
OLR Bill Analysis

SB 127

AN ACT CONCERNING COMMUNITY INVESTMENT BOARDS AND NEIGHBORHOOD ASSISTANCE.

SUMMARY

This bill requires the chief executive officers (CEO) of certain large municipalities to establish neighborhood community investment boards to identify funding priorities for municipal revenue sharing grants. The CEOs must establish a board for each neighborhood in the municipality and appoint the board members, who may include residents, business owners, and civic leaders. The bill authorizes these municipalities to spend part of their municipal revenue sharing grants on the identified priorities.

By January 1, 2024, the bill requires the Office of Policy and Management (OPM), within available appropriations, to create and maintain a website that lets residents and organizations submit proposed solutions to problems in urban areas (§ 3). If the OPM secretary or his designee decides a proposal is viable, he must identify a municipality or neighborhood in which to implement the proposal as a pilot program, monitor its implementation, and assess its results. OPM must give a financial award, within available appropriations, to each resident or organization whose proposal becomes the basis of a pilot program that the secretary or his designee deems successful.

The bill also establishes a task force to study (1) programs for which nonprofit providers use state funding and (2) state agency requirements for nonprofit providers and compliance with those requirements.

EFFECTIVE DATE: October 1, 2022, except the OPM website and task force provisions are effective July 1, 2022.

§§ 1-2 — COMMUNITY INVESTMENT BOARDS

The bill's requirement to establish community investment boards in

each neighborhood applies to any municipality with a population over 60,000 according to the 2020 Census, but an area of no more than 30 square miles (i.e., Bridgeport, Bristol, Hamden, Hartford, Meriden, New Britain, New Haven, Norwalk, Waterbury, and West Hartford). The municipality's CEO must select the board members, who may include residents, business owners, religious leaders, community development corporation representatives, and community group representatives. If a neighborhood revitalization zone (NRZ) has been established in a neighborhood, the CEO must designate the associated NRZ committee to serve as the neighborhood's community investment board (see BACKGROUND).

The bill requires the community investment boards to identify priorities for spending municipal revenue sharing grants. Municipalities with community investment boards may choose to spend these grants so that:

1. 35% is spent on priorities identified by the community investment boards,
2. 35% is spent on priorities identified by the municipality's legislative body, and
3. 30% is spent on priorities jointly agreed upon by the boards and legislative body.

§ 4 — TASK FORCE ON STATE-FUNDED NONPROFIT PROVIDERS

Under the bill, the task force consists of 12 members, two each appointed by the six legislative leaders. Their appointments may be legislators and must be made by July 31, 2022. The appointing authority fills any vacancy.

The bill requires the Senate president pro tempore and House speaker to select the task force's chairpersons from among its members. The chairpersons must schedule and hold the first meeting by August 30, 2022. The Planning and Development Committee's administrative staff must serve as the task force's staff.

The task force must report its findings and recommendations to the Planning and Development Committee by January 1, 2023. The task force terminates on that date or when it submits its report, whichever is later.

BACKGROUND

Municipal Revenue Sharing Grants

By law, municipal revenue sharing grants are funded through the municipal revenue sharing account by a sales tax revenue diversion. The statutory formula for calculating the grant amounts is based on each municipality's real and personal property mill rate (other than its motor vehicle mill rate). Grant amounts are reduced for municipalities whose spending exceeds a specified municipal spending cap.

NRZs

The state's NRZ program helps neighborhood residents and businesses develop and implement plans to revitalize economically- and socially-distressed neighborhoods. NRZs are municipally designated.

NRZ committees are established after a municipality adopts the NRZ planning committee's strategic plan in order to implement it (CGS § 7-602). NRZ committees must reflect the neighborhood's composition and include tenants and property owners, community organizations, and representatives of neighborhood businesses or businesses that own property in the neighborhood.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 19 Nay 7 (03/04/2022)