

Planning and Development Committee

JOINT FAVORABLE REPORT

Bill No.: HB-7192

AN ACT CONCERNING MUNICIPAL AND REGIONAL OPPORTUNITIES AND

Title: EFFICIENCIES.

Vote Date: 3/29/2019

Vote Action: Joint Favorable Substitute

PH Date: 3/20/2019

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

[Rep. Joe Aresimowicz, 30th Dist.](#)

[Rep. Matthew Ritter, 1st Dist.](#)

[Sen. Martin M. Looney, 11th Dist.](#)

[Sen. Bob Duff, 25th Dist.](#)

REASONS FOR BILL:

Proponents of the bill state that the divided 169 municipalities, with numerous overlapping local and regional territories, have helped create a dragged economy through the creation of fiscal challenges. HB 7192 is a step in restructuring the government to make it more streamlined, efficient, cost-effective, and able to provide higher-quality services to the public.

- **Section 1** of HB 7192 creates new criteria for early detection of financially distressed municipalities and allows for the Secretary of the Office of Policy and Management (OPM) to refer identified financially distressed municipalities to the Municipal Finance Advisory Council for Corrective Action based upon review of audits of municipal and regional school districts.
- **Sections 2-3** of HB 7192 restructures the Advisory Commission on Intergovernmental Relations (ACIR) to develop specific plans to streamline state regional and local service delivery. The ACIR membership is restructured by adding in the Co-chairs and Ranking Members of the state Planning and Development Committee along with a representative from Labor.
- **Sections 4-6** of HB 7192 creates a new Regional Performing Incentive Program (RPIP) and accompanying grants to plan and implement the sharing/consolidation of state, regional, and local services. Secretary of the Office of Policy and Management becomes the discretionary body for providing funding for joint provisions of any government service or a planning study on the sharing of services on a regional basis.

The ACIR is now tasked with making recommendations on funding to COGS, Regional Educational Service Centers, and any other regional bodies or combination.

- **Section 7** of HB 7192 creates the Commission on Shared School Services (COSSS). COSSS is to develop a plan for the redistricting or consolidation of school services and school districts. COSSS is to begin 30 days after HB 7192 is passed, is staffed by the State Department of Education, and is funded with \$800,000 (provided in the budget for staff and consultants), and terminates June 30, 2027.
- **Sections 8-9** of HB 7192 requires COSSS to develop 16 reports and recommendations for ACIR on a range of topics between November 1, 2019 and October 1, 2020, with a full report no later than December 1, 2020 and a hearing December 15, 2020. Requires State Department of Education (SDE) to solicit proposals through Request for Information (ROI) for cooperative arrangements, regionalization of education, and incentives by March 1, 2020, and to share results with COSSS.
- **Section 10** of HB 7192 requires each municipality and their school districts to report to OPM, SDE, and Administrative Services (DAS) on the services that have been shared or consolidated. By January 1, 2020, each municipality and their school districts must report to OPM, SDE, and DAS on the shared or consolidated services after consulting with ACIR and COSSS.
- **Section 11** of HB 7192 makes technical changes to the bill
- **Section 12** of HB 7192 allows OPM to expend \$250,000 to promote and facilitate the implementation of shared or regional government services.
- **Section 13** of HB 7192 re-establishes COGS and groups of COGS into five re-evaluation zones and coordinates the re-evaluation cycles of the municipalities within the COGS over a five year period.
- **Section 14** of HB 7192 provides for the establishment of Regional Assessment Divisions at the COGs by July 1, 2020 for the collection and processing of data for the 146 municipalities with fewer than 15,000 parcels and requires such municipalities to provide data to the state or be penalized.
- **Sections 15-20** of HB 7192 makes tax collectors appointed positions as of July 1, 2019, (those elected prior to such date can fill out their terms). Requires municipalities with fewer than 15,000 parcels to merge their tax collector and assessors departments by July 1, 2022.
- **Section 21** of HB 7192 removes and replaces current law. Under current law (CGS Sec. 7-148cc), two or more municipalities may jointly perform any function that they could perform separately. This section provides that no charter, special act, home rule ordinance or local law can **prevent** two or more municipalities from combining to jointly perform services.
- **Sections 22-24** of HB 7192 promote the merger of 60 single town PSAPs (Public Safety Answering Points) with populations of less than 40,000, by providing additional transition grant money from the Emergency 9-1-1 Program to defray the upfront costs of consolidation. Any municipality with a population of less than 40,000 who have not combined their PSAP with two or more municipalities by June 30, 2024, will no longer receive annual subsidies from the Program.
- **Section 25** of HB 7192 decreases the number of mandated inspections from fire marshals for three to six family buildings to once every three years, while seven to sixteen family buildings must be inspected once every two calendar years.

