Capitol Region Council of Governments

CRCOG 2013 Legislative Agenda and Legislative Session Activity Results

June 27, 2013

Connecticut State Issues

1. State Budget Situation Calls for Involvement and Partnership. Materials released by CT OPM in November and December 2012 indicate both a short term state deficit issue as well as long term sizable structural deficits for the state budget. CRCOG respectfully requests that the state reach out to local and regional public sector organizations as the budget challenges are faced. With a seat at the table CRCOG and our 30 member towns can be of assistance in looking for ways to streamline spending and find improvements in service delivery. CRCOG seeks to participate in a collaborative effort to resolve the pressing fiscal crisis facing our state and municipal governments. State and local governments in Connecticut are inexplicably tied to one another through our current systems of revenue generation and sharing in an effort to provide critical and required services to our citizens. Any shifts in revenues and services may have substantial and unanticipated impacts. CRCOG requests that state leadership reach out to the regions and local governments in partnership to address the pressing fiscal situation that is likely to continue for a number of years. CRCOG stands ready to participate in collaborative and thorough discussions on spending, revenues and on measures to improve the efficiency of state and local services.

Several members of CRCOG were involved in shaping the final recommendations of the Municipal Opportunities & Regional Efficiencies (M.O.R.E) Commission. These recommendations sought to increase cost efficiency through regional collaboration. The Commission’s final recommendations were adopted in the budgeting implementing bill, HB 6706 - AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNium ENDING JUNE 30, 2015 CONCERNING GENERAL GOVERNMENT.

Of particular note, the final recommendations that were ultimately adopted include;

UNIFORM ACCOUNTING SYSTEM FOR TOWNS (Sec. 257)
- Requires the OPM secretary, by July 1, 2014, to develop and implement a uniform accounting system for municipal revenue and expenditures, including board of education and grant agency expenditures and revenue.
- Requires towns to (1) implement the uniform system by June 30, 2015 and (2) use it to file annual reports with OPM.

UNIFORM REGIONAL SCHOOL CALENDARS (Sec. 321-324)
Establishes a 19-member task force to develop guidelines for each regional education service center (RESC) to use in developing uniform regional school calendars.

- Requires each RESC to develop a uniform regional school calendar for each board of education in its service area that is consistent with the task force’s guidelines by April 1, 2014.
- Allows boards to adopt the uniform calendars for the 2014 school year and requires them to do so beginning with the 2015 school year.

REGIONAL HUMAN SERVICES COORDINATING COUNCILS (Sec. 327)

- Starting January 1, 2015, requires each state planning region to establish regional human services coordinating councils to encourage collaborations fostering the development and maintenance of a client-focused structure for each region’s health and human services system.
- (Below we have included other adopted M.O.R.E. Commission recommendations that relate to individual CRCOG legislative priorities)

2. Fair and Equitable State K-12 Education Funding. K-12 education funding makes up a majority of local budgets and is a top concern. A change in funding for education and all inter-governmental aid directly affects overall town budgets. CRCOG supports fair and equitable state funding for local education and requests that impacts of changes on overall town budgets be carefully considered.

Contained within HB 6706, the bill implementing sections of the budget regarding general government, were also several sections that relate to educational funding. We have included those sections below.

EDUCATION COST SHARING (ECS) FORMULA (§§ 152-153)

- Revises and updates ECS formula that distributes the largest sources of state education aid to towns.
- Raises the per-student foundation amount from $9,687 to $11,525.
- Updates the way the state measures town wealth (property wealth to income wealth ratio, method of measuring income).
- Changes student need measurement to use free and reduced price lunch population.
- Establishes a minimum aid ratio of 10% for alliance districts and 2% for all other districts.
- Phases-in new funding and different rates depending upon educational need: non-Alliance Districts (1% of fully funded grant), Alliance Districts (8%) and Educational Reform Districts (12%).

