAP in the past (i.e., the accumulated GAAP deficit).

Under prior law, the accumulated GAAP deficit was aggregated and set up as a deferred charge on the state's combined balance sheet based on the accrued and unpaid expenses and liabilities and other adjustments for GAAP purposes as of June 30, 2013. The act instead specifies that the accumulated General Fund deficit, as determined according to GAAP, is the General Fund's "unassigned negative balance" identified in the state's comprehensive annual financial report (CAFR), excluding any funds deposited in the General Fund from other resources to reduce the fund's negative unassigned balance.

Under prior law, the comptroller had to pay off this amount in equal annual increments over 15 years, starting in FY 14. The act instead requires the state to make these payments over 13 years, starting in FY 16. (PA 13-184 (§ 92) contains an identical provision.)

The act also requires the comptroller, to the extent necessary to report the state's fiscal position in accordance with GAAP, to reconcile the General Fund's unassigned balance at the end of each fiscal year to the (1) unassigned balance on June 30, 2013, (2) portion already amortized, and (3) unassigned balance created after June 30, 2013.

Balanced Budget Requirements

By law, the governor must propose, and the General Assembly must adopt, a biennial budget for the state that balances appropriations and estimated revenue.

Starting with FY 14, the law requires the state budget act the General Assembly adopts to include, on the expenditure side, the amount needed to pay off the unreserved negative GAAP balance in any appropriated fund, as reported in the comptroller's most recently audited CAFR issued before the start of the fiscal year. The act replaces the term "unreserved negative balance" with "unassigned negative balance," to reflect the Government Accounting Standard Board's fund balance reporting requirements.

It also requires the General Fund's unassigned negative balance to exclude (1) the accumulated GAAP deficit, unamortized as described above, and (2) any funds from other resources deposited in the General Fund to reduce the accumulated GAAP deficit.

EFFECTIVE DATE: Upon passage

§ 236 — LANDFILL CLOSURE OBLIGATIONS

The act requires DEEP and the Connecticut Resources Recovery Authority to enter into a memorandum of understanding requiring DEEP to assume all legal obligations from closing the Ellington, Hartford, Shelton, Wallingford, and

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Waterbury landfills.

EFFECTIVE DATE: Upon passage

§ 238 — UNDERGROUND STORAGE TANK (UST) PROGRAM

The act broadens the circumstances in which funding under the UST petroleum clean-up program is redistributed among different types of eligible recipients. The program, which is being phased out, enables owners and operators of certain petroleum USTs to demonstrate financial responsibility for paying cleanup costs or third-party liability compensation from a UST release, as required by law. It also provides reimbursement for investigation and remediation costs incurred due to petroleum releases from such tanks. State law provides a system for paying claims based, in part, on the type of claimant involved.

Under the program, funds available for payment are distributed evenly between (1) municipal and other applicants, (2) small station applicants, (3) mid-size station applicants, and (4) large station applicants. The law establishes a priority system within each category for distribution. In general, for small station and municipal or other applicants, payment priority is given to the earliest approved applications. Priority for mid-size and large station applicants is based on the results of a reverse auction, giving priority to applicants who, taking into account the maximum that can be paid, agree to accept the greatest reduction in payment.

By law, any funds remaining in a category that has no applications are redistributed to other categories and used to make payments. The act additionally requires redistribution from the mid-size and large station applicant categories if (1) as a result of the most recent reverse auction, no payment can be made to an applicant in these categories or (2) funds remain in either category after considering all potential payments that could be made to applicants. By law, the priority order for redistribution is as follows: (1) municipal and other applicants, (2) small station applicants, (3) mid-size station applicants, and (4) large station applicants.

Also under prior law, claim assignees assume the assignors' status for purposes of receiving payment under the program. Under the act, assignees who obtained assignments before July 1, 2012 are designated as "other applicants" for the purpose of receiving payments under the program, thereby potentially advancing the date by which they will be paid. For assignments made after that date, assignees continue to assume the assignors' status.

EFFECTIVE DATE: Upon passage

§ 239 — CONNECTICUT INNOVATIONS, INC. BOARD CHAIRPERSON

The act removes the DECD commissioner as chairperson of CII's board of directors and instead requires the governor to appoint one of the board members as the chairperson. By law, the commissioner continues to serve as an ex officio board member. Consequently, the governor may appoint her as chairperson.

§§ 240-243 — JUDICIAL COMPENSATION

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The act increases salaries for judges, family support magistrates, family support referees, and judge trial referees by 5.3% in FY 14 and in FY 15. It similarly increases the additional amounts that certain judges receive for performing certain administrative duties. It also increases salaries of workers' compensation commissioners and probate court judges whose salaries are determined in relation to a Superior Court judge's salary by law.

Judicial Salaries

Table 9 shows the act's changes to judicial salaries.

Table 9: Judicial Salaries

<i>Position</i>	<i>Previous Salary</i>	<i>Salary Starting July 1, 2013</i>	<i>Salary Starting July 1, 2014</i>
Supreme Court Chief Justice	\$175,645	\$184,954	\$194,757
Chief Court Administrator (if a judge)	168,783	177,728	187,148
Supreme Court Associate Judge	162,520	171,134	180,204
Appellate Court Chief Judge	160,722	169,240	178,210
Appellate Court Judge	152,637	160,727	169,245
Deputy Chief Court Administrator (if a Superior Court Judge)	149,853	157,795	166,158
Superior Court Judge	146,780	154,559	162,751
Chief Family Support Magistrate	127,782	134,554	141,686
Family Support Magistrate	121,615	128,061	134,848
Family Support Referee	190/ day*	200/ day*	211/ day*
Judge Trial Referee	220/ day*	232/ day*	244/ day*

* Plus expenses, mileage, and retirement pay

Administrative Judges

In addition to their salaries, the law provides extra compensation to judges who take on certain administrative duties. The judges who receive this additional amount are (1) the appellate system's administrative judge; (2) each judicial district's administrative judge; and (3) each chief administrative judge for facilities, administrative appeals, the judicial marshal service, judge trial referees, and the Superior Court's Family, Juvenile, Criminal, or Civil divisions. The act increases the amount of these additional payments from \$1,000 to \$1,053 (5.3%) starting July 1, 2013, and to \$1,109 (5.3%) starting July 1, 2014.

