# CONNECTICUT ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

A Multi-jurisdictional Agency Of Connecticut State Government



# Annual Report For 2023-2024

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https://portal.ct.gov/acir

December 6, 2024

## **Advisory Commission on Intergovernmental Relations Membership**

#### **Officers**

John Filchak, Chair Public Member, appointed by Senate President Pro Tempore

Stephen Stephanou, Vice Chair Town Manager, Manchester

#### **Members**

Steven Cassano Designee of Senate President Pro Tempore

Brendan Sharkey Designee of Speaker of the House of Representatives

James O'Leary Designee of Senate Minority Leader Vacant Designee of the House Minority Leader

Brie Wolf Designee of Comm. of Economic and Community Development Harrison Nantz Designee of Comm. of Energy and Environmental Protection

Keith Norton Designee of Comm. of Education

Martin Heft Designee of Sec. of the Office of Policy and Management

Hon. Irene Haines First Selectman, East Haddam

Brian Foley Town Manager, Tolland

Hon. Laura Hoydick Mayor, Stratford

Bridget Fox Chief of Staff, Stamford

Thomas Gaudett Chief Administrative Officer, Bridgeport

Lon Seidman Connecticut Association of Boards of Education

Jan Perruccio Connecticut Association of Public School Superintendents
Matt Hart Connecticut Association of Councils of Governments

Troy Raccuia AFSCME Council 4

Eric Protulis Public Member, appointed by the Governor

Samuel Gold Public Member, appointed by Senate Minority Leader

Carl Amento Public Member, appointed by Speaker of House of Representatives

Francis Pickering Public Member, appointed by House Minority Leader

Ron Thomas Connecticut Conference of Municipalities

Karl Kilduff Town Administrator, Weston, Designee of Council of Small Towns

#### **Staff**

Christine Goupil Office of Policy and Management
Bruce Wittchen Office of Policy and Management

To the Connecticut General Assembly:

This is the <u>Advisory Commission on Intergovernmental Relations</u>' (ACIR's) annual report on its activities covering the period through October, 2024. The ACIR is a 25-member commission of the State of Connecticut created in 1985 to study system issues between the state and local governments and recommend solutions to enhance coordination and cooperation between the state and local governments.

In 2023-24, the ACIR completed the study assigned to it by Special Act (SA) <u>23-13</u>, *An Act Studying The Consolidation Of Metropolitan Planning Organizations*, submitting its final report in January, 2024. The study is described in greater detail later in this report. The ACIR did not receive a new assignment from the 2024 Legislative Session and is proceeding with a <u>2024-25 Work Program</u> it adopted earlier this year. Subcommittees meet monthly to advance that work program, which has two focus areas:

- 1. Municipal Workforce Development
- 2. Special Education, Education Governance and Workforce Development

Workforce development is a rapidly growing concern both in local government and in public education, so is of interest to both subcommittees. Other issues being considered by the subcommittees have been the subject of much previous work by the ACIR and by others, so the subcommittees are building on those efforts and are collaborating with others to advance shared goals. The subcommittees are also looking to academic partnerships to fill gaps in research.

A foundational report for this work is the <u>2020 Report of the Task Force to Promote Municipal Shared Services</u>. The ACIR prepared that report on behalf of the task force, however, the report was delivered to and approved only days before the COVID-19 closures, which halted progress on adoption and implementation of the policy recommendations. The ACIR's current education subcommittee is also reevaluating the recommendations in education-related reports issued a decade ago by the Municipal Opportunities & Regional Efficiencies (MORE) Commission.

Recent ACIR annual reports have noted opportunities for improving government operations based on local and state experiences with the COVID-19 pandemic and the simultaneous economic disruptions of the past few years. The ACIR considers this an issue of some urgency because of the continued reliance on temporary federal funding in state and local budgets. A fiscal cliff is on the horizon.

The ACIR welcomes suggestions and questions regarding the work described or proposed in this report, especially suggestions that can help guide future activities. The ACIR's activities have been constrained by the limited staffing available to it since it lost its full-time staff support almost 15 years ago, but now has the part-time support of two staff of OPM's Intergovernmental Policy & Planning Division. Please feel free to contact us care of Bruce Wittchen, Office of Policy and Management, at 860.418.6323 or <a href="https://example.com/ACIR@ct.gov">ACIR@ct.gov</a>.

Sincerely:

John Filchak, Chair

Stephen Stephanou, Vice Chair

#### STATUTORY AUTHORITY

The Connecticut Advisory Commission on Intergovernmental Relations (ACIR) is a 25-member commission established in 1985 by Section 2-79a of the Connecticut General Statutes (CGS). The makeup is designed to allow for open discussion across broad jurisdictional lines with a common interest in bettering local government. It was created to study system issues between the state and local governments and to recommend solutions as appropriate.

The role of ACIR is to: (1) serve as a forum for consultation between state and local officials; (2) conduct research on intergovernmental issues; (3) encourage and coordinate studies of intergovernmental issues by universities and others; and (4) initiate policy development and make recommendations to all levels of government.

