

**PA10-168**

**HB5383**

House	1445-1469	25
Planning & Dev.	315-320, 371-372, 460-462, 526, 528, 669-675, 744-747,	25
Senate	4111, 4125-4127	4
		54

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**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2010**

**VOL. 53  
PART 13  
3842 - 4128**

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SENATE

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SENATOR LOONEY:

Yes, Mr. President, calendar page 10, Calendar 483,  
House Bill 5244, move to place on the consent calendar.

THE CHAIR:

Motion is to place this item on consent. Seeing no

Recess, sir.

That item is on consent without objection.

SENATOR LOONEY:

Yes, thank you, Mr. President.

Moving to calendar page 11, Calendar 484, House Bill  
5383, move to place item on the consent calendar.

THE CHAIR:

Motion on the floor to place this item on consent.

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 11, Calendar 487, House Bill 5220,  
move to place the item on the consent calendar.

THE CHAIR:

Motion on the floor to place item on consent.

Seeing no objection, so ordered.

SENATOR LOONEY:

Yes, thank you, Mr. President.

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Calendar page 10, Calendar 461, House Bill 5207;  
Calendar 483, House Bill 5244.

Calendar 484, on page 11, House Bill 5383; Calendar  
487, House Bill 5220; Calendar 488, House Bill 5297;  
Calendar 490, 5425 -- House; Calendar 496, House Bill  
5497; Calendar 509, House Bill 5126.

Calendar page 14, Calendar 511, House Bill 5527;  
Calendar 514, House Bill 5426; Calendar 516, House Bill  
5393.

Calendar page 15, Calendar 520, House Bill 5336;  
Calendar 521, House Bill 5424; Calendar 523, House Bill  
5223; Calendar 525, House Bill 5255.

Calendar page 16, Calendar 531, House Bill 5004.

Calendar page 17, Calendar 533, House Bill 5436;  
Calendar 540, House Bill 5494; Calendar 543, House Bill  
5399.

Calendar page 18, Calendar 544, House Bill 5434;  
Calendar 547, House Bill 5196; Calendar 548, House Bill  
5533; Calendar 549, House Bill 5387; Calendar 550, House  
Bill 5471; Calendar 551, House Bill 5413; Calendar 552,  
House Bill 5163; Calendar 553, House Bill 5159.

Calendar page 19, Calendar 554, House Bill 5164.

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Calendar page 20, Calendar 556, House Bill 5498;  
Calendar 557, House Bill 5270; 559, House Bill 5407; 562,  
House Bill 5253; and House Bill -- Calendar 563, House  
Bill 5340; Calendar 567, House Bill 5371; and Calendar  
573, House Bill 5371.

Mr. President, I believe that completes the items

THE CHAIR:

Mr. Clerk, could you please give me on Calendar 567,  
do you have 5516, sir?

THE CLERK:

What -- what calendar?

THE CHAIR:

567 on page 22.

THE CLERK:

It's 5516.

THE CHAIR:

Yes, sir. Okay.

Machine's open.

THE CLERK:

An immediate roll call vote has been ordered in the  
Senate on the consent calendar. Will all Senators please  
return to the chamber. Immediate roll call has been ordered in the Senate on the  
consent calendar. Will all Senators please return to the chamber.

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THE CHAIR:

Have all Senators voted? Please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Consent  
Calendar Number 2.

Total number voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

THE CHAIR:

Consent Calendar Number 2 passes.

Senator Looney.

SENATOR LOONEY:

Yes, Mr. President.

Mr. President -- Mr. President, before moving to adjourn, I would like to ensure the entire chamber will wish Laura Stefon, Senator McDonald's aide, my former intern, a happy birthday.

And with that -- and with that, Mr. President, I would move the Senate stand adjourn

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group. And I hope that the House will join me in giving them our usual warm welcome. Thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Welcome to our Chamber.

Are there any other announcements or points of personal privilege?

If not, will the Clerk please return to the call of the calendar and call Calendar 229.

THE CLERK:

On page 26, Calendar 229, Substitute for House Bill Number 5383, AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT, favorable report of the Committee on Finance Revenue and Bonding.

DEPUTY SPEAKER McCLUSKEY:

The honorable Chairman of the Planning and Development Committee, Representative Sharkey, you have the floor, sir.

REP. SHARKEY (88th):

Thank you, Mr. Speaker. Good to see you today.

Mr. Speaker, I move acceptance of the joint committee's favorable report and passage of the bill.

DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is acceptance of

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the joint committee's favorable report and passage of the bill. Will you remark?

REP. SHARKEY (88th):

I will. Thank you, Mr. Speaker.

Mr. Speaker, I'm happy to report this bill out today to the Chamber for its approval. This is a bill that actually came to us from the Department of Economic and Community Development, but it is a reflection of the work that's been going on for the last few years regarding regionalism and the fact that economic development is a key piece of making regionalism happen in our state.

If you remember last year, we all approved a bill and the Governor signed into law a bill involving regionalism. And the centerpiece of that bill was the establishment of regional economic development districts under the federal standards. And what that bill did was provide some financial and other incentives for regions that came together to form these regional economic development districts and gain approval from the federal government for them.

Unfortunately, over the past several years -- actually the last several decades, administrations both Democratic, Republican and independent have all

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opposed the notion of our regions in the state of Connecticut pooling their resources and coming together to establish these regional economic development districts to receive federal economic development money. And the philosophy and the reason for this is somewhat vague, frankly.

But last year's bill on regionalism really brought to life the notion that this is something we need to do, not only to gain new federal dollars, but also to promote the notion of regionalism and reflect the fact that economic development is the key to our regional efficiencies around the state.