Compensation Commissioners and Probate Court Judges

By law, a Workers' Compensation commissioner's salary is based on the

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commissioner's experience as a compensation commissioner and the salary paid to Superior Court judges. A commissioner receives \$6,000 less than a Superior Court judge in his or her first year of service, \$5,000 less in the second year, \$4,000 less in the third year, \$3,000 less in the fourth year, \$2,000 less in the fifth year, and \$1,000 less in the sixth year and beyond (CGS § 31-277). The act's salary increases for Superior Court judges will correspondingly increase compensation commissioners' salaries (e.g., a first year commissioner's salary will increase from \$140,780 to \$148,559 in FY 14 and \$156,751 in FY 15).

The law bases a probate court judge's salary on the judge's probate district classification and the salary paid to Superior Court judges. Band 1 probate district judges receive 45% of a Superior Court judge's salary, band 2 probate district judges receive 55%, band 3 probate district judges receive 65%, and band 4 probate district judges receive 75% (CGS § 45a-95a). The act's 5.3% salary increases for Superior Court judges will also increase probate court judges' salary 5.3% (e.g., a band 1 probate district judge's salary will increase from \$66,051 to \$69,552 in FY 14 and \$73,238 in FY 15).

§§ 244-248 — CREATING THE CONNECTICUT ARTS COUNCIL

The act creates the 13-member Connecticut Arts Council (CAC) within DECD to foster and support the arts.

CAC Membership

The CAC membership is as follows:

1. the head of a statewide arts organization, appointed by the governor to a four-year term, and four other members appointed by the governor to a four-year term;
2. the DECD commissioner, as a voting, ex-officio member;
3. a DECD employee responsible for arts and culture, appointed by the commissioner as a non-voting, ex-officio member; and
4. one member appointed for a three-year term by each of the six legislative leaders.

Initial appointments to the CAC must be made by October 1, 2013 and the governor must biennially designate a member to serve as chairperson.

CAC Governance

Under the act, CAC may transact business and exercise its powers only at a meeting of at least seven voting members and with the approval of a majority of the voting members present. CAC must meet at least quarterly, and more often if the chairperson deems it necessary. The chairperson must call the initial meeting by October 31, 2013.

Members may serve for only two consecutive terms. Any appointed member who misses three consecutive meetings or more than half of all meetings within a calendar year is deemed to have resigned from the council. The respective appointing authority must fill any vacancy for the balance of the unexpired term. The governor may remove any of his or her appointees for misconduct, material

neglect of duty, or incompetent conduct as a member.

Members are entitled to reimbursement for actual and necessary expenses they incur while performing their CAC duties, but are not compensated.

Connecticut Arts Council Foundation

The act allows CAC to establish and manage a nonprofit foundation, called the Connecticut Arts Council Foundation (CACF), to raise funds from private sources to encourage, within the state or with other states, participation in, and promotion, development, acceptance, and appreciation of, artistic and cultural activities. This includes music, theater, dance, painting, sculpture, architecture, literature, films, heritage, historic preservation, humanities, and allied arts and crafts. If CAC establishes CACF, it must serve as its board of directors.

Under the act, subject to the direction, regulation, and authorization, or ratification of CAC, CACF may, generally:

1. receive, solicit, contract for, collect, and hold in separate custody endowments, donations, compensation, and reimbursement as money, debt obligations, services, material, equipment, or anything that may otherwise be acceptable;
2. disburse funds in order to (a) foster the creation, preservation and expansion of the arts in Connecticut, (b) disseminate information related to such activities, and (c) support CAC-approved purposes that are consistent with DECD's arts activities and cultural programs;
3. apply for and receive grants and other assistance from national and state bodies and foundations, so long as CACF cooperates with and makes efforts to avoid competing directly with other Connecticut arts organizations when applying for such grants or assistance; and
4. execute contracts to foster the arts in Connecticut, including buying art works for the state art collection.

The act requires CACF to hold all its assets in trust for the principal purpose of supporting or improving DECD, with DECD as the beneficial owner and CAC exercising complete control of those assets.

Integrating the CAC into DECD Arts Activities

By law, Connecticut arts organizations may be eligible for an annual matching grant from the Connecticut Arts Endowment Fund (CAEF) in proportion to the amount of donor contribution a respective organization collects in the prior year. The act requires the state treasurer to annually notify CAC of CAEF's annual investment earnings and the amount available for matching grants by September 1. The law already requires the treasurer to notify DECD.

The act also requires CAC to annually notify DECD of the total amount of matching grants arts organizations are eligible to receive from CAEF, by January 15.

EFFECTIVE DATE: July 1, 2013, except the DECD arts activities and matching grants provisions are effective October 1, 2013.

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The act makes the following changes in the law that requires the OPM secretary, by January 1, 2014 and every 20 years thereafter, to analyze, designate, and update local planning regions. It requires the secretary to:

1. consult with the transportation commissioner;
2. consider United States Census Bureau (USCB)-designated urbanized areas and urbanized clusters;
3. consider the current capacity of each regional planning organization (RPO) to comply with relevant federal transportation laws;
4. consider whether proposed regions can deliver sophisticated planning activities and regional services, rather than necessary regional services; and
5. consider whether rural regions should be designated in parts of the state without urbanized areas.

The secretary must report to the Planning and Development Committee by October 1, 2013 on the status of his planning region analysis.

Under the act, when two or more contiguous planning regions that contain 14 or more municipalities voluntarily consolidate to form a single planning region, instead of a single council of governments (COG) or council of elected officials (CEO), they are exempt from OPM's planning region redesignation.

EFFECTIVE DATE: Upon passage

§§ 250, 252, 258-259, & 390 — CONVERSION TO COGS

The act requires CEOs and regional planning agencies (RPA) to reestablish themselves as COGs by January 1, 2015 and eliminates the procedure that allows a CEO and RPA to become a COG without member towns having to pass new ordinances.

