



House of Representatives

General Assembly

File No. 68

January Session, 2021

Substitute House Bill No. 6104

House of Representatives, March 17, 2021

The Committee on Planning and Development reported through REP. MCCARTHY VAHEY, C. of the 133rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING REGIONAL PLANNING AND COUNCILS OF GOVERNMENTS.

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

1 Section 1. Section 4-66k of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) There is established an account to be known as the "regional
4 planning incentive account" which shall be a separate, nonlapsing
5 account within the General Fund. The account shall contain any moneys
6 required by law to be deposited in the account. Except as provided in
7 subsection [(d)] (e) of this section, moneys, in the account shall be
8 expended by the Secretary of the Office of Policy and Management in
9 accordance with subsection (b) of this section for the purposes of first
10 providing funding to regional planning organizations in accordance
11 with the provisions of subsections (b) [and (c)] to (d), inclusive, of this
12 section and then to providing grants under the regional performance
13 incentive program established pursuant to section 4-124s, as amended

14 by this act.

15 (b) For the fiscal year ending June 30, 2014, funds from the regional
16 planning incentive account shall be distributed to each regional
17 planning organization, as defined in section 4-124i, revision of 1958,
18 revised to January 1, 2013, in the amount of one hundred twenty-five
19 thousand dollars. Any regional council of governments that is
20 comprised of any two or more regional planning organizations that
21 voluntarily consolidate on or before December 31, 2013, shall receive an
22 additional payment in an amount equal to the amount the regional
23 planning organizations would have received if such regional planning
24 organizations had not voluntarily consolidated.

25 (c) [Beginning in] For the fiscal year ending June 30, 2015, and
26 [annually thereafter] each fiscal year thereafter until July 1, 2021, funds
27 from the regional planning incentive account shall be distributed to each
28 regional council of governments formed pursuant to section 4-124j, in
29 the amount of one hundred twenty-five thousand dollars plus fifty cents
30 per capita, using population information from the most recent federal
31 decennial census. Any regional council of governments that is
32 comprised of any two or more regional planning organizations, as
33 defined in section 4-124i, revision of 1958, revised to January 1, 2013,
34 that voluntarily consolidated on or before December 31, 2013, shall
35 receive a payment in the amount of one hundred twenty-five thousand
36 dollars for each such regional planning organization that voluntarily
37 consolidated on or before said date.

38 (d) For the fiscal year ending June 30, 2022, and each fiscal year
39 thereafter, funds from the regional planning incentive account in a total
40 amount equal to four million one hundred thousand dollars or one-third
41 of the moneys required to be deposited in such account in the prior fiscal
42 year, whichever is greater, shall be distributed to regional councils of
43 governments formed pursuant to section 4-124j. The secretary shall
44 disburse to each regional council of governments one hundred eighty-
45 five thousand five hundred dollars, plus sixty-eight cents per capita,
46 using population information from the most recent federal decennial

47 census, except that if such total amount to be distributed exceeds four
48 million one hundred thousand dollars, the secretary shall additionally
49 disburse such excess amount proportionally among each regional
50 council of governments on a per capita basis using such population
51 information. The secretary may reduce the amount of any such
52 disbursement, provided for any such reduction proposed by the
53 secretary that is greater than five per cent of the amount of such
54 disbursement, prior to making such reduction the secretary shall submit
55 a report explaining and detailing such reduction to the joint standing
56 committee of the General Assembly having cognizance of matters
57 relating to planning and development in accordance with the provisions
58 of section 11-4a.

59 [(d)] (e) There is established a regionalization subaccount within the
60 regional planning incentive account. If the Connecticut Lottery
61 Corporation offers online its existing lottery draw games through the
62 corporation's Internet web site, online service or mobile application, the
63 revenue from such online offering that exceeds an amount equivalent to
64 the costs of the debt-free community college program under section 10a-
65 174 shall be deposited in the subaccount, or, if such online offering is not
66 established, the amount provided under subsection (b) of section 364 of
67 public act 19-117 for regionalization initiatives shall be deposited in the
68 subaccount. Moneys in the subaccount shall be expended only for the
69 purposes recommended by the task force established under section 4-
70 66s.

