PEQUOT GRANTS
Fact Sheet

Description of Original Formula
PA 93-388 established the Pequot fund and distributed revenue in the fund as follows:
- $20 million based on each town’s State Property PILOT grant
- $20 million based on each town’s College & Hospital grant
- $35 million based on a property tax relief formula that incorporates each town’s equalized net grand list per capita and per capita income
- $5,475,000 is distributed as an additional payment to distressed municipalities
- $44.2 million is provided to certain towns in lieu of the amount they would otherwise receive from the above specified formula
- Host town payments of $25,000 each to Ledyard, North Stonington and Preston

Current Formula
Current Pequot statute is similar to the original formula, with the following changes:

- Host town payments have changed several times over the grant’s history. Currently, they are 1) $750,000 each to Montville, Ledyard, Preston, North Stonington and Norwich, and 2) $1.6 million distributed to all members of the Southeastern CT Council of Governments and distressed municipalities within the Northeastern CT Council of Governments.
- PA 99-1 established supplemental payments of $49.75 million to be distributed from the fund in addition to and in proportion to the funding provided from the original formula. This was later reduced to $47.5 million
- Language was added allowing for proportional reduction of Pequot grants to the amount appropriated, except that host town payments are not subject to proration.

Non-Formulaic Adjustments
FY 20 and FY 21 grant amounts were distributed partially according to the traditional Pequot formula, but included the following non-formulaic adjustments:

- Towns receive the same Pequot grant they received FY 19 (with four exceptions as described below). FY 19 Pequot funding was distributed
formulaically and then reduced from FY 18 levels by $8.1 million on a per capita basis, with distressed municipalities receiving a reduction of not more than $250,000.

- $1,530,000 was distributed accordingly: 1) $500,000 each to Norwich, Montville, and Ledyard, and 2) $30,000 to Stonington