Powers

By law, COGs have all the powers and responsibilities of CEOs and RPAs, including the authority to promote cooperative arrangements among neighboring municipalities related to health, safety, welfare, education, transportation, and the economy. The act specifies that COGs also have the authority to:

1. accept or participate in any grant, donation, or program available to any county or political subdivision of the state;
2. perform, jointly, alone, or in cooperation with another entity, any service, activity, or undertaking that a political subdivision of the state is authorized to perform; and
3. administer and provide services to municipalities, including delegation of authority to subregional groups of municipalities.

Under the act, COGs may provide any of the following services: engineering, inspection and planning, economic development, public safety, emergency management, animal control, land use management, tourism promotion, social, health, educational, data management, regional sewerage, housing, computerized mapping, household hazardous waste collection, recycling, public facility siting, coordination of master planning, vocational training and development, solid waste

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disposal, fire protection, regional resource protection, regional impact studies, and transportation. In addition, the act transfers many rights and duties of RPAs to COGs, including the right to be consulted on, and receive notice of, certain regional matters.

Report to OPM and Legislature

Annually, beginning January 1, 2014, the act also requires COGs to report to the OPM secretary and Planning and Development Committee. The report must describe:

1. any regional program, project, or initiative (regional program) the COG provided or planned;
2. any spending on a regional program, including the funding source and a cost-benefit analysis of the expenditure;
3. any state or municipal services that could be transferred to the COG and the expected efficiency;
4. the performance of any regional programs, including any recommendations for legislative action; and
5. specific annual goals, objectives, and quantifiable outcome measures for each regional program.

EFFECTIVE DATE: Upon passage

§§ 251 & 388 — COG FUNDING

The act renames the regional performance incentive account the regional planning incentive account and makes its primary use funding RPOs, as shown in Table 9, and its secondary use funding regional performance incentive program grants. Under the act, the account will no longer fund the Voluntary Regional Consolidation Bonus Pool (VRCBP), which the act eliminates. The VRCBP was used to offset consolidation costs associated with voluntary RPO mergers.

The act changes the funding formula for COGs and uses the regional planning incentive account as the funding source. Under prior law, RPOs received an annual state grant equal to 5.3% of the total state appropriation, and supplemental grants based on the ratio of their local dues to their state grant. Table 10 shows the funding formula that applies beginning in FY 14.

Table 10: Funding Formula for RPOs

	<i>FY 14</i>	<i>FY 15 and Beyond</i>
Base Amount	\$125,000	\$125,000
Additional Amount Per Person	\$0	50¢, based on most recent census
Additional payment for consolidated COGs	Amount that RPOs would have received if they had not voluntarily consolidated before January 1, 2014	\$125,000 for each RPO that voluntarily consolidated before January 1, 2014

EFFECTIVE DATE: Upon passage

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§§ 253 & 254 — REGIONAL PERFORMANCE INCENTIVE PROGRAM

The act modifies the Regional Performance Incentive Program. By law, the program allows RPAs, CEOs, COGs, economic development districts, and two or more municipalities to annually submit to the OPM secretary proposals to provide, or study the provision of, any service on a regional basis that is currently provided by one or more towns in their regions. The act adds shared information technology services to the list of activities eligible for a grant. It also specifies that two or more municipalities that apply for funds must do so through an RPA.

Under the act, an individual municipality or COG may apply to the OPM secretary, by December 31, 2013 and annually thereafter, for a grant to fund:

1. operating costs for connecting to the statewide high-speed network and
2. capital costs associated with connecting to the network, including costs of building out the internal fiber network connections required to connect to the state network.

The act requires the secretary to make network build-out grants in conformity with the two-year schedule fixed for municipal and COG connection to the state network.

EFFECTIVE DATE: Upon passage

§§ 255, 325, & 389 — COMMISSION FOR EDUCATIONAL TECHNOLOGY

The act increases, from 17 to 19, the membership of the Commission for Educational Technology and changes its composition. The commission is the state's principal educational technology advisor. Its duties include developing plans to connect educational institutions to the state network. The act removes from the commission:

1. the Public Utilities Regulatory Authority chairperson,
2. a representative of the Connecticut Educators Computer Association,
3. a representative of the Connecticut Association of Public School Superintendents,
4. a secondary school teacher designated by the Connecticut Education Association, and
5. an elementary school teacher designated by the Connecticut Federation of Educational and Professional Employees.

The act adds to the commission:

1. the OPM secretary;
2. the DECD commissioner;
3. the consumer counsel;
4. a representative of the Connecticut Conference of Municipalities (CCM);
5. a representative from the Connecticut Council of Small Towns (COST);
6. a chief elected municipal official, appointed by the Senate minority leader; and
7. a small business representative, appointed by the House minority leader.

The act changes the qualifications of four members. Under prior law, four members had to represent businesses and have expertise in information technology. Under the act, they must either represent businesses or have

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information technology expertise. The act increases, from one to two, the number of these representatives the governor appoints and eliminates the lieutenant governor's appointment.

The act allows designees of all members to serve in their place. Under prior law, only the agency officials' designees could serve. The act also requires the governor, instead of the members, to appoint the chairperson and requires the commission to meet at least once per calendar quarter.

The act repeals a law requiring DAS to develop, in consultation with the commission and the SDE, technology standards for school construction projects and the educational technology grant program (CGS § 4d-84). It also repeals a law requiring the SDE to cooperate with the commission to develop, and biennially update, a statewide standard and plan for teacher and administrator competency in the use of instructional technology (CGS § 4d-85).

§ 256 — TWO-YEAR SCHEDULE FOR STATE NETWORK CONNECTIONS

Under the act, the Bureau of Enterprise Systems and Technology must, in consultation with COGs, recommend a two-year schedule for connecting each municipality and COG to the state network. This schedule must be submitted to the Planning and Development Committee by October 1, 2013.