So I'm happy to say that this bill came to us from DECD as an administration proposal this year to establish regional economic development districts in our state so that they can qualify for federal dollars and also promote economic development on a regional basis.

The bill itself, Mr. Speaker, has several sections, but I'll try to summarize them as best I can. The idea is that regional organizations will form -- it can be any type of organization, whether it's a current economic development corporation, regional planning organization or some other type of

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organization that can form -- get together and form what's known as a CEDS, a comprehensive economic development strategy.

When that -- that CEDS will reflect a number of initiatives and plans and proposals for promoting regional economic development, that plan is then submitted to the state DECD commissioner and OPM for approval and conformance with the overall state plan of economic and community development, and then can be submitted to the federal government for approval.

Mr. Speaker, I'm very happy about this bill because it does reflect the fact that the administration and the Legislature are working now together to promote the notion of regional economic development and promote the notion of regionalism and also maximize the amount of federal dollars that we receive here in the State of Connecticut, not only for our central cities, but for those towns and cities that come together and join their core center cities and form regions on an economic development bases.

So I urge this House to support this bill going forward. Thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

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Will you remark further?

The honorable ranking member of the Planning and Development Committee, Representative Aman, you have the floor, sir.

REP. AMAN (14th):

Good afternoon, Mr. Speaker.

I, too, will be supporting this bill, but I will have a series of questions that I would like to ask the proponent of the bill so that the legislative intent, and the Chamber may better understand it.

Through you, Mr. Speaker, to the proponent.

DEPUTY SPEAKER McCLUSKEY:

Please proceed.

REP. AMAN (14th):

To the proponent of the bill, it's my understanding that the purpose of the bill, the overriding purpose of the bill is to improve the economic climate for businesses in the state, to allow businesses to work when they want to expand, or come into the state, that they can deal with the area as a region and also to help the municipalities in dealing with a large potential employer, of being able to deal with the employer again, on a regional basis.

Through you, Mr. Speaker.

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DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, the answer is yes. The idea of this is -- one of the things that we've learned I think over the last few years in particular in addressing our concerns towards regionalism is the fact that we currently have a system where towns are competing with each other for new projects, new grand list growth. And as a result, the comprehensive nature of working together is lost.

And we all know that towns -- or I'm sorry, the companies either currently in a state or coming -- thinking about coming to Connecticut aren't really interested in trying to debate whether it makes more sense to go, to locate their facility or their store or their plant in West Haven or New Haven or Hamden, they look at the region as a whole. In fact, Connecticut is small enough that they might even look at the state as a whole.

So the idea that we have individual towns competing with each other to promote our assets and also compete with each other for new development is anathema to enabling the State to grow as a whole.

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So to answer the gentleman's question, yes. The idea of this is to develop regional economic development strategies so that all towns in a region come together with a common theme and a common purpose to attract that type of business to our state.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

I thank the proponent for the answer.

And I'm going to go into some specific questions regarding the bill. In the lines roughly 3 through 8, it talks about the various groups that must approve the setup of an economic development district. It's the commissioner of Economic and Community Development, the secretary of Office of Policy and Management, and then finally, the assistant secretary of economic development to the United States Department of Commerce.

It's my understanding of reading this that all three of those units, before an area can be designated, do have to agree to it.

Through you, Mr. Speaker.

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Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, yes. That's accurate.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

Going down further on the bill, there is a series of different organizations that are described that could work together, or independently to set up an economic development district. And I don't unfortunately see any language in the bill that addresses what happens if there's a conflict between these various organizations or if more than one organization wants to set up an economic development district or if the district lines don't quite -- or overlap between competing interests.

And I was just wondering to the proponent, if there is a mechanism currently set up that would serve almost as a referee between these organizations other than the fact that if we go back to my first question, that you do end up having to get approval from all three of these other agencies?

Through you, Mr. Speaker.

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Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, later in the bill the DECD and OPM are -- indicate that -- the bill indicates that those two agencies actually are looking to establish a total of eight districts that can be decided by their member communities.

And those eight districts establish the geographic boundaries, and there's a description roughly of how those eight districts would be formed. But ultimately, in the end, it will be OPM and DECD who would have the ultimate authority to approve whatever comes out of those districts.

So if there's -- in theory, is conflict between different competing groups within the region who each want to do their own CEDS, which is the comprehensive economic development strategy, ultimately OPM and DECD would be the referee, if you will, to determine which one would take precedence. I think that's the intent of the bill, anyway.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

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Thank you. That was also my feelings on it.

The number eight was just mentioned. And I was wondering if how the number eight, for the number of regional districts, was established. Not seven, not nine, but, you know, an exact number such as eight was before it.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, I'm not sure I have an answer to that. I know this, as I mentioned, it came to us from the department itself and the commissioner.

I think we all know, though, and if I might -- I think anecdotally we all know that we've been dealing with the fact that we have, at least from a planning standpoint, we've got 15 separate regions in of the state of Connecticut. And for a small state like Connecticut, to have 15 separate planning regions is pretty extraordinary I think to say the least.

I believe that the commissioner's feeling was that we could reasonably come up with a number of districts that reflect the diversity of our state without proliferating the number of these groups. I

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think roughly it's along lines -- I think the bill describes being it more or less along county lines, but with a reflection of urban/suburban/rural as all part of a region. And that also defined by the federal standards for what would be acceptable by the federal EDA.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

Yes. The bill does say, not more than eight development districts. And as was mentioned earlier, you could look at the state because we are so small geographically, that one would work.

If we were in a Western state, I'm sure that the mileage that we have in the state of Connecticut would be one district, however we do definitely have different areas of the state, have different economic interests, different economic needs. And so I would hope that we'd probably would finish with less than eight, but I'm definitely glad that we won't have more than them.

