



CRCOG 2018 Legislative Agenda January 17, 2018

The 38 cities and towns making up the Capitol Region Council of Governments understand Connecticut's state budget constraints. We believe CRCOG and the other COGs can help address these issues efficiently and effectively if provided with the right tools.

The tools CRCOG needs fall into two general categories:

- Removal of all barriers for inter-town service sharing and provision of a reliable,
- Steady revenue stream to the region that is independent of both state and municipal sources.

We have included more specific tools under "Metropolitan Regional Empowerment," below, and ask the legislature to act in this session to grant CRCOG and other Connecticut COGs the ability to help our state deal with the present crisis and future anticipated needs in our regions.

Metropolitan Regional Empowerment

- * **Expand Shared Services Offerings.** Support expanding shared services such as:
 - Technology and services based on the Nutmeg Cloud IT/software
There were no changes to budget line item for CT Network.
 - Police, Fire, and EMS communications including conducting a regional PSAP study for operations and funding (including governance, equipment needs)
Not part of submitted legislation/bill activity.
 - Reinstate the Regional Performance Incentive program
No changes in the budget adjustments to the RPIP.
 - Use COG boundaries as framework for other district services such as workforce development and human services delivery
Not part of submitted legislation/bill activity.
 - Receiving a fair share of national Homeland Security funds
Not part of submitted legislation/bill activity.

Stable Funding for Councils of Governments. To be vibrant and effective, Councils of Government need long-term stability in funding. A direct, reliable source of funding, not dependent on either the State or municipalities, is needed.

Senate Bill 543: Councils of Governments line item was reduced from \$5,000,000 to \$4,106,250 in the adopted bi-partisan budget.

Senate Bill 543: The Municipal Revenue Sharing Account (MRSA). The enacted budget delays the sales and use tax revenue diversion to this account until fiscal year 2022.

- * **COGs as Counties for Purposes of Federal Funding.** Secure State approvals necessary for federal declaration Councils of Governments shall be considered counties for the purpose of receiving federal grants.
Did not get voted on in the 2018 session. CRCOG continues to support this.
- * **Codify Council of Government Roles.** Codify roles in water and solid waste planning in state law.
Did not get voted on in the 2018 session.

We are also asking legislators to address the following priorities in the 2018 session:

Transportation

- * **Lockbox.** A transportation lockbox is an essential component for securing additional crucial transportation investments. The CRCOG region needs state or federal or new local sources of funding to maintain good repair and make improvements for roads, bridges, and transit to support economic growth.

The lockbox will be on the ballot in 2018 following the passage of the resolution to establish a constitutional lockbox.
- * **Tolling, Regulatory Authority, and Design-Build-Operate-Maintain Framework.** Revenues to the Special Transportation Fund are crucial to ensure a state of good repair, continue building a best-in-class transportation system, and encourage economic development. Tolling is a sustainable revenue option that all of our neighboring states use. Initiating the environmental process to establish tolling, working to define a regulatory structure, and ensuring a streamlined approach to delivery is in-place are focus areas that should be advanced.

Despite significant focus on tolling as a method by which to ensure that the Special Transportation fund remains solvent, there was not a vote held in either chamber on the institution of tolls.

Acceleration of the new car sales tax was included in the recently adopted budget adjustments. The phase in begins in fiscal year 2019. Senate Bill 543 is the budget revision bill.

- * **Capital Funding for Transportation Projects.** Support continued funding for the Town Aid Road Program, Local Bridge Program, and Local Transportation Capital Improvement Program (LOTICIP).

No adjustments made to Town Aid Road.

(See attached document on LOTICIP funding.)

- * **Advance Critical Interstate Projects.** Support the Interstate 84 Viaduct Reconstruction and Charter Oak Bridge projects as they will provide significant congestion relief, improve safety, and encourage economic development.
Not part of submitted legislation/bill activity.
- * **Passenger Rail.** Monitor and continue to push State activities to assure rail service from New Haven to the Hartford region comes on line as scheduled May 2018 and that the three planned rail stations in our metropolitan region are completed.
Not part of submitted legislation/bill activity.
- * **Boston Rail Connection.** Advance efforts and work with the State of Massachusetts to close the rail gap between Springfield and Worcester to allow frequent passenger train service from Hartford to Boston.
Not part of submitted legislation/bill activity.
- * **CTfastrak Support and Expansion** Continue the support of CTfastrak expansion to complete CTfastrak East and invest in CTfastrak service to Bradley Airport using existing HOV lanes.
- * **Facilitate Transportation Grants Process.** Develop expedited grant and approval process for State grants in aid for transportation-related development projects including LOTICIP and Transit-Oriented Development (TOD), and support continuation of LOTICIP program as a successful alternative to STP-Urban Federal grants to Municipalities.
Not part of submitted legislation/bill activity.

