



Senate

General Assembly

File No. 881

January Session, 2025

Senate Bill No. 1555

Senate, May 12, 2025

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING THE TEN-YEAR PLAN TO ERADICATE
CONCENTRATED POVERTY IN PARTICIPATING CONCENTRATED
POVERTY CENSUS TRACTS.***

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

1 Section 1. Section 32-7z of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) It is hereby declared that there exists concentrated poverty in the
4 state that exacts a critical toll on poor and nonpoor residents of
5 communities that house areas of concentrated poverty, which create
6 lifelong and persistent disadvantages across generations by lowering
7 the quality of educational and employment opportunities, limiting
8 health care access and diminishing health outcomes, increasing
9 exposure to crime, reducing available choices for affordable and
10 properly maintained housing and imposing obstacles to wealth-
11 building and economic mobility. It is further declared that the
12 development and implementation of the ten-year plan under this
13 section to eradicate concentrated poverty in the state are necessary and

14 for the public benefit, as a matter of legislative determination.

15 (b) There is established an Office of Neighborhood Investment and
16 Community Engagement within the Department of Economic and
17 Community Development. Said office shall carry out the provisions of
18 this section, overseeing the implementation of the ten-year plan
19 developed pursuant to this subsection, monitoring the state's progress
20 in reducing concentrated poverty in the state and serving as the
21 facilitator to coordinate communication between the various parties and
22 disseminate information in a timely and efficient manner.

23 (c) (1) There is established a pilot program to implement the
24 provisions of the ten-year plan developed pursuant to this section for
25 participating concentrated poverty census tracts. Any concentrated
26 poverty census tract or group of tracts (A) that is located in any of the
27 four municipalities with the greatest number of concentrated poverty
28 census tracts, and (B) for which community members have established
29 a community development corporation pursuant to the provisions of
30 section 32-7s to assist the municipality in which such census tract or
31 group of tracts is located in carrying out the municipality's
32 responsibilities under this section and the ten-year plan developed for
33 such census tract or group of tracts, shall be eligible to apply to
34 participate in the program. Notwithstanding the provisions of
35 subparagraph (A) of this subdivision, any municipality in which a
36 concentrated poverty census tract or group of tracts is located and for
37 which a community development corporation has been established as
38 described under subparagraph (B) of this subdivision, or any such
39 community development corporation, may apply to participate in the
40 program. The Commissioner of Economic and Community
41 Development shall issue a request for proposals for participation in the
42 pilot program and select the applicant with the highest score. As used
43 in this section, "concentrated poverty census tract" means a census tract
44 identified as a high poverty-low opportunity census tract, as of January
45 1, 2024, by the Office of Policy and Management pursuant to section 32-
46 7x of the 2024 supplement to the general statutes.

47 (2) (A) (i) The Office of Neighborhood Investment and Community
48 Engagement shall develop a plan for the pilot participating
49 concentrated poverty census tract or group of tracts, as applicable, to
50 eradicate, over ten years, the levels of concentrated poverty in the
51 service area of the community development corporation, evidenced by
52 a reduction, to twenty per cent or lower, in the percentage of households
53 who reside in such concentrated poverty census tract or group of tracts
54 and have incomes below the federal poverty level, as well as sustained
55 improvements in community infrastructure and other underlying
56 conditions that serve to prolong concentrated poverty and economic
57 inertia in such census tract or group of tracts.

58 (ii) In developing such plan, said office shall consult with the Office
59 of Community Economic Development Assistance established under
60 section 32-7s, the Department of Economic and Community
61 Development, the Office of Workforce Strategy established under
62 section 4-124w, the regional workforce development board, established
63 under section 31-3k, serving the participating concentrated poverty
64 census tract or group of tracts, the Office of Early Childhood, the
65 Department of Education, the Department of Housing, the Office of
66 Policy and Management, the applicable community development
67 corporations serving the participating concentrated poverty census tract
68 or group of tracts and the applicable municipal chief elected officials and
69 any other public or private entity the Commissioner of Economic and
70 Community Development deems relevant or necessary to achieving the
71 purposes of this subsection.

72 (B) The ten-year plan shall include, but need not be limited to, (i)
73 measurable steps to be taken for its implementation, the target date by
74 which each such step is to be completed and the state or municipal
75 official or state or municipal agency, department or division responsible
76 for each such step, (ii) minimum state-wide averages for educational
77 metrics, including, but not limited to, kindergarten-readiness, grade
78 level reading and mathematics and college-readiness or career-
79 readiness, to be used as benchmarks for improvements in such
80 concentrated poverty census tract or group of tracts, as applicable, and

81 (iii) the list of possible projects determined pursuant to subdivision (3)
82 of this subsection.