# 2023-2024 Activities

### 2024-2025 ACIR WORK PROGRAM

The ACIR has established two subcommittees in accordance with its <u>2024-25 Work Program</u>, after pausing the Local Government of the Future (LGF) initiative the group had launched in response to changes in government operations and service delivery resulting from COVID-19 closures and mitigation efforts.

One subcommittee is focused on municipal workforce development – an issue of rapidly increasing significance. They will explore and recommend actions regarding non-education public-sector hiring, training, diversity, and retention challenges that put local government's ability to deliver services at risk. As a part of this, they are considering opportunities for, and barriers to, shared and regional approaches that can resolve workforce challenges while potentially improving services delivery.

The second subcommittee is looking at special education, education governance, and education workforce development. The first two of its sub-topics are of long-standing ACIR interest, while recognition of workforce development issues is increasing as rapidly in education as it is in municipal government.

The subcommittees only recently got underway, have attracted key partners, and are meeting monthly. The current goal for each is to provide initial recommendations for consideration in the 2025 Legislative Session and continue their work beyond that. The ACIR intends to work with leadership of committees of cognizance and of the General Assembly to identify topics for additional recommendations the ACIR and subcommittees can develop during the remainder of the fiscal year and bring forth for the 2026 Legislative Session.

STUDY OF THE CONSOLIDATION OF METROPOLITAN PLANNING ORGANIZATIONS PURSUANT TO SPECIAL ACT 23-13

https://portal.ct.gov/-/media/acir/misc\_reports/2024/acir\_sa\_23-13\_study\_report\_2024-01-05.pdf

Special Act 23-13 (SA 23-13), An Act Studying The Consolidation Of Metropolitan Planning Organizations, assigned the ACIR to study the possible consolidation of the

state's metropolitan planning organizations. Metropolitan planning organization (MPOs) are created in accordance with Federal Highway Administration (FHWA) requirements to carry out the metropolitan transportation planning at a regional scale.

Connecticut has eight MPOs: South Western Region, Housatonic Valley, Central Naugatuck Valley, Greater Bridgeport and Valley, South Central Regional, Capitol Region, Lower Connecticut River Valley, and Southeastern CT. MPOs represent localities in all urbanized areas (UZAs) with populations over 50,000. The northwestern and northeastern corners of the state lack the urbanized population necessary to be independent MPOs. Each of the state's MPOs is hosted by one of the state's regional Councils of Governments (COGs).

SA 23-13 directed the ACIR to provide a report to include the following:

- 1. Recommend a minimum population to be represented by a metropolitan planning organization;
- 2. Recommend metropolitan planning organizations that can be consolidated or reconfigured to represent a larger population;
- 3. Identify the potential consistencies, efficiencies and benefits to the state and municipalities as a result of consolidating metropolitan planning organizations;
- 4. Identify any barriers that the state or municipalities may encounter while planning, and during, the consolidation of metropolitan planning organizations;
- 5. Identify any state resources that can assist municipalities to overcome any such barrier:
- 6. Include transition planning to address the staffing and funding needs of metropolitan planning organizations that are consolidated or reconfigured; and
- 7. Identify any conclusions that can be drawn from the configuration of metropolitan planning organizations in other states.

The ACIR conducted an informational meeting on November 14, 2023, which brought together national, state, regional, and local MPO authorities. The ACIR submitted its report to the Governor and Transportation Committee leaders at the beginning of 2024.

NEW STATE MANDATES ON MUNICIPALITIES REPORTS: 2023 & 2024 https://portal.ct.gov/-/media/ACIR/Mandates/Session/ACIR 2023 Mandates Report.pdf https://portal.ct.gov/-/media/ACIR/Mandates/Session/ACIR 2024 Mandates Report.pdf

In 2024, 20 bills passed with one or more sections that the ACIR considers to be a mandate. In 2023, 37 such bills passed. Looking further back in time, 24 bills passed in 2022 included one or more mandates, as did 31 in 2021. Only four such bills passed in 2020 under the tight constraints of COVID 19. It is typical for the numbers to be higher in long-session, odd-numbered years.

One or morse sections of an additional five bills passed in 2024 can have the impact of a mandate but are not specifically directed at municipalities. Three did so in 2023. Common examples of those are requirements that apply to all employers, such as expanded coverage requirements for group health insurance policies, or increased requirements for facilities caring for children, whether public or private. The numbers in 2023 and 2024 were smaller than the seven identified in 2022 and far fewer than the sixteen of 2021. There had been three in 2020. Such mandates are identified as "Section C" mandates in the ACIR's mandates compendiums.

The ACIR also tracks mandate reductions, legislation providing relief from existing mandates. Five bills passed in 2024 and six in 2023 reduced or eliminated mandates, compared with five in 2022, seven in 2021, and zero in 2020.

