



Governor Ned Lamont
State of Connecticut



FACT SHEET
2019 Legislative Session

HOUSE BILL ## LCO 4579
***AN ACT CONCERNING MUNICIPAL AND REGIONAL
OPPORTUNITIES AND EFFICIENCIES***

Summary of Proposal:

This proposal provides for earlier detection of fiscally distressed municipalities so that steps can be taken to ensure financial stability; takes concrete steps to identify opportunities, plan for and implement the sharing and consolidation of services within municipalities, among municipalities and on a regional basis; and provides the funding to incentivize the streamlining of state, regional and local service delivery.

Reason for Proposal:

Connecticut's balkanized map of 169 municipalities, numerous overlapping local and regional territories and bodies, has helped create our state's fiscal challenges and the drag they have had on our economy. This package is a step forward in unraveling and restructuring our governance to make it more streamlined, efficient, cost-effective and have the capacity to provide higher quality services.

Significant Impacts:

Section 1. New Criteria for Early Detection of Financially Distressed Municipalities for Referral to the Municipal Finance Advisory Council (MFAC) for Corrective Action. Enables the Secretary of the Office of Policy and Management (OPM) to make findings after review of municipal and regional school district audits and, if the audits were not done properly or reveal irregularities, require the municipality or district to explain the findings and submit a plan to take corrective action. Provides the Secretary with the ability to identify a financially distressed municipality earlier and refer them to the MFAC. The referral is based upon the evaluation of certain fiscal indicators, including low or declining fund balance, operating deficits, repetitive use of tax or bond anticipation notes to maintain cash flow, or low bond rating. The MFAC is charged with helping to develop and implement corrective action plans to promote the long-term fiscal health of the municipality.

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Sections 2 – 3. Restructure and Reinvigorate the Advisory Commission on Intergovernmental Relations (ACIR) to Develop Specific Plans to Streamline State Regional and Local Service Delivery. The membership of ACIR is enhanced by adding the Co-chairs and Ranking Members of the Planning and Development Committee and a representative of Labor. ACIR is tasked with analyzing, planning and implementing all aspects of the sharing and consolidation of government services and provided with 13 specific areas of inquiry, that encompass subjects such as the alignment of regions, opportunities for intra-municipal and inter-municipal consolidation and the provision of services regionally, standardization of reporting among governing bodies and enhanced data collection. ACIR is required to make specific recommendations to the Secretary every six months on how to better share services among the state, regional and local levels. Yearly reports will contain metrics to determine progress on the recommendations and work plans.

Sections 4 - 6. Create a New Regional Performance Incentive Program (RPIP) and Accompanying Grants to Plan and Implement the Sharing and Consolidation of State, Regional and Local Services. Funding provided for the efforts of ACIR described above. A new base grant formula is established for distributing Regional Services Grants to the Regional Councils of Governments (COGs) from the Regional Planning Incentive Account. The Secretary is given the discretion to provide funding for the joint provision of any government service or for a planning study on the sharing of services on a regional basis. ACIR is connected to the grant process as it is tasked with making recommendations on funding to achieve cost savings through regional efficiencies to COGs, Regional Educational Service Centers and other regional bodies or combination thereof.

Section 7. Creates the Commission on Shared School Services (COSSS). Establishes COSSS to develop a plan for the redistricting or consolidation of school services and school districts. With legislative and gubernatorial appointments, COSSS is to begin work 30 days after passage of the bill. It is staffed by the State Department of Education, with funding of \$800,000 provided in the budget for staff and consultants, and terminates on June 30, 2027.

Section 8 – 9. Require COSSS to Engage in a Detailed Planning Process and Provides for the Solicitation of Proposals. Charges COSSS with developing a plan and consulting ACIR. It may establish subcommittees and working groups and conduct hearings. It is to develop 16 reports and recommendations involving myriad stakeholders on a range of topics between November 1, 2019 and October 1, 2020, with a comprehensive report due no later than December 1, 2020 and a hearing by December 15, 2020. Subsequent recommendations may follow. Requires the Department of Education (SDE) to solicit proposals through a Request for Information for cooperative arrangements, regionalization of education, and incentives by March 1, 2020, and to share the results with COSSS.

Section 10. Requires Municipalities and their Related School Districts to Report on Shared Services. By September 15, 2019, each municipality and their respective school districts must report to OPM, SDE and Administrative Services (DAS), on the services that have been shared or consolidated. By January 1, 2020, each municipality and their respective school districts, in consultation with ACIR and COSSS, must report to OPM, SDE and DAS, on the services that will be shared or consolidated. The Secretary will share these reports with ACIR and COSSS.

Section 11. Makes Technical Changes Due to Other Changes in the Bill.

Section 12. Funding for Shared or Regional Services. Provides for OPM expending \$250,000 to promote and facilitate the implementation of shared or regional government services.

Section 13. Coordinates Revaluation Cycles for Towns Within Five Revaluation Zones. Establishes COGs and groups of COGs into five Revaluation Zones and then, in accordance with a schedule set by the Secretary, coordinates the revaluation cycles of the municipalities within each zone over a five year period.

Section 14. Makes the COGs the “Back Office” for Certain Municipalities for Reassessment and Revaluation. Provides for the establishment of Regional Assessment Divisions at the COGs by July 1, 2020 for the collection and processing of data for the 146 municipalities with fewer than 15,000 parcels and requires such municipalities to provide data to the state or be penalized.

Sections 15 – 20. Consolidate Tax Collection and Assessment Functions. Makes tax collectors appointed positions as of July 1, 2019, except that those elected prior to such date can fill out their terms. Requires municipalities with fewer than 15,000 parcels to merge their tax collector and assessors departments by July 1, 2022.

Section 21. Allows Municipalities to Override their Charters to Share or Consolidate Services. Under current law (CGS Sec. 7-148cc), two or more municipalities may jointly perform any function that they could perform separately. This section provides that no charter, special act, home rule ordinance or local law can prevent two or more municipalities from combining to jointly perform services.

Sections 22 - 24. Promote Consolidation of Public Service Answering Points (PSAPs). Promotes the merger of 60 single town PSAPs (emergency dispatching) with populations of less than 40,000, by providing additional transition grant money from the Emergency 9-1-1 Program to defray the upfront costs of consolidation. Any municipality with a population of less than 40,000 who have not combined their PSAP with two or more municipalities by June 30, 2024, will no longer receive annual subsidies from the Program.

Section 25. Decreases the Number of Mandated Inspections by Fire Marshals. The requirement that Fire Marshals inspect residential buildings with three to sixteen families annually is changed as follows:

- Three to six family buildings – once every three years; and
- Seven to sixteen family buildings – once every two calendar years.

Section 26. Requires Boards of Education to Act upon Collective Bargaining Agreements. The bargaining representative for a board of education must submit any collective bargaining agreement to the board within 14 days of the date the agreement was reached, and the board must act upon such agreement within 30 days of submission.