Going down further, it talks about that the regional economic development district will prepare

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and approve a comprehensive economic development strategy. Also in the last part of the bill it talks about the fact that EDCD could approve up to \$25,000 as a grant. And my question would be, can one of these groups that we talked about previously apply for \$25,000 as they're coming up and preparing the plan, or is this for -- money can only be used to implement a plan that's already been designed and funded through some other source?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, the grant provision within available appropriations would be granted and awarded to -- would be primarily awarded for the purposes of developing the study and completing the CEDS. That's my interpretation of the bill.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

So it's the proponent's statement that this money is actually seed money to get the -- or an

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organization could apply for seed money to get their plans moving.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, yes.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

Near the end of the bill, it talks about when all of this planning is done, the final area of the economic development district and things, is a recommendation to the Governor.

It's my reading of this that the Governor has the absolute final say as the location and how the area, economic development area is -- or district is situated and basically approves the final plan. That this is a hundred percent choice on the Governor, or responsibility of the Governor.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

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Through you, Mr. Speaker, yes. That's accurate and that's because the federal standards for receipt of economic development money from the EDA requires that the CEDS that was developed locally be approved by the Governor of the state before it could be submitted to the federal government for approval.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Aman.

REP. AMAN (14th):

I thank very much the chairman of the Planning and Development Committee for his answers. I think they very clearly outline the purpose of the bill and some of the details of the bill.

I hope very much that a year from now we can be talking about the fact that these groups have been formed. I would actually be delighted if OPM had to work as a referee between competing interests in setting up these economic development districts, because I think in the long run they will definitely help the state and I hope that there's an interest by many people out there in forming them and make them work.

So I will be urging my colleagues to vote for

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this measure. Thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill? The distinguished Chair of the Commerce Committee, Representative Berger, you have the floor, sir.

REP. BERGER (73rd):

Thank you, Mr. Speaker and good afternoon.

Representative Sharkey and his committee have done a tremendous amount of work in this area over the last several years, two or three years. And the bill that we see before this committee before -- out of this committee and before this Chamber here today, is outstanding work that's been done on both sides of the aisle and to bring this to fruition.

Because it not only maximizes both state and federal dollars, but it also brings consensus to growth for economic development in the state of Connecticut.

I do have a couple of questions for clarification, through you, Mr. Speaker, to the chairman of the committee.

DEPUTY SPEAKER McCLUSKEY:

Please proceed, sir, with your questions.

Representative Sharkey, please prepare yourself.

REP. BERGER (73rd):

Thank you, Mr. Speaker.

Through you, in some background information located in the OLR report, there is reference to the Department of Commerce. And within that there is a Department of Commerce approval of proposed districts. One of the requirements within that district is that they contain at least one economically distressed area or a municipality under certain guidelines.

If the chairman could just please give some clarification to the Chamber of what those guidelines might be? And I know for myself, personally, one of those guidelines might be at the intersection of Route 8 and 84, a municipality, but maybe he has more of a clarifying description.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, if I understand the gentleman's question, I believe he's asking why it is that we would -- or what would be the definition of an economically distressed district?

I think the intent is to have, essentially, our

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major cities be at the core of these regions, at least one or more of economically distressed areas within our state, which I think generally speaking is -- fault would -- would be categorized as our major cities as well as some of our larger midsize cities that are experiencing certain levels of poverty, certain income criteria that would be of lower income than the population as a whole.

The intent of this is obviously to make sure that we are integrating our core cities with the more affluent suburban communities around them, so that they're working in tandem with each other on improving the economic vitality of the whole. So how that would be defined, I believe the technical definitions would be defined by the federal standards for economic development districts.

But I know the intent is to ensure that we're integrating both the distressed communities as well as the more affluent communities in our state to work together as one region.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

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Yes. Thank you, Mr. Speaker.

Just again, just a clarification. So it is the chairman's understanding then that the State of Connecticut views 28 municipalities in the state as being distressed. So it is a possibility and we can assume, or may be an assumption made, that those municipalities could be included in a Department of Commerce review for a new region.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, absolutely. And in fact, if the district is formed, currently (inaudible) currently, under federal standards smaller cities and more suburban or rural communities are completely ineligible for federal economic development money just because they don't meet the typical income standards or distressed to standards that the federal economic development department requires.

However, if those smaller and more rural communities are part of the larger region as well as the inner-ring suburbs, they now would become eligible for federal economic development money that they

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currently don't qualify for.

So yes, the intent is to make sure that we are including as many, if not all, of the towns in the state of Connecticut into the CEDS to make them eligible for potential federal money.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes, and thank you. And I thank the good chairman for his answer.

And just one question for legislative intent, through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Please proceed, sir.

REP. BERGER (73rd):

Yes. In lines 87, roughly through 100 of the bill, there is discussion in that language of a report of the commissioner and secretary of OPM -- will provide when they established these new regions. And is it the chairman's believe then that this report then would be disseminated through the committees of cognizance, both Planning and Development and Commerce on either an annual report or a review to the

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committees of cognizance?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, given the fact that Representative Berger, through his leadership on the Commerce Committee, his cochair and the Planning and Development Committee and all the ranking members of both committees have really played such a critical role in establishing this and have really taken the lead on this issue.

Yes, it's my expectation that when these reports are provided to the state agencies listed in the bill, that those will also be provided to the committees of cognizance.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Berger.

REP. BERGER (73rd):

Yes. Thank you, Mr. Speaker.

And again, I thank the chairman for his answers and for his continued diligence and hard work in moving this forward. Thank you.

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DEPUTY SPEAKER McCLUSKEY:

Thank you, sir for your remarks.

Will you remark further on the bill?

The honorable gentleman from Stratford,  
Representative Miller, you have the floor, sir.