EFFECTIVE DATE: Upon passage

§ 257 — SYSTEM OF ACCOUNTING FOR MUNICIPAL REVENUE AND EXPENDITURES

The act requires the OPM secretary, in consultation with the SDE, CCM, and COST, to develop and implement, by July 1, 2014, a uniform system of accounting for municipal revenue and expenditures, including board of education and grant agency expenditures and revenue. The system must include a uniform chart of accounts for municipalities that lists (1) amounts and sources of revenue and (2) cash and real or personal property donations that, in the aggregate, total \$500 or more. OPM must make the chart available on its website.

By June 30, 2015, municipalities must implement the accounting system and use it to file any annual reports the OPM secretary may require.

EFFECTIVE DATE: Upon passage

§ 260 — REPORT ON METROPOLITAN PLANNING ORGANIZATIONS (MPO)

Federal law requires the state to designate MPOs, which are regional entities responsible for carrying out certain transportation planning activities. The act requires the DOT commissioner, within available appropriations, to prepare a report on the redesignation of MPOs. The report must indicate:

1. a suggested redesignation process;
2. what assistance DOT will provide; and
3. any structures and resources that will be necessary to meet federal transportation requirements related to planning, capital programming,

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project selection, asset management, and performance measurement under the Moving Ahead for Progress in the 21st Century Act (the primary federal surface transportation law).

The report must be submitted to the Transportation and Planning and Development committees by July 1, 2014.

§ 320 — SCHOOL BUS DRIVER HEALTH INSURANCE POOL

The act creates a task force to study the creation of a statewide health insurance pool for school bus drivers employed by a local or regional school district or a private company that provides busing services for a district. The task force must investigate the estimated state and municipal fiscal impact of such a pool. The task force members include:

1. the chairpersons and ranking members of the education, insurance, and labor committees, or their designees;
2. the education, insurance, and labor commissioners and the Healthcare Advocate, or their designees; and
3. one representative of the health insurance industry, appointed by the Senate majority leader.

Appointing authorities must make their appointments by July 19, 2013 and fill any vacancies. The House speaker and Senate president pro tempore must select the chairpersons, who must schedule and hold the first meeting by August 18, 2013. The Insurance Committee's administrative staff serve as the task force's administrative staff.

The act requires the task force to report its findings and recommendations to the Insurance, Education, and Labor committees by January 1, 2014. The task force terminates on the later of that date or when it submits the report.

EFFECTIVE DATE: Upon passage

§§ 321-324 — UNIFORM REGIONAL SCHOOL CALENDARS

Task Force to Develop Guidelines

The act establishes a 19-member task force to develop guidelines for each RESC to use in developing uniform regional school calendars. The guidelines must include:

1. at least 180 days of sessions in a school year (as required by existing law);
2. a uniform start date;
3. uniform days for statutorily required professional development and in-service training for certified employees; and
4. up to three uniform school vacation periods during each school year, of which, up to two must be one-week vacations and one must be during the summer.

The task force members include the education commissioner or his designee, and two members of the Education and Planning and Development committees, one each appointed by each committee's chairpersons and ranking members. The act also requires the executive director or president of each of the following organizations, or their designees, to appoint a representative to the task force:

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1. American Federation of Teachers,
2. Connecticut Association of School Administrators,
3. Connecticut Education Association,
4. Connecticut Association of Boards of Education,
5. Connecticut Association of Public School Superintendents,
6. Connecticut Parent Teacher Student Association,
7. Connecticut Catholic Conference,
8. each RESC (six in total), and
9. the school transportation service company serving the largest number of public school students in the state.

All task force appointments must be made by July 19, 2013. The appointing authority must fill any vacancy. The Education Committee's chairpersons must select the task force's chairpersons from among its members; the chairpersons must schedule the first meeting by August 18, 2013. The committee's administrative staff serve as the task force's administrative staff.

The act requires the task force to submit its guidelines to each RESC and the Education Committee by January 1, 2014. The task force terminates on the date it submits the guidelines or January 1, 2014, whichever is later.

Development and Implementation

The act requires each RESC, by April 1, 2014, to (1) develop a uniform regional school calendar for each board of education in its service area that is consistent with the task force's guidelines and (2) submit the calendars to the SBE for approval. The calendars must be provided to the Education Committee no more than five days after SBE approval.

The act allows boards to adopt the uniform calendars for the 2014-15 school year and requires them to do so beginning with the 2015-16 school year.

Reporting Requirements

The act requires the education commissioner to report to the Education Committee on (1) the implementation of the uniform calendars and (2) any recommendations for legislation related to the implementation by the following dates:

1. July 1, 2014;
2. January 1, 2015;
3. July 1, 2016;
4. January 1, 2016; and
5. July 1, 2017 and annually thereafter.

EFFECTIVE DATE: Upon passage, except the conforming changes are effective July 1, 2013.

§ 326 — NOTICE OF COMMUNITY-BASED RESOURCES FOR FORECLOSURE MEDIATION

The act repeals a requirement that municipalities include the Judicial Branch's form on community-based resources for people involved in foreclosure mediation

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with any statement sent to a homeowner about a public sewer, water service, or property tax arrearage.

§ 327 —REGIONAL HUMAN SERVICES COORDINATING COUNCILS

Starting January 1, 2015, the act requires each state planning region to establish regional human services coordinating councils to encourage collaborations fostering the development and maintenance of a client-focused structure for each region's health and human services system. Each council must meet at least twice per year to (1) ensure that the region's plans and activities are coordinated with its human services needs and (2) develop approaches to improve service delivery and achieve cost savings in the region.

Under the act, the councils' members must include the (1) children and families, correction, developmental services, education, mental health and addiction services, public health, and social services commissioners, or their designees, and (2) executive director of the Judicial Branch's Court Support Services Division or his designee. Each COG's executive director may appoint additional members, including (1) municipal elected officials, (2) workforce development boards (also referred to as workforce investment boards), (3) nonprofit agencies, and (4) family advocacy groups.