Section 26 of HB 7192 requires Boards of Education to act upon collective bargaining agreements, by necessitating the bargaining representative for a board of education to submit any collective bargaining agreement to the board within 14 days of the agreement being made, and requires the board to act upon such agreement within 30 days of submission.

Substitute Language – LCO # 6727:

- **Strikes sections 7-26 and creates new sections 7-16**
- **Section 7:** Makes Technical Changes Due to Other Changes in the Bill.
- **Section 8:** Funding for Shared or Regional Services. Provides for OPM expending \$250,000 to promote and facilitate the implementation of shared or regional government services.
- **Section 9:** Establishes COGs and groups of COGs into five Revaluation Zones and then, in accordance with a schedule set by the Secretary, coordinates the revaluation cycles of the municipalities within each zone over a five year period.
- **Section 10:** Provides for the establishment of Regional Assessment Divisions at the COGs by July 1, 2020 for the collection and processing of data for the 146 municipalities with fewer than 15,000 parcels and requires such municipalities to provide data to the state or be penalized.
- **Section 11:** Under current law (CGS Sec. 7-148cc), two or more municipalities may jointly perform any 3 function that they could perform separately. This section provides that no charter, special act, home rule ordinance or local law can prevent two or more municipalities from combining to jointly perform services.
- **Sections 12 - 14.** Promotes the merger of 60 single town PSAPs (emergency dispatching) with populations of less than 40,000, by providing additional transition grant money from the Emergency 9-1-1 Program to defray the upfront costs of consolidation. Any municipality with a population of less than 40,000 who have not combined their PSAP with two or more municipalities by June 30, 2024, will no longer receive annual subsidies from the Program.
- **Section 15.** Decreases the Number of Mandated Inspections by Fire Marshals. The requirement that Fire Marshals inspect residential buildings with three to sixteen families annually is changed as follows:
 - Three to six family buildings – once every three years;
 - Seven to sixteen family buildings – once every two calendar years.
- **Section 16.** The bargaining representative for a board of education must submit any collective bargaining agreement to MARB within 14 days of the date the agreement was reached, and the board must act upon such agreement within 30 days of submission.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Jonathan Harris, Undersecretary, Office of Policy and Management:](#)

Jonathan Harris testifies on behalf of OPM. He states there is no intent to eliminate any of the frameworks that makes our state great, and this bill is the Governor's plan for economic growth which will provide for more efficient and effective ways to deliver services to towns, and believes the current method of operation throughout our towns can cause inefficiencies.

This bill is not about consolidating and sharing for the very sake of it, but to instead determine how all three levels of our government can be better utilized. This bill is designed to discover how efficiencies can be maximized among our towns, and ways to implement them over time. The Advisory Commission on Intergovernmental Relations will focus on municipal services and will be integrated with an analysis on the education side by the Commission on Shared School Services. The Governor and OPM will actively be engaged with stakeholders to discuss the provisions of this bill.

[Dianna R. Wentzell, Commissioner, Connecticut Department of Education:](#)

Dianna Wentzell testifies on behalf of the CT Department of Education. She states the governor is not attempting to force regionalization, but instead, with the changes he is proposing makes it clear and simple. Furthermore, the Department believes it is no longer feasible for 200 school districts to operate independently. Smaller school districts are unable to provide certain programs that could be accessible if they regionalized with neighboring districts. The ACIR will be charged with studying issues and producing advisory recommendations on best practices. The state, currently, has 17 regional school districts in effect, which can be helpful in the endeavor to increase the number. The current administration believes that there is no more crucial stage for a child's development than their elementary education and is why such a fact must be kept in the forefront of our minds when pursuing these efficiencies. The Department of Education is in strong support of HB 7192.