REP. MILLER (122nd):

Thank you, Mr. Speaker.

I have a question to the proponent of the bill.

DEPUTY SPEAKER McCLUSKEY:

Please proceed, sir.

REP. MILLER (122nd):

Once your municipality has been designated to be  
in one of those districts, do they have the option of  
ever dropping out or moving out of that district?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, there's nothing in this  
bill that would in any way prohibit any particular  
community from exiting or entering one of these  
districts.

So I don't think -- there's no requirement that  
they be added. There's no -- I don't believe that

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there would be any restriction on their removal. I'm not sure what the advantage of removal from this designation would provide to a town, because as I've mentioned earlier, all this does essentially is make them part of a larger community that would be eligible for some additional federal money.

So withdrawal could mean that they'll miss out on some additional federal money, but if that is the local option they would have the ability to do that.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Miller.

REP. MILLER (122nd):

And through you, Mr. Speaker, one last question. If a municipality was designated to be in group one, and decided that they'd rather be group two, which is in an adjacent area, could they opt out from group one to go to group two?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

The provisions, the federal provisions for reestablishing the boundary lines of economic

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development districts are not -- I'm not completely familiar with, but I -- obviously they would need -- the answer is yes, they could, but of course, it would need approval from all of the same agencies that had approved the original geographic designation in the first place.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Miller.

REP. MILLER (122nd):

Thank you. And I said, the last question, but I have one more. I kind of fibbed. Thank you, Mr. Speaker.

Regarding funding, could any member of that designated district prevent one of the member municipalities from receiving funding in any way for any reason?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Sharkey.

REP. SHARKEY (88th):

Through you, Mr. Speaker, no, because the district itself would have its own governance. They would be -- there would be consensus applications for

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federal dollars.

So whatever the group as a whole has agreed to as a project or a plan for which they'd be receiving federal grants, no individual community could veto that particular proposal.

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Miller.

REP. MILLER (122nd):

Thank you for your answers.

And thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill? Will you remark further on the bill? If not, will staff and guests please come to the well of the House. Will the members please take their seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House is taking a roll call vote. Members to the chamber, please.

DEPUTY SPEAKER McCLUSKEY:

Have all the members voted? Have all the members

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voted? Will the members please check the board to determine if your vote has been properly cast. If all the members have voted the machine will be locked. Will the Clerk please take and announce the tally.

THE CLERK:

House Bill 5383.

Total Number voting	141
Necessary for adoption	71
Those voting Yea	141
Those voting Nay	0
Those absent and not voting	10

DEPUTY SPEAKER McCLUSKEY:

The bill passes.

Would the Clerk please call Calendar 123.

THE CLERK:

On page 4, Calendar 123, Substitute for House Bill Number 5027, AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT HEALTH CENTER'S FACILITY PLAN, favorable report by the Committee on (inaudible). ]

DEPUTY SPEAKER McCLUSKEY:

The honorable gentleman from New London, Representative Hewett, you have the floor, sir.

REP. HEWETT (39th):

Mr. Speaker, I move that this bill be referred to

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**PLANNING AND  
DEVELOPMENT  
PART 2  
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**2010**

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COMMITTEE

March 10, 2010  
11:30 A.M.

SENATOR COLEMAN: Are there other questions? If not, thank you --

COMPTROLLER NANCY WYMAN: Thank you very much.

SENATOR COLEMAN: -- for your appearance here today. Commissioner McDonald.

COMMISSIONER JOAN MCDONALD: Good morning. I'm Joan McDonald, the Commissioner of the Department of Economic and Community Development. I'm here to discuss the Department's support for House Bill 5383 AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT.

We have been encouraging the use of the U.S. Economic Development Administration's Comprehensive Economic Development Strategy, commonly known as CEDS as a means for states, municipalities to collaborate on economic development.

Presently, there are seven CEDS throughout the state that represent all but two of the large areas, greater Danbury and Middlesex. We are pleased to report that we are in dialogue with eight communities surrounding Danbury to form a CEDS.

We have worked successfully with USEDA on increasing funding that Connecticut receives. The funding has risen from \$275,000 in 2008 to \$2.9 million in 2009.

Our specific comments on the bill are under Section 2. Because economic development land use and planning and transportation are intricately linked, we respectfully recommend that the bill be modified to incorporate regional planning organization representation

on an EDD board of directors.

We concur with the provision in Section 3 stipulating the creation of no more than eight EDDs throughout the state.

In that same section, we are recommending that for a more streamlined approval process that both DECD and OPM are consulted prior to each district board of directors approval of its strategy and district. It will help us identify issues that could delay or prohibit our ultimate approval of their strategy.

Under Section 4, where DECD is authorized to issue a grant up to \$25,000 to a regional EDD for strategy development, we believe that is unnecessary as we already have the ability to do that through existing programs.

And our last comment on this specific bill is that since that sometimes the state's priority may differ from the regional priorities, we believe Section 5 should specify that the state is not required to fund projects in the prioritization presented by the district.

And I'm happy to answer any questions.

SENATOR COLEMAN: Are there questions for the Commissioner?

Representative Sharkey.

REP. SHARKEY: Thank you, Commissioner. Good to see you today.

COMMISSIONER JOAN MCDONALD: Good to see you.

REP. SHARKEY: Thank you for your testimony. I really want to applaud DECD for what I believe

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to be a change of, if not a change of policy per se, I think it has been the policy in the past to discourage the application to the federal government by regional entities in the state for federal economic development money, which is a policy not just in this administration, but it goes as far as I understood it, correct me if I'm wrong, but I think it went back to the O'Neill administration.

COMMISSIONER JOAN MCDONALD: I believe it did.