EFFECTIVE DATE: October 1, 2013

§ 329 — LAND VALUE TAX PILOT PROGRAM

By law, municipalities must tax land and any improvements made to the land (e.g., buildings) at the same rate. The act increases, from one to three, the maximum number of municipalities that, under an OPM pilot program, may develop a plan for taxing land at a higher rate than buildings (i.e., land value tax). It also eliminates the criteria for municipal participation that, under prior law, restricted the pilot program to a distressed city with no more than 26,000 residents and a city manager and city council form of government (i.e., New London). By law, the OPM secretary must establish the application procedure. The act requires the secretary to send the Planning and Development Committee a copy of (1) the application procedure and program criteria and (2) any notice of municipalities selected for the program.

By law, a municipality may begin preparing its plan after the secretary approves its application. Under the act, the municipality's chief elected official, instead of the chief executive officer, must appoint a committee to prepare the plan. By law, the committee must include relevant taxpayers and stakeholders. The act adds the following people to the committee:

1. a representative of the municipality's legislative body, or, if it is a town meeting, board of selectmen;
2. a representative of the business community; and
3. a land use attorney.

The act adds a municipality's chief elected official to the list of people who must receive the committee's completed plan for review and comment. It adds the Commerce Committee to the list of legislative committees to which the plan must

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be submitted after it is approved by a municipality's legislative body. It also extends, from December 31, 2009 to December 31, 2014, the deadline by which municipalities must submit their plan to the committees.

EFFECTIVE DATE: October 1, 2013

§ 330 — TAX INCIDENCE STUDY

The act requires the DRS commissioner, starting by December 21, 2014, to biennially submit to the Finance, Revenue and Bonding Committee, and post on the DRS website, a report on the overall incidence of the income tax, sales and excise taxes, the corporation business tax, and property tax. The commissioner may contract with another entity in order to prepare the report, which must present information on the tax burden distribution as follows:

1. for individuals: (a) income classes, including income distribution expressed for every 10 percentage points and (b) other appropriate taxpayer characteristics the commissioner determines and
2. for businesses: (a) business size by gross receipts, (b) legal organization, and (c) industry by North American Industrial Classification System (NAICS) codes. (These codes group businesses into major sectors and subsectors.)

Under existing law, the DECD commissioner, in consultation with the DRS commissioner, must evaluate and report every three years on tax credit and abatement programs enacted to recruit and retain businesses (CGS § 32-1r). This report must also include information on the tax incidence of the state's corporation business tax.

§§ 331-375, 387, & 391 — STATE EMPLOYEES

The act makes numerous changes in the statutes governing state employee personnel administration. Among other things, it (1) limits the circumstances under which nonunion employees can appeal certain grievances to the Employees' Review Board (ERB) and (2) expands the circumstances under which the DAS commissioner can waive civil service exam requirements.

§ 331 — Benefit Statements

The act allows the comptroller, instead of the DAS commissioner, to issue state employee statements summarizing their salaries and fringe benefits.

§ 333 — Appointing Authority Designees

The act allows appointing authorities (those authorized to hire) to designate their appointing powers to others.

§§ 339 & 391 — Unclassified Executive Assistants and Personal Secretaries

The act prohibits department heads from having more than four unclassified executive assistants. It also eliminates provisions that (1) prohibited a state agency from employing more than one executive assistant and (2) allowed a classified

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employee to retain his or her classified status after becoming a personal secretary (an unclassified position) to an administrative head, undersecretary, or deputy.

§§ 344 & 346 — Position Evaluations and Wage Inequities

The act requires DAS to evaluate, at least once every five years, classified and unionized unclassified positions to determine if they are in an appropriate compensation plan based on reasonably objective job-related criteria. Prior law required DAS, with the advice of a committee representing various interested parties, to conduct similar evaluations and report annually to the Labor and Public Employees Committee on the evaluations for classified positions. The act eliminates the report requirement and advisory committee.

Prior law required the legislature to appropriate sufficient funds to eliminate wage inequities, including those based on gender, identified in the DAS classification evaluation, objective job evaluation studies of unclassified employees, and other studies negotiated in union contracts. The act instead requires (1) DAS to consider any wage inequities identified during the five-year evaluations and (2) the legislature, at DAS's request with the OPM secretary's approval, to appropriate sufficient funds to modify compensation plans based on the five-year evaluations and any other studies negotiated in union contracts.

§ 347 — Employees' Review Board

The law allows individual or groups of nonunion state employees in permanent positions to appeal to the ERB over certain workplace grievances such as discrimination or unsafe or unhealthy working conditions. The act limits appeals over discrimination to grievances alleging unlawful discrimination. It also prohibits employees from appealing to the ERB over (1) discrimination if they also file a complaint with CHRO or (2) unsafe or unhealthy working conditions if they also file a complaint with the state or federal Occupational Safety and Health Administration.

The act prohibits the board from waiving the fee for its hearing transcripts. It also allows parties to mutually agree to waive appeal process deadlines. The agreement must be in writing between the employees or their designated representative and the OPM secretary or his designee.

§ 348 — Managerial Compensation Increase Caps

By law, when a class of employees' compensation increases, the salaries of managerial employees in the class increase by five percent. The act caps such a manager's new salary at the new salary grade's maximum amount.

§ 349 — DAS Approval for Dual Employment Overtime

The act requires the DAS commissioner's approval of overtime pay to employees working for more than one state agency.

§ 352 — Candidate Lists

By law, a candidate list contains those people who have passed a civil service

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examination for employment in a position in a specific class, occupational group, or career progression level. The act shortens the minimum amount of time, from six to three months, that a candidate list must remain in effect. It also reduces the maximum amount of time, from two to one year, that the DAS commissioner can extend a list's effectiveness.

Prior law allowed the commissioner to extend lists for continuous recruitment examinations for up to five years. The act eliminates this limit and instead allows the commissioner to extend candidate lists for continuous recruitment examinations based on the needs of the service.

