

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-5273

AN ACT CONCERNING THE RECOMMENDATIONS OF THE INTERGOVERNMENTAL POLICY AND PLANNING DIVISION WITHIN THE OFFICE OF POLICY AND MANAGEMENT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Policy & Mgmt., Off.	GF - Potential Revenue Gain	Up to 1,400	Up to 1,400
Policy & Mgmt., Off.	GF - Potential Savings	Minimal	Minimal

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Potential Revenue Gain	Minimal	Minimal
Special Districts	Potential Cost	Minimal	Minimal
Local and Regional School Districts	Potential Revenue Gain	See Below	See Below

Explanation

The bill makes various changes to municipalities and programs administered by the Office of Policy and Management (OPM) described below.

The bill requires special service districts to submit annual mill rate and tax levy information to OPM and subjects them to a \$100 fine for failing to meet this requirement. This results in a potential minimal cost

Primary Analyst: LG
Contributing Analyst(s): DD, JP
Reviewer: RW

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to the special service districts and corresponding revenue gain to OPM. As of 2021, there were 14 special service districts.¹ If each of these failed to report the information to OPM, it would result in a revenue gain of \$1,400 to OPM beginning in FY 25.

The bill eliminates a requirement for municipalities to submit a letter with certain funding applications if the municipality fails to update its plan of conservation and development. Beginning in FY 25 only applications that are for discretionary funding of greater than \$25,000 must include this letter. Failure to submit this letter results in disqualification from discretionary funding. This results in a potential revenue gain to municipalities beginning in FY 25 to the extent less municipalities are disqualified from discretionary funding.

There is also a potential grand list shift in out years. This is associated with a reduction from 25% to 20% in the minimum revaluation phase-in for revaluation increases. This aligns with current law that allows municipalities to phase-in the revaluation over five years.

The bill also expands eligible purposes for which OPM can award regional performance incentive program (RPIP) grants. This results in a potential revenue gain to Regional Education Service Centers (RECS) and Councils of Government beginning in FY 25 to the extent additional grants are awarded.

The bill shortens the application period for the Renters Rebate program by one day and eliminates the extension period for renters possessing a physician's or advanced practice registered nurse's certificate. This may result in potential savings for the Office of Policy and Management beginning in FY 25 as they could see less applicants due to the deadline adjustments.

The bill makes various other changes including eliminating obsolete

¹ These special service districts are located in the following municipalities: Bridgeport, Danbury, Hartford, Manchester, Middletown, New Britain, New Haven, New London, Stamford, and West Hartford.

grant programs that do not result in a fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, fines, and grants awarded.