

Governor Ned Lamont State of Connecticut



FACT SHEET 2023 Legislative Session

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT

HOUSE BILL 6660

Summary of Proposal:

This bill makes the following changes:

Section 1 amends 5-198 to provide <u>two</u> executive assistants for [a] <u>each</u> department head <u>or each</u> deputy department head

Section 2 establishes the Office of Workforce Strategy (OWS) under the Department of Labor for administrative purposes only. Previously OWS was under the Office of the Governor for administrative purposes only. OWS is budgeted as an independent agency in the Governor's proposed budget.

Section 3 delays the provisions of PA 21-2 JSS – the FY 2023 Midterm Budget, by two years.

Section 4 ends the OPM housing study in FY 2024 by creating a deadline for the final report for such study on January 1, 2024. This will remove the continuing requirement for such a report to be submitted biennially. For FY 2022 and FY 2023, the budget appropriated \$149,000 and \$101,900 for this study, respectively.

Section 5 amends the Community Investment Fund (CIF) statute to have the Department of Economic and Community Development (DECD) charge administrative costs to the agency's available appropriations rather than the bond funds. Funding was recommended in the budget to support this funding switch. Specifically, \$485,661 in Personal Services, \$39,602 in Other Expenses and three positions in both FY 2024 and FY 2025 is provided.

Sections 6 – 7 eliminate the sales and use tax revenue deposits into the Municipal Revenue Sharing Account (MRSA) after FY 2023 and instead requires the same deposits into the Municipal Revenue Sharing Fund (MRSF) beginning in FY 2024.

Section 8 establishes grant payments from the Municipal Revenue Sharing Fund as follows: Motor Vehicle Tax Grants pursuant to subsection (c) of section 4-66*l*, Tiered PILOT payments pursuant to subsections (d) and (e) of section 12-18b, Supplemental Revenue Sharing grants pursuant to a new payment list in this section, Mashantucket Pequot and Mohegan grants pursuant to section 3-55i through 3-55m, and Municipal Revenue Sharing grants pursuant to subsection (d) of section 4-66*l*.

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Sections 9 – 11 make technical changes to the Tiered Payment-in-Lieu of Taxes (PILOT) formula to: (1) clarify the pro-ration of payments to towns, (2) eliminate a payment certification requirement to conform with changes made in P.A. 22-74, and (3) move language from other sections of statute to bring all components of the formula under section 12-18b.

Section 12 amends the statutes pertaining to the Mashantucket Pequot and Mohegan Fund to eliminate transfers of revenue into said fund after FY 2023 and instead transfer the same amount to the Municipal Revenue Sharing Fund for grant payments.

Sections 13 – 14 eliminate payments from MRSA after FY 2023, as its constituent grants are instead paid from MRSF beginning in FY 2024 under section 8 of this bill.

Sections 15 – 16 allows for notices to be published on the websites of agencies and municipalities rather than in newspapers.

Sections 17 – 20 modifies the Social Equity and Innovation Fund to the Cannabis Social Equity and Innovation Fund (SEIF) as well as outlines that such fund is non-lapsing. In addition, this section requires the Social Equity Council to submit its budget requests like every other agency in the state.

Sections 21 – 23 streamlines the information required to be provided in the Governor's budget documents and allows the budget to be published electronically.

Sections 24 – 27 raise the compensation of judges, including the Supreme Court, Appellate Court, and Superior Court. Judge compensation changes also impact judge trial referees, family support magistrates, and family support referees.

Sections 28 – 29 requires the Department of Administrative Services to promulgate regulations on the maximum price per square foot for eligible school construction projects and allows the Secretary of the Office of Policy and Management to modify the priority list sent to the General Assembly based upon the state's ability to accommodate the debt service.

Sections 30 – 77 and 137 amend Office of Higher Education statutes to change the agency head from an *Executive Director* to a *Commissioner*.

Sections 78 – 137 amend Office of Health Strategy statutes to change the agency head from an *Executive Director* to a *Commissioner*.

Reason for Proposal:

Legislation is required to implement the Governor's Budget.

Significant Impacts:

Sections 6 through 14 effectuate the payment of several municipal aid programs from the Municipal Revenue Sharing Fund (MRSF). Under current law: Motor Vehicle Tax, Tiered PILOT, and Municipal Revenue Sharing grant program payments are made from the Municipal Revenue Sharing Account (MRSA); Mashantucket Pequot and Mohegan grants are paid from the Mashantucket Pequot and Mohegan Fund; and Municipal Stabilization and Municipal Revenue Sharing grants are paid from General Fund appropriations. The Governor's budget

reallocates all of these programs to be paid from MRSF to streamline the funding mechanism for this local aid and add clarity to the way these payments are reflected in the budget.