EFFECTIVE DATE: July 1, 2013

MINIMUM BUDGET REQUIREMENT (MBR) (§ 154)

- Continues the existing MBR for FY 14 and 15.
- Continues existing statutory MBR flexibility.
Establishes separate Alliance Districts MBR that takes into account the minimum local funding percentage.

**EFFECTIVE DATE: July 1, 2013**

3. **Recasting Metropolitan Regional Organizations Tasks and Boundaries.** State law requires a report recommending boundaries for the state’s 14 regional planning organizations and a set of recommended tasks for regional organizations be done in 2014. A good deal of state policy over the past five years – from land use to economic growth to transit and affordable housing to name a few – would benefit immensely from strong regional planning and implementation capacity as has been the case at CRCOG for the ten major service sharing projects currently underway. As more tasks will likely be asked of regions in the state going forward, appropriate state support for regional capacity is important for appropriate land use planning, support for transit oriented development and service sharing initiatives. CRCOG supports a careful consideration of revisions to the tasks of metropolitan regional organizations in the state as one pathway for more cost effective services.

On the final day of the legislative session, the General Assembly passed **HB 6706 - AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015 CONCERNING GENERAL GOVERNMENT.** Below we have included a M.O.R.E. Commission recommendation regarding RPOs that was ultimately adopted in **HB 6706.**

**REGIONAL PLANNING ORGANIZATIONS AND REGIONS (Sec. 249-254, 258-259, 261-319, 386 & 388)**

- Eliminates regional planning agencies and regional councils of elected officials after January 1, 2015, leaving regional councils of governments (COGs) as the only type of regional planning organization (RPO), and makes many conforming changes to reflect this change (§§ 250, 252, 254, 258-259, 261-319 & 388).
- Adds to the list of criteria the OPM secretary must consider in his analysis of state planning regions and requires him to report to the Planning and Development Committee on its status by October 1, 2013 (§ 249).
- Changes the funding formula for COGs and uses the regional performance incentive account (which the bill renames the regional planning incentive account) as the funding source (§§ 251, 318-319, & 386).
- Modifies the regional performance incentive program to, among other things, require two or more municipalities that apply for program funds to do so through their RPO (§ 253)

4. **Advance Transportation Projects in the Metropolitan Region.** The top two transit priorities of CRCOG for the better part of a decade are currently moving forward: the New Britain to Hartford bus rapid transit line and significantly enhanced rail service from Springfield to Hartford to New Haven and to New York City including greater connectivity to the Bradley Airport. CRCOG strongly supports moving ahead with both
inter-city commuter rail and the Hartford-New Britain bus rapid transit projects as a foundation for further economic development and workforce mobility. These two projects connect major employment centers in the region and beyond and address the location of 60% of regional freeway congestion in the region. Significant federal funding is being used to advance both of these projects. CRCOG also supports investing in our transportation infrastructure, ensuring a state of good repair is maintained and working to maintain the region’s economic competitiveness. Exploring alternative transportation revenue and innovation in streamlining design and construction process will assist the State in addressing a backlog of infrastructure needs. We recognize that priorities such as the I-84 viaduct and Connecticut River Bridge to name two large needs do not have funding identified at this time. Work is being undertaken to prepare for the replacement of the I-84 Viaduct project that will reunited parts of Hartford and provide important space for development in the city.

There were three bills proposed this legislative session regarding the New Britain-Hartford busway. All three sought to cease funding for the construction of the busway. None of the three bills listed below, however, were voted out of their originating committee.

- **SB 265 - AN ACT CONCERNING THE CONSTRUCTION AND FUNDING OF THE NEW BRITAIN-HARTFORD BUSWAY.**
- **HB 5543 - AN ACT LIMITING THE OPERATING EXPENSES OF THE NEW BRITAIN-HARTFORD BUSWAY.**
- **HB 6036 - AN ACT LIMITING THE COSTS OF THE NEW BRITAIN-HARTFORD BUSWAY.**

Additionally, the General Assembly passed a bonding package, **SB 842 - AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION, ELIMINATION OF THE ACCUMULATED GAAP DEFICIT AND OTHER PURPOSES**, on the final day of the legislative session. **SB 842** includes several transportation specific sections that we have included below.