REP. SHARKEY: And again, correct me if I'm wrong, but I think the theory behind it was that we didn't necessarily want to have, we wanted to have, the state wanted to have some control over what was happening within our regions with regard to federal money coming in, but the result of that I think as you pointed out in your testimony, is that we've been dead last in receipt of federal economic development monies.

And this change of policy is opening up the floodgates, I think, for some significant new money to be coming into the state for economic development purposes, so I appreciate your leadership on that and your help in moving that policy forward.

COMMISSIONER JOAN MCDONALD: I absolutely has opened the door and on the regionalism front under your leadership, you know, we're happy to work with you on that, and there will be more funds coming through HUD for the sustainable and livable communities initiatives, which also encourage regionalism and we're working with our CEDS and our CRUGS on those as well.

REP. SHARKEY: Great. Well, thank you very much for your testimony.

SENATOR COLEMAN: Thank you. Are there other questions? Senator Fasano.

SENATOR FASANO: Thank you, Commissioner for coming. In the bill there's a section that talks about grants in the amount of \$25,000 to these economic development districts currently. Do we have a line item or budget in your budget for those grants?

COMMISSIONER JOAN MCDONALD: We do not have a line item in our budget for that. However, under our programs, our manufacturer's assistance account, our brownfields revolving loan fund, any of our discretionary money that we do have, we give priority to regionalism and we try to factor that as one of our criteria.

SENATOR FASANO: So if you were to give a grant for this new setup that we're establishing here, we'd be taking away money from other programs already in your pipeline because you'd be sort of raising this regionalization up and therefore, it's one pot of money. Is that correct? So that's a constant. That's a constant figure.

So if you use that figure constant in your budget now to fund these other things, I would assume that if this takes priority something else is going to get less money. Is that a fair statement?

COMMISSIONER JOAN MCDONALD: Yes and no.

SENATOR FASANO: Because if there's excess money in there, they're not telling anybody.

COMMISSIONER JOAN MCDONALD: You're absolutely correct. There's no excess money and the pie that we have is the pie that we have. We're always evaluating projects that are in the pipeline and are absolutely shovel ready. That's our first priority because that gets people to work and gets projects built.

But we do, we do give out planning funds to help regional entities and we go after federal planning funds to help the regions get off the ground, and sometimes if there's a requirement for a local match, we use that money for that, too, because it does lead to the projects.

SENATOR FASANO: And I appreciate the answer. But cutting to the chase, it's a constant figure pool of money and now this new program would be adding money that you can give to this regionalization for it to work and you make it a high priority, that would be less money in that budget to do other things. Is that a fair statement?

COMMISSIONER JOAN MCDONALD: Yes. That's a fair statement.

SENATOR FASANO: And the other question I have is, do you have any understanding of how this project would work with the State Plan of Conservation and Development?

COMMISSIONER JOAN MCDONALD: It has to conform. The regional CEDS and their economic strategies, which is why we like doing it on a regional basis, has to conform to the state's Plan of Conservation and Development.

SENATOR FASANO: Okay. I think you may be right. I don't really see that language in here, so perhaps we have to work on that a little bit.

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Thank you, Commissioner.

SENATOR COLEMAN: Representative Sharkey.

REP. SHARKEY: Thank you, Mr. Chairman. One follow up, and it relates to Senator Fasano's question about funding. Can you update us on what you know about the status of Senator Dodd's bill in Washington regarding livable communities, because I think that we're, those of us who have been working on this have identified that as a potential pot of money that would be available to our CEDS districts for these kinds of purposes in addition to what the state can provide.

COMMISSIONER JOAN MCDONALD: Off the top of my head I don't remember the exact, how the funding is allocated, but Senator Dodd has a proposal of livable communities that would be administered through HUD in partnership with DOT and EPA to do what we've been, very similar to what we've been doing in our responsible growth initiatives.

And I will get the exact dollar amounts to you. My recollection is it's \$150 million national and a portion of it is broken down into planning grants. And those planning grants will require a local match.

It is still open for discussion as to whether that local match has to be cash or whether it can be in-kind constructions. So there is a notice of funding availability through HUD right now, and we are advocating that it be both cash and in-kind to allow different types of services to be part of that.

But we can get for you the exact breakout of the funding and where it is in the process.

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REP. ROJAS: I would agree. I find when both parties are unhappy, perhaps that's the best solution. So thank you for your testimony.

SUSAN BRANSFIELD: You're welcome.

REP. ROJAS: Thank you, Mr. Chairman.

SENATOR COLEMAN: Thank you. Other questions? If not, thank you for your appearance here today.

SUSAN BRANSFIELD: Thank you very much for the opportunity.

SENATOR COLEMAN: David Fink.

DAVID FINK: Representative Sharkey, Senator Coleman, members of the committee. I'm David Fink. I'm the Policy Director for the Partnership for Strong Communities. We are, as you know, are a statewide housing policy organization to (inaudible) homelessness and create affordable housing and build strong neighborhoods.

I'm here very briefly today to talk about House Bill 5383 AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT. As you know, the Partnership believes deeply that an affordable, energy-efficient home located near transit is a cornerstone to not just economic growth in the state or the regions, but also economic opportunity for individuals.

And you also know that we have a shortage of housing in the state for workers, and that's why we support the goal of 5383 to create regional economic development districts with plans and strategies to move ahead.

But we believe the bill as written, while it does call for public input in developing ways to measure success, is deficient in that it does not include a specific requirement that regions determine whether they have sufficient housing and transit infrastructure to support economic growth and we believe that without it those plans can't succeed.

As you know, Senator Dodd's Livable Communities Act, which he pledged the other day to get done before he leaves the Senate and the current sustainable communities initiative, all require a marriage of housing, transit, environmental quality and energy efficiency as a means toward economic growth, and they are handing out grants right now for planning and the promise of capital dollars in the future for regions that do that.

