

Governor Ned Lamont State of Connecticut



FACT SHEET 2022 Legislative Session

SENATE BILL 9 GOVERNOR'S BILL AN ACT CONCERNING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT

Summary of Proposal

The proposal makes various changes to the statutes that are necessary to implement the Governor's proposed FY 2023 budget adjustments. See below for description of specific changes.

Reason for Proposal

To implement the Governor's proposed FY 2023 budget adjustments.

Significant Impacts

Section 1 prohibits municipalities and/or districts from imposing combined mill rates higher than 29 on motor vehicles beginning in FY 2023. Residents of 103 municipalities would receive over \$160 million in statewide motor vehicle property tax relief as a result, and municipalities would be made whole for any resulting revenue impact.

Section 2 amends the existing grant formula to reimburse municipalities for the motor vehicle mill rate cap's impact on tax revenue. For FY 2023 and each fiscal year thereafter, this section requires OPM to pay grants to municipalities and districts equal to the revenue impact of the mill rate cap of 29 established in section 1 based on the preceding fiscal year. This section will ensure that municipalities are reimbursed for the tax relief provided in section 1.

Section 3 requires any over-collection of State Employees Retirement System funds be deposited to the retirement fund. Currently, over-collections of pension funding are deposited as General Fund revenue, while under-collections reduce available pension funding. This proposal would provide for consistent treatment of both over-collections and under-collections and prevent years where contributions are (slightly) less that the actuarially determined amount.

Section 4 allows each state agency to designate state agency electric vehicle (EV) charging stations as available for public use, for the sole use of state employees, or for a combination of both state employees and the public. Requires state agencies to assess and collect a fee

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established, to be determined in consultation with DEEP, to both the public and state employee who use the electric vehicle charging stations purchased and installed on or after October 1, 2022, except that any user charging an electric vehicle that is owned or leased by the state be exempt. Fees collected are to be deposited in the General Fund.

Sections 5-6 enhance oversight of state agency contracting by providing explicit oversight of contracting processes in state contracting agencies to the Auditors of Public Accounts (APA). It allows APA to receive referrals of procurement issues from the State Contacting Standards Board (CSB) and conduct audits, as well as report out improprieties

Section 7 fixes the off-budget cannabis funds.

- <u>Cannabis Regulatory and Investment Account</u> Adds that allocations be made in consultation with the Social Equity Council.
- <u>Social Equity and Innovation Account</u> Adds that monies allocated to be in consultation
 with the Social Equity Council and allows state agency costs to implement the Cannabis
 Act to be paid for from the account.
- <u>Social Equity and Innovation Fund</u> Allows state agency costs to implement the Cannabis Act to be paid for from the fund.
- <u>Prevention and Recovery Services Fund</u> Allows the Social Equity Council to make recommendations to any relevant state agency regarding expenditures to be made from the fund.