**TRANSPORTATION PROJECTS (§39-45)**

The bill authorizes up to $ 706. 9 million in STO bonds in FY 14 for DOT's capital improvement program, as shown in Table 2. The authorizations include $ 141 million for bus and rail facilities and equipment and $ 113 million for DOT's Interstate highway program.
# STO Bond Authorizations for DOT Projects

## Authorized Program Areas

<table>
<thead>
<tr>
<th>Bureau of Engineering and Highway Operations</th>
<th>FY 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate highway program</td>
<td>$113,000,000</td>
</tr>
<tr>
<td>Urban systems</td>
<td>8,500,000</td>
</tr>
<tr>
<td>Intrastate highway program</td>
<td>54,000,000</td>
</tr>
<tr>
<td>Environmental compliance, soil and groundwater remediation, hazardous materials abatement, demolition, salt shed construction and renovation, storage tank replacement, and environmental emergency response at or near state-owned properties or related to DOT operations</td>
<td>5,000,000</td>
</tr>
<tr>
<td>State bridge improvement, rehabilitation, and replacement</td>
<td>33,000,000</td>
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<tr>
<td>Capital resurfacing and related reconstruction</td>
<td>68,900,000</td>
</tr>
<tr>
<td>Fix-it-First bridge repair program</td>
<td>60,687,500</td>
</tr>
<tr>
<td>Fix-it-First road repair program</td>
<td>55,000,000</td>
</tr>
<tr>
<td>Local Transportation Capital Program</td>
<td>45,000,000</td>
</tr>
<tr>
<td>Town-aid road (see below)</td>
<td>60,000,000</td>
</tr>
<tr>
<td>Local bridge program</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Preliminary engineering studies to improve and widen the interchange of I-91 and I-84 in Hartford</td>
<td>200,000</td>
</tr>
</tbody>
</table>

## Bureau of Aviation and Ports

| Developing and improving general aviation airports, including grants to municipal airports other than Bradley International Airport | 2,000,000 |

## Bureau of Public Transportation

| Bus and rail facilities and equipment, including rights-of-way, other property acquisition, and related projects | 141,000,000 |
| Long-term infrastructure investment plan (see below) | 2,000,000 |
| Preliminary engineering studies for upgrades of MetroNorth track infrastructure between New Haven and New York state | 200,000 |

## Bureau of Administration

| Department facilities | 18,731,600 |
| STO bonds, cost of issuance and debt service reserve | 24,700,000 |
**Town-Aid Road (TAR) (§ 40)**

The bill authorizes up $60 million in STO bonds annually for FY 14 to fund TAR grants to municipalities. The law requires the state to allocate specified annual amounts from DOT appropriations to provide grants to towns for highway and bridge improvements and for emergency aid to repair damage to roads, bridges, and dams caused by natural disasters. The authorizations in this bill replace these allocations from DOT’s annual budget.

5. **Reform Solid Waste Management Framework.** CRCOG and CCSWA have lead an effort involving Mid Connecticut Project towns to provide for an orderly, predictable, efficient, and cost-effective integrated solid waste management system. Early in 2103 a number of important issues will need to be addressed including the continued viability of waste to energy in the metropolitan area and the need to update a revised statewide policy framework in the field after a number of decades of changing circumstances in the field. The General Assembly should evaluate solid waste legislation and its applicability to current and future regulatory and market trends. Specific areas requiring legislative review include the goal that the state be self-sufficient in solid waste disposal, whether the state and municipalities are best served by the certificate of need process which limits the capacity of resource recovery facilities and landfills, and the requirement that the CRRA is required to implement the statewide solid waste plan as developed by CT DEEP, a cost that is born by less than half the municipalities in the State. If CRRA is to continue to have a statewide mandate to implement the plan then the State should bear the burden of the implementation. CRCOG fully supports efforts to expand the definition of Tier 1 renewable sources in the state’s Renewable Portfolio Standard (RPS) to include energy produced by trash to energy facilities.