So we believe that Connecticut regions and communities, if they're to succeed, need to identify how they're going to meet the housing and transit needs of workers in their regions if they're going to get federal money.

And I think you would agree, because this committee has been a leader in that way to make sure that the state's regional growth and economic growth built around regions marries housing, transit, energy efficiency and environmental quality.

So we think this the coming thing. We think this is a good bill. We support it. But we would appreciate it if there was a requirement that these regions specify how they're going to meet the housing and transit needs of their workers. Thank you.

SENATOR COLEMAN: Thank you.

question to ask you.

REP. HAMZY: I want the same treatment as Representative Morin.

REP. SHARKEY: Well, I was, I think what I hit upon was, I liked the casual look with the (inaudible) jacket, you know. It's very becoming.

REP. HAMZY: Thanks. I forced myself to put a tie on.

REP. SHARKEY: I appreciate your testimony and look I look forward to working with you as part of the effort that we're embarking on this year.

One of the other things that came out of the MORE Commission, and is now part of the package of proposed bills, which you didn't comment on, but I'd kind of like to get your thoughts on, is the idea that perhaps the way we do state grants to municipalities and boards of ed are themselves perpetuating inefficiencies because we don't ask or demand as part of the distribution formula, for efficiencies to occur.

We just hand the checks out to each individual school district or each individual town without providing any kind of incentive or bonus payment for combining their particular service that they're being paid for, among other neighboring towns or boards of ed.

And the example that is now part of the bill, the proposed substitute language, which I'm asking you to comment on something you haven't read yet, but is to look at the school transportation grant, which is already a segregated grant that we already provide to

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boards of ed to the 160 some odd boards of ed and town.

And the idea would be to ask them beginning July 1st, voluntarily, to consider joining or implementing contracts in FY11 on an either regional basis or on a multi-town basis for school transportation, and if they actually realize a savings in next year over what they're paying this year on school transportation, that the formula anticipates that henceforth any savings that the state can realize will give half of the state savings back to the towns as a bonus.

The idea is to try to relook at some of the formulas for distribution to cities and towns to actually instill in them some bonus incentives for them to consider or get over the hump, if you will, of combining resources where it might make sense to them.

And if it doesn't make sense, if they've costed it out and it doesn't, it's not going to generate a cost savings, then obviously they can keep things as status quo.

So it's one of those things that, you know, maybe you can take a couple of minutes to think about and maybe we can talk about further as we get later in the Session.

REP. HAMZY: Well, one of the things that I think would make sense, and I think some towns are doing this already, there are functions that the board of education does that are duplicative of what the town does, and it's almost like there are two separate entities, but it's still one town.

And I know our town, the Town of Plymouth, is

looking at seeing what functions are duplicated and what functions can be performed by one of the two entities, where it doesn't have to be, you know, two separate, whatever organizations within the Town of Plymouth.

REP. SHARKEY: Right.

REP. HAMZY: And so, I know there's another example where the Town of Plymouth and the Town of Thomaston share an assessor. So these things are happening. I think towns are becoming a little bit more creative. I think obviously in response to the situation that we find ourselves in, but really anything that we do that doesn't create at least a disincentive to these types of efficiencies I think is a positive.

REP. SHARKEY: Yeah. One of the things that also I think came out of the MORE Commission effort was, has been, that towns and cities already get it, and boards of ed. They already know how, that they need to try to find efficiencies wherever they can, and they're already doing it.

We have examples all over the state, the couple which you cited, but that's happening all over the state. What we found was that oftentimes the biggest obstacle to actually doing it is cost because there's an initial up front cost associated with combining, you know, a payroll system or combining a budgeting program or what have you, and so that's where this concept of the hotel tax, a portion of that hotel tax would be dedicated specifically to covering those up front expenses associated with regionalizing services that otherwise prevents towns and cities from doing what they know they can and

consequences that happen when our young people are not educated.

SENATOR COLEMAN: I agree with that.

Are there any other questions for Representative Green?

If not, thank you for your patience --

REP. GREEN: Thank you.

SENATOR COLEMAN: -- and your testimony.

REP. GREEN: Thank you.

SENATOR COLEMAN: Martin Mador.

MARTIN MADOR: Good afternoon. Martin Mador, I'm the legislative chair for the Connecticut Sierra Club. I also participate in the Speak is More Commission. I'm serving on both the revenue streams and the regional entity subcommittees.

I'm going talk very quickly about several bills here, none of them nearly as inflammatory as what you heard earlier today. And I have to point out that these bills sort of seem to be moving targets, so it's a little hard to know what to speak to, but I'll do my best to what we have before us.

303 calls for a lodging tax. This is one of the recommendations of the revenue streams subcommittee. We fully endorse this. Distributing some of it regionally is a good idea. Anything we can do to encourage regional cooperation in governance is good, so we endorse this bill.

SB144 SB159  
SB199 HB5338  
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12-year schedule anyway.

I did ask OPM for the listing of -- of what towns are sort of in arrears on supplying this. The clerk has copies of the response. I didn't have time to include it with my testimony. You'll see that 47 towns are more than 10 years overdue on supplying this. So I'm going to suggest that this might be reasonable for towns which are reasonably current. But towns which are really fallen far in arrears, one town is actually 40 years overdue. I really don't see giving them yet another break on supplying this. The clerk has copies of the e-mail from OPM if you want to see where the towns are on this.

5331, again, is good for the towns to bulk purchasing together with the state, we endorse that.

5383, calls for regional economic development district. Again, it goes to regional cooperation and all this is good and we endorse those concepts.