NATURE AND SOURCES OF SUPPORT:

[A-to-Be Inc.](#)

A-to-Be support HB 7192. They state that if regionalization and consolidation are executed thoughtfully and correctly, it will be a positive step for the state. They believe that as Connecticut considers both regionalization and the redevelopment of its transportation infrastructure, the state has a unique opportunity to pursue innovative parking solutions that will increase transportation-related revenue streams under a single administrative program, as well as pave the way for the seamless integration of potential tolling service. Additionally, they state that when CT chooses to implement tolling services, the state's transportation revenue streams could be consolidated and administered through a single, centralized back-office charged with managing user accounts. They believe this bill is a way to promote efficiency among our state's services and fiscal sustainability.

[Bruce Adams, Chairman/ First Selectman, Northwest Hills COG/ Town of Kent:](#)

Bruce Adams writes on behalf of the NHCOC in support of HB 7192. They state they have benefited from the following voluntarily regionalized services: health districts • public safety answering point • transit services • school districts • ambulance services • animal control • paramedic services • municipal solid waste and recycling transfer stations • public works equipment cooperative • cooperative purchasing program • neighbor-to-neighbor program • prescription assistance program • fuel bank program • emergency management • household hazardous waste collection • economic development program. They believe that the regionalization of certain municipal services can lead to the promotion of effectiveness and efficiency among our towns. Furthermore they provide comments regarding certain provisions of the bill; they state that strengthening the ACIR is a positive step. They believe the funding of COGs should be restored to its current level as it currently reduces it by 57%. The

redistricting of schools should be left to the hands of the ACIR to research and develop plans for such a process. Consideration regarding the establishment of five geographic “Revaluation Zones” should be given to utilizing the nine COG boundaries instead of aggregating this responsibility into five new geographic zones. They believe it is unclear what the purpose of the “Regional Assessment Division” is and if it would save towns money. Lastly, they state that their regional public safety answering point works well, but incentives offered to other areas to consolidate their PSAPs not reduce funding to the already established regional PSAPs that are available to serve as a model for other areas. The NHCOG supports the ideas presented within the language of the bill, but feel that more research should be done before implementing certain proposals.

[Lisa Biagiarelli, Tax Collector, City of Norwalk:](#)

Lisa Biagiarelli testifies in support of HB 7192. She supports the provision regarding the election of tax collectors. She believes that tax collectors should be appointed rather than elected, because it can create a broad pool of applicants, who may well be more qualified to carry out the duties of the job.

[CT Association of Boards of Education, Inc.:](#)

CABE testifies in support of HB 7192. Specifically, they support Sections 2, 3, and 6, which serve to promote efficiencies and establish a study regarding the joint provision of any service on a regional basis, or the delivery of that service.

[John Chaponis, Assessor, Town of Colchester:](#)

John Chaponis testifies as a tax assessor of the Town of Colchester in support of HB 7192. Specifically, he supports the appointment of tax collectors rather than the election of them. He cites an account where an assessor executed their position poorly and the town suffered because of it. He believes the position should be extended to nominated applicants who are qualified to execute the job.

[CT Association of School Business Officials:](#)

CASBO testifies with request that they be included as a member of the ACIR. They state the following reasons as to why they should be: their members have interacted regularly with BOEs, municipal officials and community members in their school districts through open and honest communication. Some have also been involved in regionalization efforts for many years as part of the financial and operating support of 17 regional school districts throughout the state. They have spearheaded efforts in respect to shared services with other BOEs and municipal services that have saved towns millions of dollars; their efforts are highlighted in their whitepaper: [CASBO Shared Service Whitepaper](#). Additionally, they have worked collaboratively with many other organizations, including CCM, CAPSS, CAS, CABE, CEA and others to implement many cost efficiencies. They believe their knowledge and expertise will greatly benefit the Commission.