On the final day of the legislative session, the House in concurrence with the Senate passed SB 1081 - AN ACT CONCERNING RECYCLING AND JOBS, as amended by Senate Schedule A LCO # 5746, Senate Schedule B LCO # 7742 & Senate Schedule C LCO # 7911.

This bill, as amended, makes several changes to the state’s laws relating to recycling and solid waste management. Among other things, it:

1. Increases the information scrap metal processors must provide to the Department of Energy and Environmental Protection (DEEP) commissioner to be exempt from needing a solid waste facility permit (§ 2);

2. Broadens the scope of the law that requires certain generators of organic materials to separate organic materials from other solid waste and recycle them at composting facilities (§ 4);
3. Requires the DEEP commissioner to consult with state or quasi-public agencies and identify opportunities to establish a recycling infrastructure investment program or expand an existing one (§ 5);

4. Allows municipalities to adopt ordinances providing a property tax exemption for certain recycling machinery or equipment (§ 6);

5. Requires DEEP to audit the Connecticut Resources Recovery Authority (CRRA) to, among other things, review its financial condition, and provide a summary of the audits' findings (§ 7);

6. Establishes a Resources Recovery Task Force to study the operations, financial stability, and business models of Connecticut's resource recovery facilities (§ 8);

7. Requires CRRA to develop a transition plan for either (a) long-term financial stability or (b) dissolution (§ 9); and

8. Allows DEEP-approved solid waste contracts in force as of December 31, 2008 that are extended to exceed the law's 30-year duration limit (§ 501).

The bill also repeals several obsolete statutes and provisions relating to CRRA and makes several minor and technical changes.

Senate Amendment “A” removes provisions in the original bill that:

1. Created a program for technical assistance and incentives to towns and regions with a solid waste disposal unit-based pricing system (“pay-as-you-throw”);

2. Set goals for regional waste management authorities to provide towns with a regional option for solid waste management; and

3. Prohibited solid waste collectors from mixing designated recyclables with other solid waste, regardless of whether they do so knowingly.

Senate Amendment “B” removes the same provisions as Amendment “A” and:

1. Adds the provisions relating to CRRA and the Resources Recovery Task Force,

2. Requires scrap metal processors to include an estimate of the amount of metal received from Connecticut construction or demolition sites,

3. Decreases the tonnage threshold requiring certain entities to recycle organic materials by 2020,

4. Eliminates a provision in the original bill exempting certain solid waste collectors from providing reports on collected solid waste to municipalities, and
5. Specifies that to be (a) an end user a manufacturer must make a marketable product and (b) a collector a person must hold him or herself out for hire regularly to collect solid waste instead of collecting such waste on a regular basis.

Senate Amendment “C” exempts contract extensions of DEEP commissioner-approved solid waste contracts in force as of December 31, 2008 from the law’s 30-year contract limitation.

**EFFECTIVE DATE: October 1, 2013, except** the property tax provision is applicable to assessment years starting on or after that date and the provisions relating to CRRA, the Resources Recovery Task Force, and the 30-year solid waste contract limitation take effect upon passage.

6. **Fair Terms for High Speed Internet Access for Towns.** Federal and state funds including more than $100 million in federal stimulus funding for broadband will in the next 18 months provide access at some point in each of the state’s 169 towns to very high speed internet access. Such internet access is crucial for future efforts at robust disaster recovery and more advanced shared services for towns. CRCOG strongly urges that towns be offered high speed internet access for general government in town at the same rate and terms as other parts of local government and at no greater unit cost.

On the final day of the legislative session, the General Assembly passed **HB 6706 - AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNIAL ENDING JUNE 30, 2015 CONCERNING GENERAL GOVERNMENT.** Below is one of the adopted M.O.R.E. Commission’s recommendations, within **HB 6706**, which relates to a state wide high speed network.