§§ 353-354 & 357-358 — Civil Service Examinations

The act prohibits any agency other than DAS from giving examinations for a position subject to DAS's examination procedure. The act allows DAS to charge a fee to applicants who are not state employees. Under prior law, all examinations were free. The fee cannot exceed the cost of developing and administering the examination and the DAS commissioner can waive it if the applicant is financially unable to pay. The commissioner must prescribe a form and manner for applying for waivers and adopt regulations for the fees and waivers.

The act changes the time in which someone can appeal his or her rejection from taking an exam, from 10 days from receiving notice of the rejection, to 12 days from the notice's mailing. It also reduces the time allowed for a decision on the appeal from 30 to 15 days.

Prior law allowed any applicant who took an examination to inspect the papers, markings, background profiles, and other items used to determine their final earned rating. The act limits such inspection to people who did not achieve a passing rating. It also reduces the time in which someone can (1) perform the inspection, from 30 days after receiving the results to 30 days after the results are issued and (2) appeal their exam results, from 30 to 10 days after inspecting the record.

§ 355 — Personnel Hiring Analysis

The act eliminates a requirement that each state agency include an analysis of the preceding year's personnel hiring in its annual report to the governor. The eliminated report had to indicate the extent to which volunteer experience had been considered among the qualifications of applicants for state employment.

§ 359 — Examination Waivers

The act expands the circumstances under which the DAS commissioner can waive examination requirements and establishes a procedure for hiring under these circumstances. By law, if fewer than six applicants qualify to take a promotional examination, the commissioner may immediately certify them as eligible for appointment without further examination. The act additionally allows him to waive requirements for any examination if:

1. a professional license, degree, or accreditation is a mandatory requirement for appointment or promotion;
2. the appointment or promotion is to a job classification (a) used by a single

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state agency, (b) that is limited in number, and (c) with few vacancies in the professional or managerial series; or

3. the qualifications for a position in the managerial class are so specialized or unique that an examination for a general job classification would not (a) produce a list of qualified candidates and (b) be cost effective.

If the commissioner waives examination requirements under these circumstances, the act allows him to fully or partially delegate authority to a department head to recruit for the position. The delegation must be under a plan preapproved by the commissioner. It must (1) include standards for posting positions for at least one week, (2) specify how the notice must be posted, and (3) specify the procedures for accepting and rejecting applicants based on the minimum required qualifications.

Once the department head identifies a suitable candidate, he or she must submit to the commissioner the application and supporting documentation for the candidate and any other candidates he or she considers eligible for the position. The commissioner must certify in writing that the preferred candidate meets the minimum experience and training qualifications contained in the job specifications before the department head can make an employment offer certified by the commissioner.

The act requires all recruitments performed by a department head under these circumstances to have a post audit by the commissioner.

§§ 360 & 387 — Promotional Exams for Unclassified Employees

As of July 1, 2013, the act eliminates a prohibition on unclassified employees taking a promotional exam for a classified position unless they had previous permanent status in the classified service.

§§ 360, 362, & 367 — Working Test Periods

The law generally requires classified employees to serve a working test period at the start of their appointment to determine if they deserve permanent appointment to the position. The act eliminates a (1) provision that prevented appointing authorities from dismissing more than one employee every three months for the same position's working test period without DAS approval and (2) waiver for reports on the working test periods of positions involving unskilled or semiskilled labor or domestic, attending, or other housekeeping and custodial service at institutions.

Prior law exempted from a working test period any state employee laid off and subsequently rehired from a reemployment list. The act additionally exempts laid off state employees rehired from any employment list if they are rehired in a classification in which they had prior status.

§ 363 — Provisional Appointments

In order to facilitate public business or avoid public inconvenience, prior law allowed the DAS commissioner to fill a classified position with a provisional (temporary) appointment when a candidate list had fewer than five candidates. The act limits the commissioner's ability to make such appointments by allowing

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them only when a position's candidate list or reemployment list has no one on it. It extends the provisional appointment's potential term, from until the establishment of a reemployment or candidate list to until an appropriate recruitment is made for the position. It also increases the appointment's maximum term, from six months to six months in any one fiscal year.

§ 368 — Sick Leave Reinstatement

The act allows certain former state employees rehired by the state within one year to reinstate their previously accrued sick leave by repaying the amount they received for unused sick leave when they separated from state service. Eligible employees must have separated from state service because they became physically or mentally incapable or unfit to efficiently perform their duties due to infirmities from advanced age or other disability. They must make the repayment in a lump sum within 30 days of reemployment or forfeit the right to reinstate the leave.

§ 369 — Unpaid Leave of Absence

The law allows classified employees with at least five years of state service to be granted a leave of absence without pay if they are appointed to an unclassified position. The act (1) specifies that the DAS commissioner grants this leave and (2) limits it to two consecutive years, unless the employee requests, and the commissioner grants, a renewal.

§ 371 — Veterans' Reinstatement

Subject to certain conditions, the law allows a state employee who leaves state service to serve in the U.S. Armed Forces to be reinstated after leaving the armed forces. The act requires the protections and benefits provided with such a reinstatement to at least equal those required by applicable federal law, including the Uniformed Services Employment and Reemployment Rights Act.

§ 373 — Penalties for Prohibited Political Activities

By law, the DAS commissioner can dismiss or penalize classified state employees who use their official authority or influence to (1) interfere with or affect election or nomination results or (2) directly or indirectly coerce, attempt to coerce, command, or advise a state or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes. The act additionally allows the commissioner to dismiss or penalize classified employees who violate the related regulations.

§ 374 — Connecticut Lottery Corporation

The act requires, rather than allows, the Executive Branch to negotiate with unionized CLC employees.

§ 375 — State Police Dismissal Hearings

The act requires the DESPP, rather than the DAS, commissioner, to hold the

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hearings required before a state police officer can be dismissed from service.

§ 391 — *DCP Meat and Poultry Inspectors*

The act repeals obsolete provisions regulating the work hours of Department of Consumer Protection (DCP) meat and poultry inspectors.