I'll leave it at that.

SENATOR COLEMAN: Are there questions for Mr. Mador?

Seeing none, thank you for your patience and your appearance here today.

Brian Anderson.

BRIAN ANDERSON: Thanks Chairman Coleman, Chairman Sharkey and members of the Committee.

My name is Brian Anderson. I'm a lobbyist for Council 4, AFSCME, a union of 35,000 public

HB5337 SB394  
SB198 HB5255  
HB5031 HB

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**PLANNING AND  
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PART 3  
559 – 770**

**2010**



# WINDHAM REGION COUNCIL OF GOVERNMENTS

Chaplin Columbia Coventry Hampton Lebanon Mansfield Scotland Willington Windham

Chairman Coleman  
Chairman Sharkey  
Members of the Planning & Development Committee

March 10, 2010

RE: Testimony for H. B. No. 5383 AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT

Dear Chairman Coleman and Chairman Sharkey, and members of the Planning and Development Committee,

The Windham Region Council of Governments (WINCOG) is writing in support of legislation regarding **Regional Economic Development** as noted in HB 5383.

We support the creation of **Regional Economic Development Districts** here in the State of Connecticut. We are currently the only state in the country that does not allow Economic Development Districts under the EDA model.

It is important to note that the WINCOG region has undertaken a regional economic development study as part of the legislature's Regional Performance Incentive Program and that this legislation supports that endeavor. WINCOG and NECCOG currently implement their Comprehensive Economic Development (CED's) Plan through a joint agreement between the two COG's, and have begun the process to become a recognized EDD district.

Thank you for your consideration in moving this bill forward.

Sincerely,

Mark N. Paquette  
Executive Director, WINCOG

cc: WINCOG Board of Directors

Late  
Submit 12:20

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Testimony to the Planning & Development Committee  
by David Fink, Policy Director, Partnership for Strong Communities  
Wednesday, March 10, 2010

Representative Sharkey, Senator Coleman, honored members of the Committee,

I am David Fink, policy director of the Partnership for Strong Communities, a statewide housing policy organization that engages civic and political support to solve homelessness, create affordable housing and develop strong, vibrant communities.

I am here today to suggest several changes in House Bill 5383, An Act Concerning Regional Economic Development.

The Partnership for Strong Communities believes deeply that an affordable, energy-efficient home, located in a transit-oriented community is the cornerstone for both individual economic opportunity and the growth of Connecticut's economy.

Today, in Connecticut, we have a shortage of homes that our workers can afford. That is why those with the education, skills and income to leave are leaving. We have lost more 25-34-year-old population than any state in the nation since 1990, largely because we produce few affordable rentals, condos, townhouses and starter homes for those workers.

We support the goal of 5383 – the creation of regional economic development districts that can help regions identify problems and opportunities, assess their needs and develop comprehensive strategies for economic growth. The bill as written touches most of the right bases – having a strategy, seeking public input, developing ways to measure success.

But the bill should include a specific requirement that regions determine whether they have sufficient housing and transit infrastructure to support economic growth and, if not, how they plan to create it.

That type of planning is central to the direction of federal policy today. As we speak, the Obama Administration, through its Departments of Housing and Urban Development and Transportation, and its Environmental Protection Agency, are asking for grant applications from regions that are able to develop communities and jobs by marrying housing, transit, environmental quality and energy-efficiency.

If Connecticut regions and communities are to succeed, they will have to dovetail their efforts with federal policy. That is the way federal dollars will be distributed in coming years and, frankly, the way state policy is headed. Our DECD, DEP and DOT are working together to ensure that their grants and spending are aligned to ensure that we have the housing and transit infrastructure for the growth industries and regions in our state.

This is a very good bill, but it should include a requirement that regions provide an affordable mix of housing options, near transit, in energy-efficient designs, to adequately support the labor pool we hope to attract to our state to work in biotech, high tech, the film industry, the pharmaceutical industry and other strong and emerging industries.

Housing tied to transit is not the only ingredient in developing strong economic regions and a strong state economy. But those goals cannot be reached without a strong housing/transit infrastructure. This bill should require that those plans be part of a regional economic district plan.

Thank you.



Joan McDonald  
Commissioner



State of Connecticut  
Department of Economic and  
Community Development

**TESTIMONY PRESENTED TO THE PLANNING & DEVELOPMENT  
COMMITTEE  
March 10, 2010**

*Joan McDonald, Commissioner  
Department of Economic and Community Development*

**HB 5383 AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT**

Good Morning Senator Coleman, Representative Sharkey, Senator Fasano and Representative Aman. My name is Joan McDonald and I am the Commissioner of the Department of Economic and Community Development (DECD). I appreciate the opportunity to appear before you this morning to discuss the department's support for HB 5383 An Act Concerning Regional Economic Development. This bill represents one of many efforts to encourage regional cooperation and coordinate economic development and land use planning.

DECD has been encouraging the use of the U.S. Economic Development Administration's (USEDA) Comprehensive Economic Development Strategy (CEDs) as a means for the state's municipalities to collaborate on economic development planning and implementation and empowering regions to prioritize economic development initiatives. Presently there are seven CEDs throughout the state that represent all but two large areas — greater Danbury and Middlesex County. DECD's goal is for all communities to participate in a CEDs, also known as a regional strategy. Recently, DECD has worked successfully with USED A on increasing the funding that Connecticut receives. I am happy to report that this funding has risen from \$275,000 in 2008 to \$2.9 million in 2009.

Section 1 (a) of HB 5383 describes the entities that may form an Regional Economic Development District (EDD), after obtaining the approval of DECD, OPM and the U.S. Department of Commerce. Section 1 (b) describes the boundaries of EDDs created or approved under the bill, each of which would act to coordinate and implement a regional economic development strategy.

