

General Obligation
Bonding Subcommittee
Agency Hearing Summary

April 15, 2021
11:30 AM

Agency Hearing Schedule April 15, 2021

Start	End	Agency/Topic
11:30	2:00	Office of Policy and Management

Summary Note: Information is provided primarily regarding programs with Governor proposed additional funding or change. Each agency includes a programmatic summary of Governor proposed funding, unallocated balance (funds available under current law that could be approved by bond commission to be spent), and recent allocations. Additional detail is provided on select programs.

Office of Policy and Management

Program	Unallocated Balance 1/1/21	Gov. Rec FY 22	Gov. Rec FY 23	Gov. Rec Cancel
Local Capital Improvement Fund (LOCIP)	95,000,000	30,000,000	30,000,000	-
Grants-in-aid for municipal purposes	76,000,000	76,000,000	76,000,000	-
DOT - Town Aid Road (TAR) Program - GO Bonds	-	30,000,000	30,000,000	-
DOT - Town Aid Road (TAR) Program - STO Bonds	-	30,000,000	30,000,000	-
Capital Equipment Purchase Fund (CEPF)	41,131,625	10,000,000	27,000,000	-
Distressed Municipalities	3,500,000	7,000,000	7,000,000	-
Grants-in-aid to municipalities for the purchase of on-body cameras for local law enforcement officers	4,536,335	2,000,000	2,000,000	-
Information Technology Capital Investment Program	116,888,745	65,000,000	65,000,000	-
Per capita grants-in-aid to distressed municipalities	New	50,000,000	-	-
Small Town Economic Assistance Program (STEAP)	45,000,000	-	15,000,000	-
Urban Act - Grants-in-aid for urban development projects	174,991,416	50,000,000	50,000,000	-
Design and implementation of consolidation of higher education systems with the state's CORE system	3,000,000			-
Development and implementation of databases in the CORE financial system associated with results-based accountability	1,200,000			-
Governor's Nonprofit Program				
Grants-in-aid to private, nonprofit health and human service organizations that receive funds from the state to provide direct health or human services to state agency clients, for alterations, renovations, improvements, additions and new construction, including health, safety, compliance with the Americans with Disabilities Act and energy conservation improvements, information technology systems, technology for independence and purchase of vehicles and acquisition of property	50,000,000			-
Responsible Growth Incentive Fund	2,000,000			-
Transit-oriented development and predevelopment activities	6,000,000			-

The following bond programs have proposed allocations on the agenda for the April 16, 2021 State Bond Commission Meeting. The table shows expected updated unallocated balances for those programs should the proposed allocations be approved.

Program	Unallocated Balance 1/1/21	April 16 Proposed Allocation	Expected New Unallocated Balance
Local Capital Improvement Fund (LOCIP)	95,000,000	35,000,000	60,000,000
Grants-in-aid for municipal purposes	76,000,000	76,000,000	-
Grants-in-aid to municipalities for the purchase of on-body cameras for local law enforcement officers	4,536,335	536,335	4,000,000
Information Technology Capital Investment Program	116,888,745	29,516,194	87,372,551
Urban Act - Grants-in-aid for urban development projects	174,991,416	15,217,168	159,774,248

Office of Policy and Management

Major Municipal Bonded Grants

Program
Local Capital Improvement Fund (LOCIP)
Grants-in-aid for municipal purposes
DOT - Town Aid Road (TAR) Program - GO Bonds
DOT - Town Aid Road (TAR) Program - STO Bonds

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
30,000,000	30,000,000	30,000,000	30,000,000	
76,000,000	76,000,000	76,000,000	76,000,000	
30,000,000	30,000,000	30,000,000	30,000,000	
30,000,000	30,000,000	30,000,000	30,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
95,000,000	90,000,000	35,000,000	30,000,000	30,000,000	112,500,000	-	-	-
76,000,000	60,000,000	60,000,000	76,000,000	76,000,000	120,000,000	5,000,000	55,000,000	76,000,000
-	30,000,000	30,000,000	30,000,000	30,000,000	60,000,000	-	30,000,000	60,000,000
-	30,000,000	30,000,000	30,000,000	30,000,000	-	60,000,000	-	60,000,000

Summary

These are the major bonded municipal grants, which are often included when comparing municipal funding alongside appropriated grants.

LoCIP funds are made available to municipalities at two times during the year, per statute. In 2017, authorizations were brought in line with municipal share, fixing a decade-old discrepancy. The funding in the unallocated balance represents dollars already made available to towns. Municipalities can choose to roll funds over from year to year – allocations are made based on actual cash flow within the project.