§ 376 — PAROLE RELEASE HEARINGS

The act makes discretionary, rather than mandatory, parole board hearings for (1) non-violent offenders who have served 75% of their sentences minus any risk reduction credits and (2) violent offenders and those convicted of home invasion or 2nd degree burglary who have served 85% of their sentences. (By law, (1) the non-violent offenders are eligible for parole after serving 50% of their sentences minus risk reduction credits and (2) the violent offenders are eligible for parole after serving 85% of their sentences.)

If the board does not hold one of these hearings, the act requires it to document and provide the offender with the specific reasons why it chose not to hold a hearing. The act specifies that an offender cannot be released under these provisions without a hearing.

By law, the board must consider the offender's suitability for release based on whether (1) there is a reasonable probability he or she will not violate the law and (2) the benefits to the person and society from release to community supervision substantially outweigh the benefits of continued incarceration. The board must document why it denies parole after one of these hearings.

§ 378 — TRANSFER OF FUNDS FROM CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY TO GENERAL FUND

The act reduces, from \$24.2 million to \$19.2 million, the amount transferred under the budget act from the Clean Energy Finance and Investment Authority to the General Fund for FY 15.

EFFECTIVE DATE: Upon passage

§ 379 — TRANSFERRING UNEXPENDED FUNDS TO USE FOR PROVIDING DRIVER'S LICENSES TO PEOPLE WHO CANNOT PROVE LEGAL U.S. RESIDENCE

The act carries forward certain funds from the Departments of Motor Vehicles' (DMV) Personal Services account and transfers them to other DMV accounts for use in FY 14 for providing restricted driver's licenses to people who cannot prove legal U.S. residence. Specifically, it transfers up to \$750,000 from the unexpended fund balance in DMV's Personal Services account to its Other Expenses account and up to \$100,000 from its Personal Services account to its Equipment account for this purpose.

It repeals § 51 of PA 13-184, which carried forward the same amounts for the same purpose but did not state that the funds were to be transferred from DMV's Personal Services Account.

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§ 380 — EFFECTIVE DATE CHANGE IN REVENUE ESTIMATE

The act makes a technical correction in the effective date of a revenue estimate provision in PA 13-184 (§ 122) by making it effective July 1, 2013, rather than July 1, 2011.

EFFECTIVE DATE: None stated

§ 381 — RECONSIDERATION OF OPM DECISION ON STATE-REIMBURSED PROPERTY TAX EXEMPTION IN DANBURY

The act gives Danbury taxpayers more time to ask the OPM secretary to reconsider his modification or denial of a state-reimbursed property tax exemption for manufacturing machinery and equipment included on the city's 2006 grand list. It allows a taxpayer who did not previously file a request for reconsideration to file one by July 19, 2013. The secretary must, within 30 days of receiving the request, reconsider the modification or denial and send a determination to the taxpayer. If the secretary approves the exemption, Danbury must reimburse the taxpayer for any taxes paid on the exempted machinery and equipment equal to the state reimbursement.

EFFECTIVE DATE: Upon passage

§ 382 — QUALIFIED APPRENTICESHIP TRAINING PROGRAMS

The law provides corporate tax credits for S corporations, limited liability companies, limited liability partnerships, or limited partnerships that employ apprentices from qualified apprenticeship training programs in the construction, manufacturing, plastics, or plastics-related trades. The act requires the labor commissioner to establish and implement a grant program for the entities eligible to receive this tax credit. Eligible apprenticeship programs must (1) be certified by the commissioner, (2) be registered with the Connecticut State Apprenticeship Council, and (3) require between 4,000 and 8,000 hours of apprenticeship training for council certification. Apprenticeship programs in the construction trades must be at least four years long.

Under the act, grant amounts for employing apprentices in the manufacturing, plastics, or plastics-related trade are \$4 for each hour the apprentice worked during the income year, but cannot exceed \$4,800 or 50% of the actual wages paid to the apprentice during the year, whichever is less. The grants apply only to apprentices in the first year of a two-year program or the first three years of a four-year program. In the plastics or plastics-related trades, the act limits eligibility to apprenticeships that exceed the average number of apprenticeships begun by the grant-receiving entity over the past five years.

In the construction trades, the act's grant amounts are \$2 for each hour of the program the apprentice completes. The grant is awarded when the apprentice completes the program and cannot exceed \$4,000 or 50% of the actual wages paid over the apprenticeship's first four years, whichever is less.

Entities must apply to the labor commissioner for the grants on forms and in a manner that she provides. She must award the grants on a first-come, first-served

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basis. Total grants under the program cannot exceed \$50,000.

EFFECTIVE DATE: July 1, 2013 and applicable to tax years starting on or after January 1, 2013.

§ 383 — CONNECTICUT TELEVISION NETWORK (CT-N) FUNDING

The act carries forward up to \$250,000 from Legislative Management's FY 13 personal services appropriation and transfers it to the minor capital equipment account for CT-N FY 14 funding.

§ 384 — SWIMMING IN WATER IN WHICH "FLOOD-SKIMMING" IS CONDUCTED

The act permits people to swim in a body of water where "flood-skimming" is used to transfer excess water to a distribution reservoir if swimming (1) has been permitted in such body of water for at least 50 years and (2) does not occur during periods of flood-skimming. In general, individuals are subject to a \$500 fine for polluting or causing a nuisance in a public water supply or its tributary.

EFFECTIVE DATE: October 1, 2013

§ 385 — MERS DISABILITY RETIREMENT

The act redefines eligibility for a disability retirement in the Municipal Employees Retirement System (MERS) and changes maximum benefit limits for employees disabled after January 1, 2013.

Eligibility

Under prior law, an employee could receive pension benefits after suffering a permanent and total disability that prevented him or her from performing any job for the employing municipality for more than 20 hours per week. The act instead specifies that an employee may receive disability retirement only for a permanent and total disability that prevents him or her from performing any work in his or her previous position.

The act requires employees to apply for, and re-verify, a disability retirement with the State Employees Retirement Commission's medical examining board, instead of the commission. (This conforms to current practice.) It requires the board to re-verify an employees' eligibility for a disability retirement every 24 months, based on any medical evidence and documentation the board requires. Prior law required determinations on continuing an employee's disability retirement benefits but did not specify a time frame in which they had to be made.