83 (C) On or before June 1, 2025, and again not later than September 1,
84 2025, the Commissioner of Economic and Community Development
85 shall inform the joint standing committee of the General Assembly
86 having cognizance of matters relating to finance, revenue and bonding,
87 in writing, of the progress made to date in the development of the ten-
88 year plan. Not later than January 1, 2026, said commissioner shall
89 submit such plan to the General Assembly, in accordance with the
90 provisions of section 11-4a, and the Office of Neighborhood Investment
91 and Community Engagement shall immediately commence overseeing
92 the implementation of such plan.

93 (3) The Office of Neighborhood Investment and Community
94 Engagement shall, jointly with the chief elected official of each
95 applicable municipality and the community development corporation
96 established to assist such municipality, develop a list of possible projects
97 that will be included in the ten-year plan for the participating
98 concentrated poverty census tract or group of tracts, as applicable,
99 located in such municipality. Said office, official and corporation shall
100 (A) determine the types of projects they deem to be the most appropriate
101 and effective for such census tract or group of tracts to eradicate
102 concentrated poverty within such census tract or group of tracts,
103 including, but not limited to, capital projects, workforce development
104 programs, housing development, community and neighborhood
105 improvements and education initiatives to assist and support residents
106 in meeting and surpassing the educational metrics described in
107 subparagraph (B)(ii) of subdivision (2) of this subsection, and (B) take
108 into account the criteria for projects eligible for grants under sections 32-
109 7s, 32-7x and 32-285a.

110 (4) Not later than February 1, 2027, and annually thereafter, the
111 Commissioner of Economic and Community Development shall submit
112 a report to the General Assembly, the Office of Workforce Strategy, the
113 Office of Early Childhood and the Office of Policy and Management, in

114 accordance with the provisions of section 11-4a, that summarizes the
115 progress being made by the Office of Neighborhood Investment and
116 Community Engagement in implementing the ten-year plan, the status
117 of any projects pending or undertaken for the participating concentrated
118 poverty census tract or group of tracts and any other information the
119 commissioner or the Office of Neighborhood Investment and
120 Community Engagement deems relevant or necessary.

121 (5) (A) Commencing with the calendar year 2027, not later than
122 March first of said year and annually thereafter for the next two years,
123 the joint standing committee of the General Assembly having
124 cognizance of matters relating to finance, revenue and bonding shall
125 hold an informational forum for the Commissioner of Economic and
126 Community Development to present the contents of the submitted
127 report and for other state officials, municipal officials, representatives of
128 community development corporations serving participating
129 concentrated poverty census tracts or groups of tracts and other
130 interested parties to provide oral and written comments on the
131 submitted report and the pilot program.

132 (B) Commencing with the calendar year 2030, said committee shall
133 hold such informational forum every two years.

134 (d) On and after the date the ten-year plan is submitted to the General
135 Assembly pursuant to subparagraph (C) of subdivision (2) of subsection
136 (c) of this section, each state agency shall give priority to projects
137 included in such ten-year plan with respect to any grants or funding
138 programs such agency awards or administers and for which such
139 projects may be eligible.

140 (e) Not later than January 1, 2029, the Commissioner of Economic and
141 Community Development shall submit a recommendation to the joint
142 standing committee of the General Assembly having cognizance of
143 matters relating to finance, revenue and bonding of (1) whether the pilot
144 program should be expanded to all concentrated poverty census tracts
145 or groups of tracts in the state for which a community development
146 corporation has been established as described under subparagraph (B)

147 of subdivision (1) of subsection (c) of this section, and (2) any additional
 148 or alternative criteria to be considered for expansion of the pilot
 149 program to other economically disadvantaged census tracts that do not
 150 fall within the definition of a concentrated poverty census tract. If the
 151 commissioner recommends expansion under subdivision (1) of this
 152 subsection, the commissioner and the Office of Neighborhood
 153 Investment and Community Engagement shall immediately undertake
 154 such expansion.

155 (f) On and after July 1, 2027, if any state or municipal official
 156 responsible for carrying out a requirement or responsibility under the
 157 provisions of this section or a ten-year plan fails to do so in a timely
 158 manner, any community development corporation established as
 159 described under subparagraph (B) of subdivision (1) of subsection (c) of
 160 this section that was (1) selected pursuant to the request for proposals
 161 under subdivision (1) of subsection (c) of this section, (2) can
 162 demonstrate good faith efforts to effectuate the ten-year plan, and (3) is
 163 aggrieved by such failure may bring an action against such official in
 164 the superior court for the judicial district in which such census tract or
 165 group of tracts is located for a writ of mandamus to compel such official
 166 to carry out such requirement or responsibility.