71 Sec. 2. Section 4-66r of the general statutes is repealed and the
72 following is substituted in lieu thereof (*Effective July 1, 2021*):

73 For the fiscal year ending June 30, [2018] 2022, and each fiscal year
74 thereafter, each regional council of governments shall [, within available
75 appropriations,] receive a grant-in-aid to be known as a regional
76 services grant, the amount of which shall be based on [a formula to be
77 determined by the Secretary of the Office of Policy and Management.
78 No such council shall receive a grant for the fiscal year ending June 30,
79 2018, unless the secretary approves a spending plan for such grant

80 moneys submitted by such council to the secretary on or before
81 November 1, 2017. No such council shall receive a grant for the fiscal
82 year ending June 30, 2019, or any fiscal year thereafter, unless the
83 secretary approves a spending plan for such grant moneys submitted by
84 such council to the secretary on or before July 1, 2018, and annually
85 thereafter] the formula established pursuant to section 4-66k, as
86 amended by this act. Each regional council of governments shall use
87 such grant funds for planning purposes and to achieve efficiencies in
88 the delivery of municipal services, without diminishing the quality of
89 such services. On or before October 1, [2018] 2022, and annually
90 thereafter, each regional council of governments shall submit a report,
91 in accordance with section 11-4a, to the joint standing committees of the
92 General Assembly having cognizance of matters relating to planning
93 and development and finance, revenue and bonding, and to the
94 secretary. Such report shall (1) summarize the expenditure of such grant
95 funds, (2) describe any regional program, project or initiative currently
96 provided or planned by the council, (3) review the performance of any
97 existing regional program, project or initiative relative to its initial goals
98 and objectives, (4) analyze the existing services provided by member
99 municipalities or by the state that, in the opinion of the council, could
100 be more effectively or efficiently provided on a regional basis, and (5)
101 provide recommendations for legislative action concerning potential
102 impediments to the regionalization of services.

103 Sec. 3. Subsections (b) to (e), inclusive, of section 4-124s of the general
104 statutes are repealed and the following is substituted in lieu thereof
105 (*Effective July 1, 2021*):

106 (b) There is established a regional performance incentive program
107 that shall be administered by the Secretary of the Office of Policy and
108 Management. [On or before December 31, 2011, and annually thereafter,
109 any regional council of governments, any two or more municipalities
110 acting through a regional council of governments, any economic
111 development district, any regional educational service center or any
112 combination thereof may submit a proposal to the secretary for: (1) The
113 joint provision of any service that one or more participating

114 municipalities of such council, educational service center or agency
115 currently provide but which is not provided on a regional basis, (2) a
116 planning study regarding the joint provision of any service on a regional
117 basis, or (3) shared information technology services. A copy of said
118 proposal shall be sent to the legislators representing said participating
119 municipalities.] In furtherance of the purposes of such program, the
120 secretary shall make available an amount equal to not less than ninety
121 per cent of the moneys remaining annually in the regional planning
122 incentive account, established pursuant to subsection (a) of section 4-
123 66k, after the disbursement of funds to each regional council of
124 government under the formula established pursuant to section 4-66k, as
125 amended by this act. The secretary may provide funding for any
126 proposal submitted to the secretary by a regional council of
127 governments, an economic development district, a regional educational
128 service center or any combination thereof for: (1) The joint provision of
129 any government service; or (2) a planning study regarding the joint
130 provision of any service on a regional basis. Any local or regional board
131 of education or regional educational service center serving a population
132 greater than one hundred thousand may submit a proposal to the
133 secretary for a regional special education initiative.

134 (c) (1) A regional council of governments, an economic development
135 district, a regional educational service center or a local or regional board
136 of education shall submit each such proposal in the form and manner
137 the secretary prescribes and shall [, at a minimum, provide the following
138 information for each proposal: (A) Service or initiative description; (B)
139 the explanation of the need for such service or initiative; (C) the method
140 of delivering such service or initiative on a regional basis; (D) the
141 organization that would be responsible for regional service or initiative
142 delivery; (E) a description of the population that would be served; (F)
143 the manner in which regional service or initiative delivery will achieve
144 economies of scale; (G) the amount by which participating
145 municipalities will reduce their mill rates as a result of savings realized;
146 (H) a cost benefit analysis for the provision of the service or initiative by
147 each participating municipality and by the entity or board of education
148 submitting the proposal; (I) a plan of implementation for delivery of the

149 service or initiative on a regional basis; (J) a resolution endorsing such
150 proposal approved by the legislative body of each participating
151 municipality; and (K) an explanation of the potential legal obstacles, if
152 any, to the regional provision of the service or initiative] provide a
153 resolution endorsing such proposal approved by the regional council of
154 governments of each planning region in which the jointly provided
155 government service or planning study thereon is to be conducted. On or
156 before December 1, 2021, and annually thereafter, the Connecticut
157 Advisory Commission on Intergovernmental Relations, established
158 pursuant to section 2-79a, may recommend to the secretary any specific
159 proposal for achieving additional cost savings through regional
160 efficiencies, which recommended proposal shall be submitted in the
161 form and manner the secretary prescribes. The secretary may provide
162 funding, within available resources, to a regional council of
163 governments, an economic development district, a regional educational
164 service center or any combination thereof for the purpose of
165 administering any proposal described in this subsection or subsection
166 (b) of this section.