The act also:

1. eliminates a prohibition on disability retirement benefits to employees whose willful misconduct or intoxication caused their disability;
2. allows benefits to be dated from the employee's last day of municipal service, instead of the date for which the employee was last paid;
3. prohibits the medical examining board from reconsidering an employee's eligibility unless the employee discloses additional facts about his or her

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- condition when applying for a redetermination; and
4. specifies that disability retirement benefits end if the disability ends.

Benefit Limits

The act establishes new maximum disability retirement benefit limits for employees disabled after January 1, 2013. Under prior law (and continuing for employees disabled on or before January 1, 2013), an employee's total annual benefits from MERS disability retirement, Social Security, and Workers' Compensation could not exceed 100% of the employee's final average annual pay (the average of the employee's three highest paid years). If this limit was exceeded, an employee's MERS benefit was reduced accordingly.

For employees who are disabled after January 1, 2013, and have no other employment, the act reduces this limit to 80% of either the employee's average salary or salary at the time of disability, whichever is higher. If the employee has other employment, the gross income from the employment, total annual MERS disability retirement benefits, Social Security benefits, and workers' compensation benefits, cannot exceed 100% of the employee's average salary or salary at the time of disability, whichever is higher. The act also specifies that the Social Security benefits used for these determinations are disability benefits and include payments to an employee's spouse and children.

§ 386 — COMMUNITY NOTIFICATION SYSTEMS

The act authorizes municipalities that maintain a community notification system to use it, at the chief elected official's direction, to notify enrolled residents of an upcoming referendum. The act defines "community notification system" as a communication system that is available to all residents of a municipality and permits them to opt to be notified of community events or news by e-mail, text, telephone, or other electronic or automated means.

The notice must be limited to (1) the referendum's date and time, (2) the question that will appear on the ballot, and (3) any explanatory text that the town clerk prepared and municipal attorney approved describing the question's intent and purpose. The act prohibits the notice from advocating for or against the success or defeat of a referendum question.

Other than for the notice described above, the act prohibits people from using, or authorizing the use of, municipal funds to send residents unsolicited communication by electronic or automated means to remind or encourage them to vote in a referendum. This prohibition does not apply to a regularly published newsletter or similar publication.

The act authorizes the State Elections Enforcement Commission (SEEC), after providing opportunity for a hearing, to impose a civil penalty of up to twice the amount of any improper expenditure or \$1,000, whichever is greater, on anyone who violates the prohibition on using municipal funds. If a person fails to pay the penalty within 30 days after receiving written notice of it, SEEC may apply to Hartford Superior Court for an order requiring compliance. A public employee cannot receive reimbursement from the state or municipality for any such penalty.

BACKGROUND

Sheff v. O'Neill Court Decision and Settlement

Following the state Supreme Court's 1996 ruling (*Sheff v. O'Neill*) that Hartford students were racially and economically isolated, the state has agreed to a number of steps to reduce racial isolation. Interdistrict magnet schools are part of the voluntary desegregation plan. The districts within the *Sheff* region are those primarily involved in desegregation efforts.

Alliance Districts and District Performance Index

Alliance Districts are the 30 school districts with the lowest DPI. A town's DPI is its students' weighted performance on the statewide mastery tests in reading, writing, and mathematics given in grades three through eight and 10, and science in grades five, eight, and 10. The index is calculated by weighting student scores in each of these subjects as follows: zero for below basic (the lowest score), 25% for basic, 50% for proficient, 75% for goal, and 100% for advanced.

The weightings mean the districts with the lowest test scores receive the lowest DPI. A zero score means all students scored below basic and 100% means all students scored at the advanced level.

Local Funding Percentage

The local funding percentage is determined by dividing, for the fiscal year two years prior to the ECS grant year, a school district's:

1. total current education spending excluding (a) capital construction and debt service, private school health services, and adult education; (b) other state education grants, federal grants other than those for adult education and impact aid, and income from school meals and student activities; (c) income from private and other sources; and (d) tuition by
2. its total current education spending excluding only capital construction and debt service, private school health services, and adult education (CGS §10-262f (38)).

CAPCS

CAPCS provided need-based grants to Connecticut residents who are undergraduates at the state's public colleges and universities.

CICSG

CICSG provided need-based grants to Connecticut residents who are undergraduates at the state's independent colleges and universities.

Capitol Scholarship

Capitol Scholarship grants were available to state residents who had not received a bachelor's degree and had been accepted at a postsecondary school, technical institute, college, or university in Connecticut, or in any other state that allows its students to bring state student financial assistance funds into

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Connecticut. Grant awards were based on academic performance and financial need. Maximum grants were \$3,000 per year for those attending in-state institutions and \$500 per year for those going out-of-state.

Connecticut Aid to Charter Oak

Connecticut Aid to Charter Oak provided need-based grants to Connecticut residents who were matriculated in a degree program at Charter Oak State College.

Department of Construction Services

PA 11-51 dissolved the Department of Public Works and transferred (1) its construction and construction management functions to DCS and (2) most of its other functions to DAS. The act also (1) transferred, from the former Department of Public Safety to DCS, the Office of the State Building Inspector and the Office of the State Fire Marshal, making DCS responsible for enforcing the state's building and fire safety codes, and (2) divided, between DCS and SDE, responsibility for the school construction grant process.

Related Acts

PA 13-304 makes several changes to the set-aside program, such as amending certain definitions and allowing the administrative services commissioner, after notice and a hearing, to impose fines of up to \$10,000 on small or minority businesses that included materially false statements in their applications.

PA 13-274 is identical to the e-Regulations sections of this act.

PA 13-256 returns statutory responsibility for regulating rocketry, explosives and blasting agents, and fireworks and special effects to DESPP from DCS. DESPP regulated these areas before the 2011 agency consolidations and continues to do so under a memorandum of understanding with DCS.

OLR Tracking: JKL:PF:TA:VR:JKL:RO