167 Sec. 2. Section 119 of public act 24-151 is repealed. (*Effective from*
 168 *passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	32-7z
Sec. 2	<i>from passage</i>	Repealer section

FIN *Joint Favorable*

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:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Economic & Community Development	GF - Potential Cost	Up to 250,000	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential one-time cost of up to \$250,000 to the Department of Economic and Community (DECD) by repealing a working group that was tasked with developing a guidance document regarding the 10-year plan to eliminate concentrated poverty. The working group has not met to date and therefore the document has not been submitted.

In order to develop and implement the 10-year plan as required under PA 24-151, DECD may require consulting services to establish the parameters of the program. This is in lieu of the guidance document that the working group eliminated under the bill was required to develop. The cost may be mitigated to the extent that other agencies and entities outlined in the bill can provide the necessary expertise to develop the plan and program.

The Out Years

The cost noted above is one-time only and therefore would not continue into the future.

OLR Bill Analysis**SB 1555*****AN ACT CONCERNING THE TEN-YEAR PLAN TO ERADICATE CONCENTRATED POVERTY IN PARTICIPATING CONCENTRATED POVERTY CENSUS TRACTS.*****SUMMARY**

This bill expands the agencies and entities involved in developing a 10-year plan to reduce the levels of concentrated poverty in a designated “concentrated poverty census tract” participating in a Department of Economic and Community Development (DECD) pilot program (see BACKGROUND).

Under current law, DECD’s Office of Neighborhood Investment and Community Engagement must develop this plan in consultation with DECD’s Office of Community Economic Development Assistance, the Office of Policy and Management, Office of Workforce Strategy, Office of Early Childhood, State Department of Education, applicable community development corporations serving the participating tract or tracts, applicable municipal chief elected officials, and any other public or private entity the DECD commissioner finds relevant or necessary to achieve these purposes. The bill additionally requires the office to consult with DECD, the Department of Housing, and the regional workforce development board that serves the participating area.

The bill also requires the DECD commissioner, by September 1, 2025, to submit an additional progress report to the Finance, Revenue and Bonding Committee on the 10-year plan’s development. By law, he must also report his progress to the committee by June 1, 2025, and submit the finished plan to the General Assembly by January 1, 2026.

Lastly, the bill eliminates provisions establishing a seven-member working group of legislators to develop a guidance document by April

1, 2025, that sets a framework for (1) best practices and any initiatives or actions it believes will mitigate the effects of concentrated poverty and (2) specific metrics to include in the 10-year plan. The working group never met.

EFFECTIVE DATE: Upon passage

BACKGROUND

Concentrated Poverty Census Tract Pilot Program

In 2024, the legislature created a pilot program aimed at reducing concentrated poverty in the state. Under this program, a new office within DECD must develop a 10-year plan for a participating “concentrated poverty census tract” (i.e. a tract in which at least 30% of households have incomes below the federal poverty level (FPL)) together with specified state agencies, local officials, and a community development corporation established by community members to help implement it.

Starting on the date DECD submits the 10-year plan to the legislature, state agencies must give priority to the projects included in the plan for any grants or funding programs they award or administer for which the projects may be eligible. These projects also have priority for specified state funding (e.g., Community Investment Fund 2030 funding) subject to each program’s existing criteria.

10-Year Plan

By law, DECD’s Office of Neighborhood Investment and Community Engagement must develop a 10-year plan for the participating tract or tracts to reduce the levels of concentrated poverty in the area served by the CDC by:

1. reducing the percentage of households living in the tract or tracts with incomes below the FPL to 20% or less and
2. making sustained improvements in community infrastructure and other underlying conditions that prolong concentrated poverty and economic inertia in the tract or tracts.

The plan must at least include:

1. measurable implementation steps, target dates for completing each step, and the state or local official or agency responsible for doing so;
2. minimum statewide averages for educational metrics (e.g., kindergarten-, college-, and career- readiness and grade level reading and mathematics) to serve as benchmarks for improvements in the tract or tracts; and
3. a list of possible projects, as specified under the law.

The office must begin overseeing the plan’s implementation by January 1, 2026.

Right of Action Against State or Municipal Officials

Starting July 1, 2027, if any state or municipal official does not timely fulfill his or her requirements or responsibilities under the pilot program or 10-year plan, a certified community development corporation created for a concentrated poverty census tract may bring a mandamus action against the official under certain conditions. Specifically, the corporation must (1) have been selected under DECD’s pilot program process, (2) demonstrate good-faith efforts to effectuate the 10-year plan, and (3) be aggrieved by the official’s failure.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 52 Nay 0 (04/24/2025)