**STATE WIDE HIGH SPEED COMMUNICATIONS NETWORK (Sec. 255-256, 325, & 387)**

- Requires the Bureau of Enterprise Systems, in consultation with COGs, to recommend a two-year schedule for connecting each town and COG to the statewide high speed communications network (§ 256).
- Repeals laws requiring the commission to work with (1) DAS to develop technology standards for education-related programs and (2) SDE to develop a statewide plan for teacher and administrator competency in instructional technology (§§ 325 & 387).
- Sec. 253 (d) On or before December 31, 2013, and annually thereafter, in addition to any proposal submitted pursuant to this section, any municipality or regional council of governments may apply to the secretary for a grant to fund: (1) Operating costs associated with connecting to the state-wide high speed, flexible network developed pursuant to section 4d-80, as amended by this act; and (2) capital cost associated with connecting to such network, including expenses associated with building out the internal fiber network connections required to connect to such network, provided the secretary shall make any such grant available in accordance with the two-year schedule by which the Bureau of
Enterprise Systems and Technology recommends connecting each municipality and regional council of governments to such network. Any municipality or regional council of governments shall submit each application in the form and manner the secretary prescribes.

7. Efficient State Services. CRCOG supports efforts in all executive agencies to streamline permitting of municipal projects and reasonable approaches to common municipal problems. The projects that are held up in the permitting process represent thousands of Connecticut jobs on hundreds of projects. Specifically, we support expedited approvals of local bridge and highway projects by CT Department of Transportation and CT Department of Environmental Protection.

With a day left in the legislative session, the Senate in concurrence with the House passed HB 6653 - AN ACT CONCERNING DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION REGULATORY STREAMLINING TO ASSIST MUNICIPALITIES, as amended by House Schedule A LCO # 7663.

This bill makes many changes in the state’s environmental laws. Among other things, it:

1. Modifies the information regarding public notice that certain permit and license applicants must provide to the Department of Energy and Environmental Protection (DEEP) commissioner (§ 1);

2. Eliminates the commissioner's authority to create tidal wetlands boundary maps (§§ 2 & 19);

3. Allows the commissioner to provide certain notices electronically (§§ 3, 7 & 8);

4. Removes the (a) 60-day deadline by which certain inland wetlands general permit applicants must notify local land use agencies of their intention to conduct the permitted activity and (b) provision allowing the agencies or any person to submit written comments on such activity to the commissioner (§ 4);

5. Expands the circumstances where the commissioner must hold a public hearing for a permit to conduct certain activities below the coastal jurisdiction line (§ 6);

6. Extends the date by which the commissioner must adopt regulations exempting categories of water discharges from certain plan and specification requirements (§ 9);

7. Requires the commissioner to issue and record on the land records a certificate of revocation when he revokes a final order to correct potential sources of, or abate, pollution (§ 11); and
8. Allows the commissioner to (a) set the fee for beneficial or commercial use of certain sand, gravel, or other material from waterward of the high water mark by regulation and (b) waive the fee (§ 13).

The bill repeals several environmental statutes, including (1) a public education program on solid waste disposal practices, (2) program related to greenhouse gas labeling for motor vehicles, and (3) requirement that DEEP offer carbon dioxide allowances (§§ 14-17 and 20, see Table 1).

It also eliminates requirements that DEEP adopt regulations on (1) farm resources management plans, (2) sewage system additive registration, (3) residential underground heating oil storage tank systems, and (4) official recycling symbols (§§ 5, 10, 12, 14, 18 and 20, see Table 1).

House Amendment “A” (1) removes provisions eliminating requirements for the commissioner to prepare, amend, and make lists of certain general permit holders publicly available and (2) restores the requirement that an inland wetland general permit for certain applicants requires notice of the permitted activity to local land use agencies.

8. Disaster Preparation and Response. CRCOG recommends vigorous follow through on Learned from three major weather events in 18 months. CRCOG stands ready to help advance implementation of any of the 82 recommendations from the Governor's Two Storm Panel and the Witt Report as well as other lessons learned from various state level reviews and CRCOG's own after action analysis. Hardening of cell phone systems has emerged as on specific issue needing to be addressed.