It must be noted that the ACIR often will identify a mandate in legislation for which the legislature's Office of Fiscal Analysis (OFA) reported no mandate prior to bill passage. The ACIR is not criticizing the work of OFA staff, who operate under daunting time constraints, but the OFA will sometimes say a new requirement will not impose a cost because it can be handled by current municipal or school district staff. However, local staff time or other resources dedicated to a new task is no longer available for other current or future tasks. Many mandates might seem trivial when viewed in isolation, but added up they have a significant cumulative impact.

COMPENDIUM OF STATUTORY & REGULATORY MANDATES: 2024 https://portal.ct.gov/-/media/acir/mandates/compendium/2024 acir mandates compendium.pdf

In addition to the annual session mandates report described in the previous section of this report, the ACIR is also directed to publish a compendium identifying every existing legislative and regulatory mandate. That distinguishes it from the annual session report, which only identifies a particular year's public and special acts that created, increased, or reduced a mandate. Note that the compendium includes regulatory mandates while annual session reports do not.

The first full compendium was published in 1998 and an updated full compendium, identifying all known mandates, is published every fourth year. An annual compendium supplement is due the other three years and identifies changes since the previous year's edition. 2024's Compendium was a full compendium and will be followed by three briefer supplements, with the next full compendium expected in 2028.

The ACIR has been reconsidering its long-standing approach for reporting on mandates, which has been to catalog mandates with only a limited estimate of fiscal impacts due to the daunting level of work that would be required to thoroughly analyze all of them. There could be great value, however, in a more rigorous analysis of even just a few mandates each year to determine how predictions of fiscal impacts made at the time mandates were enacted compare with the impacts actually experienced by municipalities.

Differences in municipal population, staffing levels, governance, and other factors might have a surprisingly large impact on how some mandates are experienced. The group published some very preliminary work in this area back in 1995:

https://portal.ct.gov/-/media/ACIR/Misc Reports/1995/ACIR Cost Estimates for-Selected Mandates 1995.pdf

Some of the municipal responses recorded there offer insights into how mandates can be experienced differently. Some of the ACIR's thoughts about studying mandates in a more focused manner are reflected in Recommendation 9 of the previously mentioned 2020 Report of the Task Force to Promote Municipal Shared Services. In addition to its regular reporting on mandates, the ACIR is collaborating with the Connecticut Conference of Municipalities, Connecticut Association of Public School Superintendents,

and others to identify mandates and test a methodology for making such a study of mandates a regular part of the ACIR's work. It should be very informative.

#### 2023 ACIR VISIONING SESSION

The ACIR held a half-day, in-person visioning workshop on September 8, 2023 that was described in the 2023 Annual Report. The workshop prompted a continuing discussion of options for bolstering the ACIR's effectiveness, with one aspect of that culminating in proposed bill language, not raised during 2024's legislative session, that would have:

- Changed the selection process for certain members;
- Authorized certain members to designate alternates to represent them when they are unable to attend a meeting;
- Included, as ex officio members, the chairs and ranking members of the Planning and Development, Finance, Revenue, and Bonding; Appropriations, and the Government Administrations and Elections Committees; and
- established expectations for members' participation.

The ACIR continues to consider possible statutory changes and has discussed making such visioning sessions a more regular occurrence.

# PROPERTY TAX REFORM FOR CONNECTICUT: A REPORT AND RECOMMENDATIONS (DRAFT)

https://portal.ct.gov/-/media/ACIR/Meetings/2023/Draft ACIR Property Tax Restructuring Report.pdf

The ACIR developed and circulated a draft report on property tax restructuring in 2023, as described in the 2023 annual report. That year's annual report noted that many state and local leaders have been interested in reforming the property tax, but short-term federal dollars temporarily had removed much of the pressure to act. The ACIR expects interest in property tax reform will rise with reductions in outside funding, as is already being experienced with school district staff reductions.

The ACIR continued to refine its property tax restructuring work into 2024, but ultimately decided to reorient its effort around the two new working groups described earlier in this report. The working groups are focused on topics that are rapidly growing challenges for local finance and the ACIR believes that effort will benefit local government more immediately.

The ACIR recognizes that property tax restructuring, and resetting the baseline for local government finance, requires more than just replacing local property tax revenue with revenue generated at the state level. Permanent reduction of Connecticut's over-reliance on the property tax depends also on long-term approaches that can provide improved services and greater efficiencies. The ACIR has not abandoned its efforts regarding property tax restructuring. Instead, it is refocusing and will continue to seek opportunities to apply and refine the recommendations of the draft report.

## TASK FORCE TO STUDY TITLE 7 OF THE GENERAL STATUTES - SPECIAL ACT 22-4

<u>Special Act 22-4</u> created the *Task Force To Study Title 7 Of The General Statutes* and reserved one of the eleven seats on the task force for a member of the ACIR, to be

appointed by the Senate Republican Leader. Then-leader Senator Kevin Kelly appointed Commission member Gold to that position in late 2022, but the task force was never fully formed nor begun its work. Title 7 includes many of the statutes focused on municipalities, so is a topic of great interest to the ACIR.