Economic and Environmental Vitality

- * **PILOT.** Create a statewide Pilot Impact Equity (PIE) program to address heavily impacted communities for tax revenue losses due to State properties and farm/forests, MM&E reimbursement, hospitals and colleges, and PA 490 lands to be funded by a modest increase in sales taxes. All towns would be expected to absorb a 15% loss of nontaxable property without reimbursement for the public good. Also, restore state funding for Enterprise Zones.

The Commission on Fiscal Stability and Economic Growth recommended diversifying municipal revenue streams beyond the regressive property tax and stimulating regional service delivery (Recommendation #10). Section 56 of **SB 543 An Act Concerning Revisions To The State Budget For Fiscal Year 2019 And Deficiency Appropriations For Fiscal Year 2018 (PA 18-81)** establishes a panel to study and make recommendations regarding the proposals made by the Commission in its final report concerning the rebalancing of state taxes to better stimulate economic growth without raising net new taxes. The study is to include, but not be limited to, reviews of

(1) options for expanding revenue sources for municipalities, and (2) base-broadening methodologies for the sales and use taxes, taking into account the work of said commission and the State Tax Panel convened pursuant to section 138 of public act 14-217.

SB 263 An Act Eliminating Certain Unclaimed And Seldom Claimed Tax Credits

ends two economic development corporation business tax credit programs. It closes, on or after July 1, 2018, new applications for the 10-year credit available for developing or acquiring facilities for specified uses in the state's 18 enterprise zones and other designated areas, but allows businesses that were awarded the credit before this date to continue to claim it until the end of the 10-year period. The bill also eliminates the tax credit for establishing new businesses in the enterprise zones and makes several technical and conforming changes.

- * **Regional Asset Districts.** Create Regional Asset Districts to promote regional recreational and cultural facilities funded through food and beverage taxes and local property taxes. Funds to be distributed by COGs for infrastructure improvements for these facilities.

The Legislature did not take any action on this item. HB 5287 An Act Concerning a Municipal Option for Property Tax abatement for Arts and Culture, which died in the House, would have authorized municipalities to establish a property tax relief program for property used for arts or culture, including art galleries, art studios, installation galleries, performance venues, and retailers catering or relating to the arts. Under their programs, municipalities would be able to abate up to 100% of property taxes due on such property.

- * **Brownfields.** Continue to support Brownfields testing and remediation funding to reuse impacted sites along transit and rail corridors and in other areas.

SB 268 An Act Increasing The Term Limit For Loans Under The Targeted Brownfield Development Loan Program (PA 18-85)

makes programmatic changes to state and municipal brownfield remediation programs. It extends the maximum period for repaying certain Department of Economic and Community Development (DECD) loans from 20 to 30 years and requires certain recipients of DECD grants to remediate brownfields under one of four state liability relief programs. It authorizes municipalities to enter into agreements with people and entities (i.e., prospective purchasers) proposing to acquire a brownfield for statutorily permitted property tax incentives and expands the range of programs they may enter as a condition for receiving an incentive. It also sets conditions allowing a notice of activity and use limitation (NAUL) to be used in areas where a prior holder of interest in the property holds an interest that allows activities that the NAUL otherwise prohibits. A NAUL is a legal instrument generally used to minimize exposure to contamination by controlling the kind of activity that can occur on contaminated property. The instrument is executed and recorded in municipal land records.

- * **Advance Sustainability.** Support sustainability approach through continuing energy conservation projects, micro-grids and ZREC projects for Towns/Boards of Education.

SB 9 An Act Concerning Connecticut's Energy Future replaces the state's current net metering framework for renewable energy projects with a tariff-based model moving forward based on project solicitations through PURA. While municipalities are still able to credit up to five municipal or school district buildings (and an additional five so-called "critical facilities") as part of their renewable energy project applications, eligible projects are capped at 2 MW each. The bill also increases the state's Renewable Portfolio Standard targets, extends the LRCEC and ZREC programs, and reconfigures the funding mechanism for the Conservation & Load Management program by establishing a new conservation adjustment mechanism.

- * **Update Prevailing Wage Provisions.** CRCOG along with CCM and COST supports updating the threshold for renovation projects to \$500,000. CRCOG further supports having the project minimum threshold indexed automatically to inflation in the construction industry. CRCOG further supports combining the prevailing wage threshold for renovation projects and CHRO projects into a single threshold. While town views may vary on this issue, the consensus of CRCOG is to request an update to the threshold.

The legislature did not take any action on this issue.

Education

- * **School Town Service Integration.** Require closer collaboration or integration of school and town administrative functions to reduce duplication costs.

Legislation was adopted last year that encourages closer cooperation between towns and school districts for certain administrative functions and contracting for good and services. Legislation raised this year that would have made this process more prescriptive was not called for a vote by the Senate.