On the final day of the legislative session, the Senate in concurrence with the House passed Governor's H.B. No. 6374 - AN ACT CONCERNING COORDINATED LONG-TERM DISASTER RELIEF AND RECOVERY.

This bill establishes the Connecticut Coordinated Assistance and Recovery Endowment (CT CARE) as a tax exempt foundation, under a governing board, to support coordinated emergency recovery in cases where state services are affected by natural disasters, acts of domestic terrorism, catastrophic events, or other unforeseen emergencies. It establishes the Coordinated Emergency Recovery Fund (CERF), under the state treasurer's custody, to receive and disburse private funds to CT CARE to provide victims' relief and assistance to individuals, towns, and nonprofit organizations affected by such emergencies.

The bill subjects the foundation to many of the requirements governing other existing state foundations (such as the University of Connecticut Foundation). Among other things, the foundation must keep its books according to generally accepted accounting principles and be audited by either state auditors or an independent certified public accountant.
The bill designates the Department of Emergency Services and Public Protection (DESPP) as the state agency for which the foundation is established. It requires the foundation to have a written agreement with DESPP covering its use of DESPP’s facilities and resources.

The bill requires the foundation to have a governing board. For each eligible incident, the board must establish a distribution committee to help it determine eligibility requirements for recipients of disbursements from any fund established by the foundation. An “eligible incident” is any emergency declared by a political subdivision of the state; the governor; or two-thirds vote of the board, following a request by the governor.

9. Update the Prevailing Wage Threshold. CRCOG requests updating the threshold for prevailing wage projects to $1 million, and that the project minimum threshold be indexed automatically to inflation in the construction industry.

More than 25 bills were proposed this legislative session relating to prevailing wage standards. None of these bills, however, was voted out of their originating committee.

10. Support Amendment to Conveyance Tax Statute. Support a proposed amendment to CGS Section 12-494 (a) to prevent developers from avoiding the obligation to pay conveyance taxes on the full value of a piece of residential property and of the home constructed on that property by the developer when the property and home are sold to the new owner (s). Developers have tried to separate these two pieces of the transaction in a way that may permit them to pay conveyance tax only on the value of the land, not on the value of the newly constructed home, thereby decreasing revenue due to the State and Cities and Towns.

SB 726 - AN ACT CONCERNING THE REAL ESTATE CONVEYANCE TAX was introduced by Senator Witkos, Representative Becker and Representative Legeyt early on in the legislative session. The bill, however, was not voted out of its originating committee – the Finance Revenue and Bonding Committee.

Full text of SB 726:

- That subsection (a) of section 12-494 of the general statutes be amended to specify that, for purposes of real estate conveyance tax liability, real property includes not just the land, but also any buildings or improvements upon the land.

Statement of purpose for SB 726:

- To clarify a developer’s liability for the real estate conveyance tax in situations where the developer sells the land in a separate transaction from the sale of the residence built on the land.
**Additional Issues**

As is often the case other issues arise during sessions which, although not on the legislative agenda, have an impact on CRCOG members. Some of the additional 2013 issues include:

1. *TEIP* funding which was cut in the Governor's proposed budget but partially reinstated by the Appropriations Committee
2. Capital funding for transportation projects was unexpectedly zeroed out by the Finance Committee. It was eventually reinstated.

1. **SB 111** *AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE CONCERNING THE IMPLEMENTATION OF E-GOVERNMENT*, which changed the makeup of the executive committee and added information on the need for and potential uses of electronic means for delivering services.

2. **HB 6437** *AN ACT CONCERNING A MATTRESS STEWARDSHIP PROGRAM*, which will create significant savings for municipalities by removing mattresses from the municipal solid waste stream.

3. **SB 876** *AN ACT CONCERNING AUTHORIZATION OF STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS* initially made changes to among other things, the allowed roof pitch. Last minute changes to the bill omitted this section.