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## **OFA Bill Analysis**

### **HB 5047**

#### ***AN ACT IMPLEMENTING THE GOVERNOR'S RECOMMENDATIONS FOR GENERAL GOVERNMENT.***

#### **SUMMARY:**

The bill makes various changes described below by section.

EFFECTIVE DATE: Upon passage, unless otherwise noted below.

#### **§ 1 – Connecticut Port Authority**

The bill requires the Connecticut Port Authority to submit a report, by January 1, 2025, and quarterly thereafter, to the Transportation and Appropriations Committee on the following agency activities: (1) its work to support grants under the Small Harbor Improvement Projects Program, (2) its dredging activities and the needs concerning dredging in harbors in the state, and (3) its marketing activities on behalf of maritime activities in the state.

#### **§ 2 – Recommendations on Creating a New Solid Waste Related Quasi-Public State Agency**

The bill moves out the date by one year for a report containing the recommendations from the Office of Policy and Management (OPM) and the Department of Energy and Environmental Protection on the feasibility and advisability of creating a new quasi-public state agency, waste authority, or other entity for developing new solid waste infrastructure, operating, and maintaining new or existing solid waste infrastructure and for other purposes.

#### **§ 3 – Small Town Economic Assistance**

The bill increases the annual municipal grant limit under the Small Town Economic Assistance Program (STEAP) from \$500,000 to

\$1,000,000.

Under existing law unchanged by the bill, STEAP funds economic development, community conservation and quality of life projects for localities that are ineligible to receive Urban Action bonds.

Examples of projects that can be funded through this program include: (1) economic development projects such as constructing or rehabilitating buildings, or repairing roads; (2) recreation and solid waste disposal projects; (3) social service-related projects, including day care centers, elderly centers, domestic violence and emergency homeless shelters, multipurpose human resource centers, and food distribution facilities; (4) housing projects; and (5) pilot historic preservation and redevelopment programs that leverage private funds.

EFFECTIVE DATE: July 1, 2024.

#### **§ 4 – Designation of Replacing Members on Governmental Bodies**

The bill permits an elected or appointed officer of the executive or judicial branch who is required to serve on a board, commission, council, authority, task force, or any other body and is unable, to designate an employee of that agency to serve in their place. This replacement will be considered an addition to another designated authority.

#### **§ 5 – Vacation and Personal Leave for New Employees**

The bill allows full-time state employees to take accrued vacation or personal leave while still within their working test periods. To accommodate this provision the bill provides a process in which personal days are accrued throughout the first year of employment.

The bill requires the Department of Administrative Services (DAS) to adopt policies and procedures to implement the provisions of the bill. DAS is required to post all policies and procedures to their website and submit them to the Secretary of State (SOS) for posting on the eRegulation System, fifteen days prior to the effective date of such policies and procedures. Before June 30, 2025, DAS is required to adopt or amend regulations to implement the provisions of the bill.

EFFECTIVE DATE: January 1, 2025.

### **§ 6 – Willis Scholarship**

The bill requires that the Office of Higher Education disburse Willis Scholarship appropriations and allocations for FY 24 and FY 25 according to a plan developed by the office. The bill also removes a requirement that Willis Scholarship appropriations or allocations for FY 24 are used to make awards for the 2023-24 and 2024-25 academic years.

### **§ 7 – Connecticut Judges, Family Support Magistrates and Compensation Commissioners Retirement System**

The bill amends the amortization methodology for the Connecticut Judges, Family Support Magistrates, and Compensation Commissioners Retirement System (JRS) beginning July 1, 2024, to a fifteen-year layered approach from a forty-year schedule of unfunded liability payments. The current unfunded actuarial accrued liability (UAAL) is set to be paid off in eight years, 2032. Under the proposed layered approach, the UAAL is amortized over fifteen years, with the final payment in 2039, and any additional changes to the UAAL would establish its own fifteen year closed period base.

### **§ 8 – State Employees Retirement Commission**

Section 8 requires the State Employees Retirement Commission to prepare and submit a revised actuarial valuation for the JRS as of June 30, 2023, by June 30, 2024, to reflect the change to a fifteen-year layered amortization.

### **§ 9 – Gifts**

Section 9 expands what qualifies as a gift under the state code of ethics for public officials to include travel expenses, lodging, food and benefits when applied to a member of the Investment Advisory Council under 3-13(b). This section also makes conforming changes in the definition.

EFFECTIVE DATE: July 1, 2024.

### **§ 10 – Review of the State Contracting Process**

The bill requires OPM to (1) consult with DAS and the Attorney General in conducting a review of the state contracting process for all state agency contracts and payment policies and (2) provide a report to the Connecticut General Assembly by January 1, 2025. This includes all state agency contracts with service providers and nonprofit organizations.

The review and report must contain the following:

- A determination if staffing levels are adequate for the draft and process of the contract and if not, what the staffing levels should be.
- An identification of any complications that are a result of a tiered process or procurement.
- An identification of any complications regarding payment policies that prevent payments from being processed on time.
- A determination if it is feasible to allocate funds to service provider or nonprofits from a previous fiscal year to sustain operation of existing programs.

### **§ 11 Establishing a Higher Education Financial Oversight Committee**

The bill establishes a Higher Education Financial Oversight Committee within the Legislative Department for administrative purposes only.

The committee shall (1) review and evaluate the financial status of the constituent units and the University of Connecticut Health center, (2) assess the future financial needs and challenges and make recommendations concerning the fiscal constraints and budget priorities, (3) request and obtain financial information and documents, and (4) conduct public hearings and meetings with officials from the

constituent units and the University of Connecticut Health Center.

Beginning January 1, 2025, and at least annually thereafter, the committee shall submit a report on its findings to the Appropriations and Higher Education Committees of the General Assembly.

**Membership and Appointments:**

The following members must be appointed to the council:

1. One by the speaker of the House of Representatives;
2. One by the President Pro Tempore of the Senate;
3. One by the majority leader of the House of Representatives;
4. One by the majority leader of the Senate;
5. One by the minority leader of the House of Representatives;
6. One by the minority leader of the Senate;
7. The chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and state agency budgets;
8. The chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to higher education;
9. Two appointed by the Governor, one with experience in higher education operations and one with experience in higher education financial management.

Initial appointments must be made within 30 days after the bill becomes effective and the appointing authority must fill any vacancies.

The House speaker and the Senate president must select a chairperson from among the committee's members, who must schedule the first meeting within 60 days after the bill's effective date. The members of the committee shall then select a chairperson from the

membership of the committee.

The members of the committee will serve without compensation but can be reimbursed for necessary expenses. The committee may retain staff upon the approval of the Joint Committee on Legislative Management.

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute

Yea 45 Nay 7 (04/04/2024)