[John Filchak, Executive Director, Northeastern Connecticut COG:](#)

John Filchak testifies on behalf of the NECCOG in support of HB 7192. He states that the approach to deliver municipal services with greater efficiency is a positive step forward for the state. They cite that their member towns including Ashford, Brooklyn, Canterbury, Chaplin, Eastford, Hampton, Killingly, Plainfield, Pomfret, Putnam, Scotland, Sterling, Thompson, Union, Voluntown and Woodstock voluntarily share services to promote efficiency and cost

savings. They believe the efforts enumerated in this bill will strengthen efforts to promote efficiency and savings are important and should be implemented.

[Sal Luciano, President, CT American Federation of Labor and Congress of Industrial Organizations:](#)

Sal Luciano testifies on behalf of the CT AFL-CIO in support of HB 7192, but only with amendments. They cannot have confidence in a regionalization plan that is developed without significant contributions and input from those who deliver municipal public services. They believe the ACIR is lopsided with management representatives. Those such as paraeducators, janitors, cafeteria staff, school nurses and administrators, have no representation on the Commission, and believe they should be equally represented, and urge an amendment to equally include members representing management and labor.

[Rudy Marconi, President, CT Council on Small Towns:](#)

Rudy Marconi testifies on behalf of COST. He states that efforts such as those proposed in this bill are important to our state. He believes the enhancement of the mission of the ACIR is vitally important to promoting efficiency and savings. He also believes that regional COGs should receive increased funding to deliver shared services. COST has testified in strong opposition to the redistricting and consolidating of school districts, in their current state, and believe the current language should be revised to enhance quality of education, as well as cost savings. COST shares concerns regarding the establishment of a regional assessment division with each COG, and are not certain it will enhance delivery or cost savings. COST also shares concerns regarding the five geographic reevaluation zones. Lastly, they believe that the consolidation of public safety points are needed, but request that provisions in Section 23(d) which penalize municipalities that fail to consolidate be replaced with language that will facilitate the consolidation of PSAPs by addressing barriers and providing incentives.

[Lyle Wray, Executive Director, Council Region COG:](#)

Lyle Wray testifies on behalf of the CRCOG. He states that to continue regional efforts, the funding of COGs should remain as it is rather than be cut in half, as it is currently proposed. Additionally, they support the strengthening of the ACIR, and believe numerous services could be greatly enhanced by such strengthening.

NATURE AND SOURCES OF OPPOSITION:

Throughout the State, many residents have testified in opposition to HB 7192. Many of the opposed have concerns regarding the same sections or all of the sections of the proposed bill. Their testimony featured concerns regarding the following:

- This Commission is given the mandate to redistrict or consolidate school services and school districts. The word "redistricting" and "consolidating" are repeated seven other times in section 7 to 10.
- The bill does not say whether the Legislature will have the ability to vote on the plan developed by the Commission.
- The Commission consists of 14 members ALL appointed by the Leaders of the Legislature and the Governor (Line 450-477) and will exist for eight years until June 30, 2027 (Line 492). Parents and citizens alike will not have control in the formation of the Commission. Of the 14 members, only one member is required to be a parent of a

student enrolled in a public school. Therefore, the views of parents will not be adequately represented in this composition. The looming protracted uncertainty is very detrimental to local economies.

- The bill does not say whether the incentives, grants or tax changes will be forced/coerced or voluntary.
- The bill does not specifically indicate what threshold will be used to determine which districts will be consolidated.
- The bill says that shared and consolidated services includes but is not limited to administrative functions. This leaves this committee with great deal of latitude in its decision making on consolidation and regionalization.

The following have voiced their concerns regarding these issues:

-Cristina Aguirre, Julie Ausere, Claudia Avallone, John Barker, Charles Bender, John Bestor, Toni Boucher, Emily Brown, Marina Campbell, Lisa Carpenter, Brenda Carter, Cindy Cash, Dawn Castaldi, Heather Christopher, Jennifer Colello, Savet Constantine, Marian Cope, Elizabeth Danes, Laura Danforth, Jennifer Davatzes, Chris DeMuth Jr., Shawn Ding, Marea Dumbauld, Alyee Englund, Kristana Esslinger, Harry Falber, Iris Farmer, Michael Fensterstock, Debra Franceschin, Nancy Greenspon, William Haggerty, Doug Ferro, Kim Hall, Annemarie Henry, Bill Hillman, Stephen Hudspeth, John Kalamarides, Doug & Michelle Krupa, Jill LaGattuta, William & Jennifer Lalor, Nancy Liddell, Xuehai Ling, Katie Logan, Denise Luccarelli, Daniel Mack, Aimee MacKimm, Maria Miller, Anne Munkenbeck, Kimberley Norton, Mandar Pendse, Priscilla Potenza, Meghan Rabuse, Melissa Rwambuya, Lisa SALLESE, Michael & Michelle Savino, Chivonne Shmulewitz, Samuel & Valarie Shukovsky, Ted & Rhonda Sihpol, Karen Silverberg, Angela Stock, Jack Tang, David Tatkov, Caroline Unger, Katsiaryna Usenia, Tamy Ward, Madhura Warty, Maria Weingarten, Heather Wileavskas, and Jennie Wong.

HB 7192 also addresses the election of tax collectors. Specifically, section 15, if passed, would see municipal tax collectors appointed to their position, rather than elected. The following municipal tax collectors have testified in opposition to this proposal:

-Natalie Ellston, Jim Goggin, Cassie Gorman, Beth Hamel, Deborah Heim, Mary Anne Holloway, Stephanie Irving, Peter Juscynski, David Kluczowski, Diane Lauber, Barry Maynard, Nancy McGavic, Madaline Meyer, Pat Moisio, John Rainaldi, Howard Richman, Doug Sienna, Darlene Tynan, Catherine Vikstrom, Michele Wyatt, and J. Stacy Yarbrough.

[Anne Manusky, First Vice President, Connecticut Republican Assembly:](#)

Anne Manusky, the First Vice President for the CT Republican Assembly writes in opposition of HB 7192. Her testimony states her concern with public education, and although funding rises in an exponential fashion, standardized test scores continue to decline. Additionally, according to the CGS, Common Core "Pilot Study" has lapsed as of June 30, 2019. Public school assessments such as Smarter Balanced Assessments, which lack external validation therefore the test credibility is in question, and SAT's for 11th graders, which also have some questions as to its credibility especially post Varsity Blue indictments, are costing the CT taxpayers millions of dollars --- \$10 MIL a year for invalid testing. This should be cut from the budget; a moratorium should be put on the SBAC and SAT for the next fiscal year. Common Core's band-aid, Scientific Research Based Interventions or SRBI, have increased our Special Education costs dramatically. This would improve education for all. CTRA oppose passage.

[Matthew Fulda, Executive Director, MetroCOG:](#)

The Council believes many of the legislative proposals contained in this bill could have significant impacts on the Council of Governments and State's municipalities and should be fully analyzed to ensure their effectiveness prior to implementation. Specifically, their concerns lie with Section 4-66k, subsection (d), which addresses the Regional Services Grant funding provided annually to each Council of Government by the State, in which the proposal of subsection d equates to a reduction of approximately 50% over the funding levels granted to the COGS in FY 2019. They state that services impacted include, but are not limited to, the ability to leverage more than \$500,000 in transportation planning funds administered by the Federal Highway Administration, local planning and land use technical assistance, regional zoning referrals, grant writing technical assistance, environmental planning, GIS technical assistance, and hazard mitigation and coastal resilience planning. MetroCOG believes RSG grant-in-aid funding should be equal to that provided in FY19. Section 13 addresses the regionalization of property revaluation, assessment and tax collection for municipalities with fewer than 15,000 parcels of real property. MetroCOG believes the creation of regional services can provide increased efficiency and cost savings but HB7192 does not contain enough detailed information to fully assess the merits of this proposal.

[Gail Lavielle, Representative, CGA:](#)

Rep. Lavielle testifies in opposition of HB 7192. She states that she applauds the goal of fostering intergovernmental and regional cooperation, and a number of the initiatives in this bill could well lead to good outcomes. Regarding Section 21, which concerns the sharing of municipal services, has her support. However, her primary concerns lie with the goal of the bill, being the premise of local governments and schools district sharing services or regionalizing. She believes that reforming binding arbitration and taking measures like what is described in Section 21 would be a more constructive and efficient way of fostering cooperation and sharing than requiring compliance. Rep. Lavielle does not endorse passage.

