
OLR Bill Analysis

sHB 6104

AN ACT CONCERNING REGIONAL PLANNING AND COUNCILS OF GOVERNMENTS.

SUMMARY

By law, regional councils of government (COG) grants and Regional Performance Incentive Program (RPIP) projects are funded by the regional planning incentive account (see BACKGROUND). This bill:

1. increases the regional service grant (RSG) amounts for COGs from \$125,000 plus 58 cents per capita to \$185,000 plus 68 cents per capita;
2. requires, with certain exceptions, the Office of Policy and Management (OPM) secretary to provide the grants annually, instead of within available appropriations as current law requires;
3. requires OPM to make 90% of the remaining funds (after satisfying RSG amounts) available for RPIP projects; and
4. modifies the entities and types of projects that are eligible for RPIP funding.

The bill also modifies COG bylaw requirements to (1) allow COG representatives to serve more than two consecutive terms in the same position; (2) eliminate a requirement that a COG treasurer be bonded; and (3) allow, rather than require, COGs to establish an executive committee.

EFFECTIVE DATE: July 1, 2021

§§ 1 & 2 — REGIONAL SERVICE GRANTS

Starting in FY 22, the bill requires the OPM secretary to annually distribute from the regional planning incentive account the greater of

\$4.1 million or one-third of the fund's prior-year deposits (see BACKGROUND). These funds are disbursed to COGs in the form of RSGs.

As under existing law, the bill's RSG funding calculation is based on a base amount and a per capita amount, shown in Table 1 below. If the required distribution amount exceeds \$4.1 million, the bill requires the secretary to disburse any excess amount on a per capita basis.

Table 1: Changes to Grant Calculations

	<i>Current Law</i>	<i>Bill</i>
Total distribution	No amount specified	\$4.1 million or one-third of the funds deposited into the account the prior year, whichever is larger
Base amount per COG	\$125,000	\$185,500
Amount per person (based on most recent census) per COG	50 cents	68 cents
Additional amount	\$125,000 for each regional planning organization that voluntarily consolidated into a COG before January 1, 2014	Per capita proportional share of distribution amount above \$4.1 million (i.e., the excess amount)

The bill allows the OPM secretary to reduce any such distribution to the COGs; but, if the reduction is greater than 5%, she must first report to the Planning and Development Committee explaining the reduction. (It is unclear if she may reduce the RSG amounts, the excess disbursement, or both.)

The bill also appears to eliminate the additional \$125,000 payment for regional planning organizations that organized before January 1, 2014.

Additionally, it removes the requirement that COGs submit a grant spending plan to OPM annually to be eligible for them.

§ 3 — REGIONAL PERFORMANCE INCENTIVE PROGRAM (RPIP)

Under the bill, the OPM secretary must make at least 90% of the remaining regional planning incentive account funds (i.e., after distributing RSGs and excess amounts to the COGs) available for RPIP projects.

Eligible Entities

The bill removes the ability of two or more municipalities to apply through a COG. Under existing law, eligible entities are COGs, economic development districts, regional educational service centers, local and regional boards of education, and any combination of these entities.

It additionally authorizes the Connecticut Advisory Commission on Intergovernmental Relations to submit by December 1, 2021, and annually thereafter, specific regional efficiencies proposals that achieve cost savings. It specifies that the OPM secretary may provide, within available resources, funding to an eligible entity to administer any of these proposals.

Eligible Projects

Under the bill, projects eligible for RPIP funding are (1) joint provisions of any government service, (2) planning studies regarding the joint provision of any service on a regional basis, and (3) regional special education initiatives that are proposed by certain boards of education or large regional service centers (i.e., centers that serve a population of more than 100,000).

Under current law, the secretary may provide funding for the same types of projects, but it (1) requires that the joint services be ones that are not provided on a regional basis already but are provided by an eligible entity and (2) specifies that shared information technology services are eligible projects.

Application Requirements and Selection

As under existing law, the bill requires that applicants submit proposals in a form and manner the OPM secretary prescribes. But the bill removes the requirement that applicants provide at least certain,

specified information (e.g., the method of delivering services, an explanation of potential legal obstacles, and mill rate reductions attributable to the savings). It additionally requires that applicants provide a resolution approved by the applicable COG or COGs, rather than by each participating municipality's legislative body as current law requires.

As under existing law, the bill requires the secretary to award grants to those proposals that she determines best meet RPIP's requirements. But it removes the requirement that the secretary prioritize grants that are submitted by economic development districts, boards of education, or all member municipalities of a COG or regional educational service center.

Reporting Requirements

The bill requires the OPM secretary to submit to the Planning and Development Committee the annual report that existing law requires she submit to the governor and Finance, Revenue and Bonding Committee. It removes the requirement that the secretary include in the reports any property tax reductions the program achieves.

Additionally, the bill removes the requirement that RPIP applicants submit a copy of their proposals to the participating municipalities' legislators.

BACKGROUND

Regional Planning Incentive Account

The regional planning incentive account is a separate, nonlapsing General Fund account funded by 6.7% of the revenue generated by the room occupancy tax and 10.7% of the revenue generated by the rental car tax (CGS § 12-411(1)(J)).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 25 Nay 1 (03/02/2021)

