



# Senate

General Assembly

**File No. 652**

February Session, 2022

Substitute Senate Bill No. 398

*Senate, April 26, 2022*

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING ACCOUNTABILITY FOR THE EXPENDITURE OF FEDERAL CORONAVIRUS RELIEF FUNDS RECEIVED BY THE STATE.***

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

1 Section 1. (NEW) (*Effective from passage*) (a) The chief executive officer  
2 of each municipality receiving funding from the state pursuant to the  
3 Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136, as  
4 amended from time to time, the Coronavirus Response and Relief  
5 Supplemental Appropriations Act, P.L. 116-260, as amended from time  
6 to time, the American Rescue Plan Act of 2021, as amended from time  
7 to time, or future federal funds related to COVID-19 relief shall submit  
8 a report to the Secretary of the Office of Policy and Management on or  
9 before July 1, 2022, and quarterly thereafter. Such report shall include,  
10 but need not be limited to, a full accounting of the municipality's  
11 expenditure of such funds. On the same date each such report is  
12 submitted to said secretary, the chief executive officer shall ensure that  
13 the report is posted on the municipality's Internet web site. Such report  
14 shall be easily accessible to the public for viewing.

15 (b) (1) The chief executive officer of any municipality that expends  
16 more than one hundred thousand dollars of such funding, in the  
17 aggregate, to any one person or entity shall submit a written request to  
18 the Secretary of the Office of Policy and Management for review of such  
19 expenditure. The written request for review shall include, but need not  
20 be limited to, the dates and amounts of payment to the person or entity,  
21 a description of the product or service provided by such person or entity  
22 and the purpose of each payment.

23 (2) Not later than fifteen days after receipt of such request, the  
24 secretary shall determine whether the expenditure to the person or  
25 entity is an appropriate use of said funds and notify the chief executive  
26 officer of said secretary's determination. If the secretary determines that  
27 the expenditure to the person or entity is not an appropriate use of such  
28 funds, the municipality shall not make any additional expenditure of  
29 such funds to the person or entity.

30 Sec. 2. (*Effective from passage*) (a) Not later than ninety days after the  
31 effective date of this section, the Secretary of the Office of Policy and  
32 Management shall submit a report, in accordance with the provisions of  
33 section 11-4a of the general statutes, to the joint standing committee of  
34 the General Assembly having cognizance of matters relating to  
35 appropriations and the budgets of state agencies concerning  
36 expenditures by executive agencies of funds received by the state  
37 pursuant to the Coronavirus Aid, Relief, and Economic Security Act,  
38 P.L. 116-136, as amended from time to time, the Coronavirus Response  
39 and Relief Supplemental Appropriations Act, P.L. 116-260, as amended  
40 from time to time, and the American Rescue Plan Act of 2021, as  
41 amended from time to time. Such report shall include, but not be limited  
42 to (1) a full accounting of all expenditures, including (A) the date and  
43 amount each payment was made, and (B) the person or entity to whom  
44 each payment was made, and (2) a description of the anticipated  
45 expenditure of remaining funds received pursuant to said acts.

46 (b) On the same date such report is submitted to such joint standing  
47 committee, the secretary shall ensure that the report is posted on the

48 Office of Policy and Management's Internet web site. Such report shall  
49 be easily accessible to the public for viewing.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

**APP**      *Joint Favorable Subst.*

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*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.*

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### **OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

### **Explanation**

The bill establishes a process for the Office of Policy and Management to provide oversight of American Rescue Plan Act (ARPA) funds received by municipalities.

The revised FY 23 budget JF'ed by the Appropriations Committee on 4/7/22 provides \$250,000 in ARPA funding in FY 23 for auditing recipients of Federal ARPA funding.

### **The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OFA Bill Analysis**

**SB 398**

**AN ACT CONCERNING ACCOUNTABILITY FOR THE EXPENDITURE OF FEDERAL CORONAVIRUS RELIEF FUNDS RECEIVED BY THE STATE.**

**SUMMARY:**

The bill establishes a process for OPM oversight of federal American Rescue Plan Act funds received by municipalities. Specifically, the bill requires:

- (1) By July 1, 2022, and quarterly thereafter, municipalities to submit a report to the Office of Policy and Management that includes a full accounting of ARPA expenditures;
- (2) Municipalities to request a review by OPM of any expenditures to a single entity totaling more than \$100,000, and for OPM to notify such municipality if such use was appropriate;
- (3) OPM to submit a report to the Appropriations Committee, not later than 90 days after the effective date of the bill, regarding state agency expenditures of funds received via the CARES Act, ARPA and the Coronavirus Response and Relief Supplemental Appropriations Act.

EFFECTIVE DATE: From Passage

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute  
 Yea 50 Nay 0 (04/07/2022)