[Leslee Hill, Representative, CGA:](#)

Rep. Hill testifies in opposition to this bill. She is concerned with the development plan for consolidation and redistricting of school services and districts, and that the composition of the Commission requires the appointment of a single member who was elected to a Board of Education, but the other 16 members could be devoid of members elected by constituents. Additionally, the "one size fits all" approach to forced consolidation of schools is a dangerous approach, only for cost savings, and there is no mention of improved schools services over the coming years. Rep. Hill urges rejection.

[Robert "Rob" Simmons, First Selectman, Town of Stonington](#)

[Zak Leavy, Legislative Advocate, The American Federation of State, County and Municipal Employees:](#)

The AFSCME agrees with the intent of 7192, but is concerned over the lack of labor representation on the ACIR, but an integral task of the Council is related to regionalism and how municipalities interact with labor. They believe that the minimum number of Labor members be increased to five, as it will maintain municipal-employee relationships and collective bargaining. Additionally, the provisions regarding school redistricting and consolidation have two members from Labor but feel as if it does not fully account for the different employees s which are represented by differing bargaining units and this language

does not recognize that as the membership is limited to 2 labor organizations. AFSCME urges the committee to make these changes.

[Samuel Gold, Executive Director, Lower Valley River COG:](#)

The LVR COG testifies in opposition to HB 7192. Good planning will allow us to take advantage of the opportunities presented by an aging municipal workforce, who will be retiring. Significant cost savings could be found in attrition, but collective bargaining issues may still be an impediment if work is reduced through automation. It is important that the state ensure that municipal employees are treated fairly; while at the same time provide a pathway for municipalities to be able to implement technology and efficiencies. Additionally, they encourage that ACIR be required to submit a budget and work program to OPM for approval, similar to the COGs or other recipients of funds from the Regional Performance Incentive Program tax diversion. In regard to ACIR composition, they would recommend that the COG boards be given one appointment from their planning region. This would ensure representation from all nine regions and all 169 municipalities in Connecticut. Also ACIR should be charged with improving our relationship with the federal government, particularly in increasing the amount of federal discretionary funding sent to Connecticut.

[Donna Hamzy Carroccia, Advocacy Manager, CT Conference of Municipalities:](#)

CCM testifies in opposition to the HB 7192. CCM generally supports the majority of the proposed sections of this bill, but they we believe that opportunities should be provided in sections 7-9 for the appointment of municipal officials to sit on the Commission on Shared School Services created under said sections, because, the current language do not provide municipal officials a seat at the table. Furthermore, they also have concerns regarding Sections 22-24 that promote the consolidation of public service answering points. Their concerns come from the proverbial stick looming over already strained local budgets.

[Houston Putnam Lowry, Attorney, Polivy, Lowry, and Clayton, LLC.:](#)

Houston Lowry is an elected member of Avon's Board of Education; he opposes HB 7192, specifically lines 189-191 and 647-661. He feels as if the Commission does not need to study joint purchasing for a municipality and its respective local or regional school district, as it is already occurring on a wide scale by BOEs. He also finds the proposed study regarding the sharing of human resources, accounting, payroll, procurement, finance, information technology, risk management, health care and retirement benefits, insurance and claims administration, and buildings and grounds a waste of money as the town has already conducted a study and found there is little money to be saved.

[Roger Nelson, Fire Marshal/ Member of Board of Directors, Bloomfield Center Fire District/ CT Fire Marshal Association:](#)

Roger Nelson writes in opposition to HB 7192, specifically Section 25. This section would require three to six families be inspected at least once every three calendar years and seven to sixteen families are inspected at least once every two calendar years. The CFMA is concerned with public safety in these dwelling units. The proposed language would increase inspections from annually to two and three year schedules. The CFMA is consistently opposed to statutorily changed code regulated matters, and believe code changes should be done through the public code making process.

Reported by: Camilo Lemos/ Robert Norris

Date: April 15, 2019

