



House of Representatives

General Assembly

File No. 338

January Session, 2019

House Bill No. 6185

House of Representatives, April 3, 2019

The Committee on Commerce reported through REP. SIMMONS, C. of the 144th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT EXPANDING THE REGIONAL PERFORMANCE INCENTIVE PROGRAM TO INCLUDE PROPOSALS FOR REGIONAL MARKETING AND ECONOMIC DEVELOPMENT.

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

1 Section 1. Subsection (b) of section 4-124s of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2019*):

4 (b) There is established a regional performance incentive program
5 that shall be administered by the Secretary of the Office of Policy and
6 Management. On or before December 31, 2011, and annually
7 thereafter, any regional council of governments, any two or more
8 municipalities acting through a regional council of governments, any
9 economic development district, any regional educational service center
10 or any combination thereof may submit a proposal to the secretary for:
11 (1) The joint provision of any service that one or more participating
12 municipalities of such council, educational service center or agency
13 currently provide but which is not provided on a regional basis, (2) a

14 planning study regarding the joint provision of any service on a
15 regional basis, [or] (3) shared information technology services, or (4)
16 joint regional marketing and economic development. A copy of said
17 proposal shall be sent to the legislators representing said participating
18 municipalities. Any local or regional board of education or regional
19 educational service center serving a population greater than one
20 hundred thousand may submit a proposal to the secretary for a
21 regional special education initiative.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	4-124s(b)

CE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Policy & Mgmt., Off.	GF - Cost	Potential	Potential

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 20 \$	FY 21 \$
Various Municipalities	Revenue Gain	Potential	Potential

Explanation

The bill allows the Office of Policy and Management to provide discretionary grant awards from the regional performance incentive program account (RPIP)¹ to groups of municipalities or regional councils of government (COGs) for joint regional marketing and economic development.

To the extent that the bill results in an increase in the number of grants awarded from RPIP, there is a cost to the account, and a corresponding revenue gain to COGs and municipalities that receive such grant funding. The unencumbered balance of RPIP as of March 15, 2019 is \$73,444.

The Out Years

¹ RPIP is a non-lapsing, non-appropriated account funded via a portion of the rental car tax and the hotel tax. It funds grants in aid to COGs and discretionary grants to municipalities and COGs for regional initiatives.

The annualized ongoing fiscal impact identified above would continue into the future subject to the amount of grant funding awarded from RPIP.

OLR Bill Analysis**HB 6185*****AN ACT EXPANDING THE REGIONAL PERFORMANCE INCENTIVE PROGRAM TO INCLUDE PROPOSALS FOR REGIONAL MARKETING AND ECONOMIC DEVELOPMENT.*****SUMMARY**

This bill expands the types of projects eligible for regional performance incentive (RPI) program grants to explicitly include joint regional marketing and economic development.

By law, the RPI program provides competitive grants for voluntary inter-municipal or regional shared services projects with the potential to produce measurable “economies of scale,” provide public services, and lower the costs and tax burdens associated with providing such services. The Office of Policy and Management administers the program, which is open to regional councils of governments (COGs), two or more municipalities acting through a COG, economic development districts, regional educational service centers, and any combination of these entities. It is funded by a portion of room occupancy and rental car tax revenue diverted to the regional planning incentive account. (The revenue diversion was suspended for FYs 18 and 19, but is scheduled to resume in FY 20.)

EFFECTIVE DATE: July 1, 2019

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 19 Nay 0 (03/19/2019)