The Town Aid Road and Municipal Purpose Grant-in-aid programs are made available by fiscal year, per authorizing law.

The Governor's proposal is to split between GO and STO bonds for the coming biennium, which repeats what was adopted in the FY 18/19 biennium and the FY 20/21 biennium

The programs have differing level of acceptable uses, approval requirements, and/or waivers through the administering agency.

Program				
Capital Equipment Purchase Fund (CEPF)				

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
45,000,000	27,000,000	10,000,000	27,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
41,131,625	15,000,000	-	-	27,000,000	-	26,000,000	-	10,000,000

Summary

This program provides funds for agencies statewide for the purpose of acquiring capital equipment with an anticipated remaining useful life of not less than five years from the date of purchase. Funds are often allocated to the program generally, based on expected use and spending trends.

Program				
Distressed Municipalities				

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
7,000,000	7,000,000	7,000,000	7,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
3,500,000	-	5,500,000	7,000,000	7,000,000	-	5,500,000	-	10,500,000

Summary

This program provides reimbursements for capital projects in amounts based on property tax exemptions. It mirrors an appropriated grant based on the same criteria, though the appropriated grant can be used to reimburse operational expenses.

Provides a 5-year state reimbursement of a portion of the property tax loss towns sustain as a result of property tax exemptions granted to qualified manufacturing facilities located in designated municipalities. The Commissioner of the Department of Economic and Community Development (DECD) designates these municipalities. Connecticut reimburses eligible towns for up to 50% of the revenue loss due to these exemptions. Reimbursements are prorated, if necessary, to the amount of the funding. Payments are made once a year on December 31st.

Program
Grants-in-aid to municipalities for the purchase of on-body cameras for local law enforcement officers

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
2,000,000	2,000,000	2,000,000	2,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
4,536,335	-	-	-	4,000,000	2,638,835	944,574	2,733,603	3,146,653

Summary

This program provides funding for grants to municipalities for the purchase or certain repurchases of body-worn cameras, dashboard cameras, and some related technology. \$4 million was authorized in PA 20-1 July Special Session (the Police Accountability Act) for the purpose. The same act required use of such cameras by police officers statewide when interacting with the public by July 1, 2022. The recent funding stipulated that grants would be up to 50% of costs for distressed municipalities and 30% of costs for all other municipalities. Prior to 2018, most grants under the program were for 100% of costs, though adoption of their use was voluntary.

Program
Information Technology Capital Investment Program

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
65,000,000	65,000,000	65,000,000	65,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
116,888,745	50,000,000	45,000,000	70,000,000	70,000,000	92,243,538	78,343,589	18,935,281	42,905,035

Summary

This program funds IT improvement efforts statewide. The funding will be used to continue expansion and use of the IT Capital Investment program to foster creating systems that are interoperable and that involve shared services, applications and data. The IT Capital Investment program provides funding to sustain large, multi-year, multi-agency Information Technology projects.

Recent projects include major efforts regarding DOL's Unemployment Insurance modernization, DRS's tax collection system, and the Secretary of the State's Business Registration System.

Program
Per capita grants-in-aid to distressed municipalities

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
50,000,000	-	50,000,000	-	

Summary

In FY 2022, the Office of Policy and Management will administer an additional \$100 million to the 25 Distressed Municipalities. Of this total, \$50 million will be provided from the federal Coronavirus Relief Fund awarded under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, enacted on March 27, 2020, and \$50 million will be funded through bond allocations. This funding will be distributed on a per-capita basis to provide crucial assistance to the state's neediest municipalities as they continue to address the impact of the COVID-19 pandemic. FY 2022 payments under this program are reflected in the following table.

Municipality	Total Award \$
Ansonia	1,698,040
Bridgeport	13,144,376
Bristol	5,456,866
Chaplin	203,812
Derby	1,123,197
East Hartford	4,539,757
East Haven	2,600,584
Griswold	1,049,919
Hartford	11,114,995
Meriden	5,406,618
Montville	1,684,749
New Britain	6,599,087
New Haven	11,856,419

Municipality	Total Award \$
New London	2,444,835
Norwich	3,528,980
Preston	421,005
Putnam	854,664
Sprague	260,250
Stratford	4,719,720
Torrington	3,098,963
Voluntown	228,481
Waterbury	9,791,718
West Haven	4,971,959
Winchester	965,263
Windham	2,235,743
Total	100,000,000

Program
Small Town Economic Assistance Program (STEAP)

Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel
-	15,000,000	-	15,000,000	

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
45,000,000	-	-	-	30,000,000	-	-	15,000,000	-

Summary

The Small Town Economic Assistance Program (CGS Section 4-66g) funds economic development, community conservation and quality-of-life capital projects for localities that are ineligible to receive Urban Action (CGS Section 4-66c) bonds. This program is managed by the Office of Policy and Management, and the grants are administered by various state agencies.