- * **Special Education Funding.** Have the State assume all costs of special education with appropriate adjustments in ECS funding to reflect reduced special education expenditures at the local level.

The Education Cost Sharing line item was reduced by \$402,723 from the original FY19 appropriation (a smaller reduction than was recommended by the Governor).

The Excess Cost line item was reduced by \$1,500,000 from the original FY19 appropriations (this reduction was in line with the Governor's recommendations).

A proposed bill that would have required the state to assume the full cost of Special Education was not passed out of Committee.

- * **Individual Education Plan (IEP) Appeals Process.** Empower Regional Education Service Centers to serve as the sole appeal process for decisions on individual education plans to avoid unnecessary legal expenses and delays.
There were no changes made to the Burden of Proof regulations governing Special Education appeals.

Technology

- * **Expand Nutmeg Network.** Support expansion of Nutmeg Network to additional towns, libraries and schools in the region.

There were no changes made to the budget line item for the CT Network.

- * **Advance Digital Equity.** Address digital equity issues by requiring Internet providers to provide low-cost service to households with the free or reduced lunch program.

There was no action taken on this issue, although the legislature did debate so-called “net neutrality” legislation that would prohibit fixed and mobile broadband internet access providers from, among other things, (1) blocking lawful content, applications, services, and devices; (2) impairing or degrading lawful internet traffic based on its content, application, or service (i.e., throttling); and (3) engaging in paid prioritization. It would have also required providers to publicly disclose accurate information on their network management practices, performance, and commercial terms sufficient, as determined by the Public Utilities Regulatory Authority (PURA), for end users to fully and accurately determine whether the service complies with the bill's provisions. Although it passed the Senate, the bill was not called for a vote on the House.

- * **Accelerate the State use of strategic IT.** Require each state agency to develop a Strategic IT Plan and develop a common grant portal, one-door access for Human Services.

HB 5517, AAC Executive Branch Data Management and Processes establishes the position of Chief Data Officer within the Office of Policy and Management and requires that, not later than December 31, 2018, and every two years thereafter, the Chief Data Officer, in consultation with the agency data officers and executive branch agency heads, shall create a state data plan. The state data plan shall (1) establish management and data analysis standards across all executive branch agencies, (2) include specific, achievable goals within the two years following adoption of such plan, as well as longer term goals, (3) make recommendations to enhance standardization and integration of data systems and data management practices across all executive branch agencies, (4) provide a timeline for a review of any state or federal legal concerns or other obstacles to the internal sharing of data among agencies, including security and privacy concerns, and (5) set goals for improving the online repository established pursuant to subsection (i) of this section. Each state data plan shall

provide for a procedure for each agency head to report to the Chief Data Officer regarding the agency's progress toward achieving the plan's goals. Such plan may make recommendations concerning data management for the legislative or judicial branch agencies, but such recommendations shall not be binding on such agencies.

The bill allows any municipality to voluntarily opt to comply with the provisions of this section and, upon submission of written notice of the agency's or municipality's decision to the Office of Policy and Management, the provisions of this section shall apply to such agency or municipality. Any municipality that voluntarily opts to comply with the provisions of this section may opt out of complying with this section upon submission of written notice of the agency's or municipality's decision to the Office of Policy and Management. The Office of Policy and Management shall create and maintain a list of all agencies subject to the provisions of this section, including those agencies and municipalities that have voluntarily opted to comply, and shall publish such list on the office's Internet web site and update such list as necessary.

The bill also provides that, on or before May 1, 2019, and not less than annually thereafter, each town that possesses or contracts for services for the creation or maintenance of a digital parcel file shall transmit such file to the regional council of governments of which it is a member. If a town is not a member of a council of governments, such file shall be transmitted to the Secretary of the Office of Policy and Management. The digital parcel file shall include, but need not be limited to: (1) Any information from the assessor database that (A) uniquely identifies each property in the digital parcel file, (B) identifies the size of each property, (C) identifies the address of each property, (D) identifies the value of the land, buildings and other improvements for each property, and (E) identifies the year in which buildings were constructed for each property; and (2) any other information deemed necessary by the applicable regional council of governments.

"Digital parcel file" means a computer file or files containing a graphic vector representation of the boundary information originally depicted and maintained on a town assessor's maps, including, but not limited to, fee ownership, public and private rights of way, and easements, that are typically created in and maintained using a geographic information system or computer aided design software.

On or before July 1, 2019, and annually thereafter, each regional council of governments shall submit a report to the Secretary of the Office of Policy and Management and to the joint standing committee of the General Assembly having cognizance of matters relating to planning and development, that lists each town that (1) has failed to provide its digital parcel file, and (2) does not possess a digital parcel file.