167 (2) The secretary shall review each proposal and shall award grants
168 for proposals the secretary determines best meet the requirements of
169 this section. [In awarding such grants, the secretary shall give priority
170 to a proposal submitted by (A) any entity specified in subsection (a) of
171 this section that includes participation of all of the member
172 municipalities of such entity, and which may increase the purchasing
173 power of participating municipalities or provide a cost savings initiative
174 resulting in a decrease in expenses of such municipalities, allowing such
175 municipalities to lower property taxes, (B) any economic development
176 district, and (C) any local or regional board of education.]

177 (d) On or before December 31, 2013, and annually thereafter until
178 December 31, 2018, in addition to any proposal submitted pursuant to
179 this section, any municipality or regional council of governments may
180 apply to the secretary for a grant to fund: (1) Operating costs associated
181 with connecting to the state-wide high speed, flexible network
182 developed pursuant to section 4d-80, including the costs to connect at

183 the same rate as other government entities served by such network; and
184 (2) capital cost associated with connecting to such network, including
185 expenses associated with building out the internal fiber network
186 connections required to connect to such network, provided the secretary
187 shall make any such grant available in accordance with the two-year
188 schedule by which the Bureau of Enterprise Systems and Technology
189 recommends connecting each municipality and regional council of
190 governments to such network. Any municipality or regional council of
191 governments shall submit each application in the form and manner the
192 secretary prescribes.

193 (e) The secretary shall submit to the Governor and the joint standing
194 [committee] committees of the General Assembly having cognizance of
195 matters relating to planning and development and finance, revenue and
196 bonding a report on the grants provided pursuant to this section. Each
197 such report shall include information on the amount of each grant, and
198 the potential of each grant for leveraging other public and private
199 investments. The secretary shall submit a report for the fiscal year
200 commencing July 1, 2011, not later than February 1, 2012, and shall
201 submit a report for each subsequent fiscal year not later than the first
202 day of March in such fiscal year. [Such reports shall include the property
203 tax reductions achieved by means of the program established pursuant
204 to this section.]

205 Sec. 4. Section 4-124n of the general statutes is repealed and the
206 following is substituted in lieu thereof (*Effective July 1, 2021*):

207 A regional council of governments shall adopt bylaws for the conduct
208 of its business and shall annually elect from among the representatives
209 to the council a chairman, a vice-chairman, a secretary, a treasurer [, who
210 shall be bonded,] and such other officers as may be designated or
211 permitted in the bylaws. The bylaws may provide for alternate
212 representatives of the council to attend and vote at any meeting in place
213 of absent representatives and may provide for the organization of a
214 regional planning commission. [No representative shall be eligible to
215 serve more than two consecutive terms in the same office.] The bylaws

216 [shall] may provide for an executive committee of the council and [an
 217 executive committee of the regional planning commission and may
 218 provide] for additional committees including nonvoting advisory
 219 committees. Meetings of the council shall be called [by the chairman or
 220 as the bylaws shall otherwise provide] pursuant to the bylaws and
 221 minutes of all meetings of the council, its committees and other official
 222 actions shall be filed in the office of the council and shall be of public
 223 record.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	4-66k
Sec. 2	<i>July 1, 2021</i>	4-66r
Sec. 3	<i>July 1, 2021</i>	4-124s(b) to (e)
Sec. 4	<i>July 1, 2021</i>	4-124n

PD *Joint Favorable Subst.*

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: None

Municipal Impact: None

Explanation

The bill results in a potential redistribution of grant funding among regional Councils of Government (COGs) from the Regional Performance Incentive Account (RPIA). It 1) makes changes to the formula for regional services grants paid to COGs from the RPIA and 2) specifies that the remaining balance of the RPIA after payment of these grants be available to COGs for the Regional Performance Incentive Program (RPIP).

The bill has no fiscal impact to the state or municipalities as it does not change the General Fund revenue diversion to the COGs or establish any new state or municipal funding source for COGs.

The Out Years

State Impact: None

Municipal Impact: None

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)