STEAP is a competitive municipal grant program for small towns. PA 20-1 authorized an additional \$30 million for the program, which, when combined with the existing unallocated balance allowed for up to \$30 million per year in awards, if allocated.

Between \$10-20 million of funds were awarded annually between FY 05 and FY 16, excepting FY 09 when no funds were awarded. After a three year hiatus, \$15 million was allocated in December of 2019. After a delay, applications were allowed in the Summer of 2020. Of those funds, \$11.4 million was announced to have been awarded in November 2020.

Grants were limited by OPM to \$128,205 per project application for the 2020 application round. Statute includes a \$500,000 per town limit (CGS 4-66g).

Program									
Urban Act - Grants-in-aid for urban development projects									
Agency Req. 22	Agency Req. 23	Gov FY 22	Gov FY 23	Gov Cancel					
50,000,000	50,000,000	50,000,000	50,000,000						
Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation	
174,991,416	50,000,000	150,000,000	100,000,000	100,000,000	44,408,682	231,816,774	-	25,008,584	

Summary

The program provides grants for the purpose of redirecting, improving and expanding state activities which promote community conservation and development and improve the quality of life for urban residents of the state.

The funding is used for requested grants-in-aid for urban development projects including economic and community development, transportation, environmental protection, public safety, children and families and social services. Projects are administered on behalf of OPM by other agencies.

Program									
Design and implementation of consolidation of higher education systems with the state's CORE system									
Development and implementation of databases in the CORE financial system associated with results-based accountability									
Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation	
3,000,000	-	-	-	-	-	-	-	-	-
1,200,000	-	-	-	-	2,650,000	-	-	-	-

Summary

These programs both supported continued expansion and improvements to the state's CORE financial system. In the 2017 session, the \$3 million unallocated balance for the higher education CORE program was described to be for ongoing efforts to increase transparency by consolidation of and increased reporting by higher education units into Core-CT. Likewise, the \$1.2 million unallocated balance was expected to be used for consulting services regarding implementation of new CORE modules, including a shift away from legacy reporting systems.

More recent CORE improvements have been funded through the IT Capital Investment program.

Program									
Governor's Nonprofit Program									
Grants-in-aid to private, nonprofit health and human service organizations that receive funds from the state to provide direct health or human services to state agency clients, for alterations, renovations, improvements, additions and new construction, including health, safety, compliance with the Americans with Disabilities Act and energy conservation improvements, information technology systems, technology for independence and purchase of vehicles and acquisition of property									

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
50,000,000	25,000,000	25,000,000	25,000,000	25,000,000	-	75,000,000	-	-

Summary

Often called the Governor's Nonprofit Program, this provides capital funding to various non-profit private providers in the state. When the program was established in 2013, it was used to consolidate many similar grant programs across several health and human service agencies.

\$10 million was allocated in November 2016, followed by \$25 million in February 2018, and \$50 million in July 2018. No additional allocation for the program has been approved since 2018.

Program									
Responsible Growth Incentive Fund									

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
2,000,000	2,000,000	2,000,000	-	-	5,000,000	2,000,000	-	-

Summary

This program was used to help finance regionally-supported local projects that further the principles of the State Plan of Conservation and Development (State C&D Plan). In implementation, applications for grants from this program were considered in tandem with grants for Transit-oriented development.

Program									
Transit-oriented development and predevelopment activities									

Unallocated Balance 1/1/21	FY 18 Auth	FY 19 Auth	FY 20 Auth	21 Auth	CY 17 Allocation	CY 18 Allocations	CY 19 Allocations	CY 20 Allocation
6,000,000	6,000,000	6,000,000	-	-	10,000,000	8,800,000	-	-

Summary

These funds were used to help finance municipal and regional plans and projects that promote compact, mixed-use, transit-oriented development (TOD) along the state's rail and bus rapid transit corridors. Funds may also be used to further leverage the state's TOD Pre-Development Fund. In implementation, applications for grants from this program were considered in tandem with grants within the Responsible Growth Fund.