Section 2 (a) contains requirements related to CEDs preparation and Section 2 (b) requires review of a regional strategy by the regional planning organization serving any portion of the geographical area of the EDD its board of directors has approved the strategy. Because economic development, land use planning and transportation are so intricately linked, DECD respectfully recommends that the bill be modified to incorporate regional planning organization representation on an EDD's board of directors. This would allow consideration of land use and transportation planning as early as possible in the development of the regional strategy. We

believe that a regional planning organization's review subsequent to the approval of the plan may not allow an opportunity for full participation by all stakeholders in developing and prioritizing the region's economic development initiatives.

Section 2 (c) requires DECD and OPM to act on a CEDS within a 60-day timeframe. The inclusion of the regional planning organization early in the process of strategy development will also better ensure conformity of the end product with the State's Plan of Conservation and Development, and expedite the state's review of the strategies.

DECD concurs with the provision in Section 3 stipulating the creation of no more than eight EDDs throughout the state. While it is important that every community be covered by a region, we do not believe that Connecticut's geographic area is large enough to support more than this number of EDDs.

To allow for a more streamlined approval process, DECD recommends that both DECD and OPM are consulted prior to each district board of director's approval of its strategy and district. This early consultation will help identify issues that could delay or prohibit the state's approval of the strategy.

The provisions in Section 4 authorizing DECD to issue a grant of up to \$25,000 to a regional EDD for strategy development is unnecessary, as DECD already has the ability to do so through existing programs.

It is conceivable that the region's priority projects may not align with the state's priority economic development initiatives. As a result, Section 5 should clearly specify that the State is not bound to fund projects in the prioritization presented by the district, nor is it obligated to fund any project prioritized and presented by districts.

Thank you for your time and consideration of our comments. We would welcome the opportunity to assist the committee in any way possible if this bill should move forward.



**TESTIMONY OF JOHN SHEMO,  
VICE PRESIDENT AND DIRECTOR OF ECONOMIC DEVELOPMENT  
METROHARTFORD ALLIANCE  
ON HOUSE BILL 5383, AAC REGIONAL ECONOMIC DEVELOPMENT**

**PLANNING & DEVELOPMENT COMMITTEE  
MARCH 10<sup>TH</sup>, 2010**

Senator Coleman, Representative Sharkey and members of the Committee, my name is John Shemo and I am the Vice President and Director of Economic Development for the MetroHartford Alliance. The Alliance is the region's Economic Development Leader and the City of Hartford's Chamber of Commerce.

For the past several years, the Alliance has worked diligently to garner the states support of approving applications to the Department of Commerce to establish Economic Development Districts. There are currently only four states in the US that do not have federally recognized Economic Development Districts

We should remember the regions, not states or cities are the basic units of economic competition in a global economy. Businesses hire regionally, media markets are regional, transportation systems are regional, planning is done regionally. Connecticut has adopted regions to plan and deliver numerous other programs (including workforce, transportation, and tourism).

Many regions in Connecticut are organized to plan and implement economic development programs at the regional level. Several regions have adopted comprehensive economic strategies approved by chief elected officials, the business community and the federal government.

The EDA of the US Department of Commerce advocates the development of Comprehensive Economic Development Strategy (CEDS) and the creation of Economic Development District. EDD's are the preferred conduit for the federal

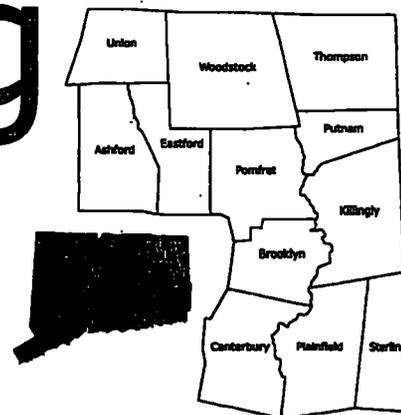
EDA to channel money to support economic development projects and programs.

The CEDS process ensures that regions prioritize their projects, an exercise that promotes the most efficient and impactful use of federal dollars, state dollars and municipal dollars.

This bill will further ensure that regional CEDS compliment the state's economic development strategy.

We are delighted to see this bill raised in this session of the General Assembly and strongly urge your support of House Bill 5383.

Thank you for your attention. I would be happy to answer any questions you may have.



March 10, 2010

### Testimony Regarding

- P. S. B. 144, An Act Concerning Enhanced Regionalism
- S. B. 159, An Act Concerning Inter-municipal Cooperation And Enhanced Regionalism
- S. B. 197, An Act Concerning In-School Suspensions
- S. B. 198, An Act Requiring A Two-Thirds Vote To Enact New Municipal Mandates
- S. B. 303, An Act Concerning a Municipal Hotel Tax
- H. B. 5255, An Act Concerning Municipal Mandate Relief
- H. B. 5257, An Act Concerning The Termination Of New Municipal Mandates
- H. B. 5331, An Act Authorizing Municipalities To Join In State Contracts For The Purchase Of Services
- H. B. 5336, An Act Concerning Shared Services
- H. B. 5337, An Act Authorizing Two Or More Municipalities To Pursue Joint Employee Health Insurance Plans
- H. B. 5383, An Act Concerning Regional Economic Development
- H. B. 5031, An Act Reducing Costs to Municipalities

Made before the

### Planning and Development Committee

The Northeastern Connecticut Council of Governments (NECCOG) **SUPPORTS** the concepts put forth in the twelve proposals before the Committee today and urges the Committee's **favorable consideration**. Most of the proposals are the result of the **Municipal Opportunities and Regional Efficiencies (MORE) Commission** that Speaker Donovan created and Representative Sharkey lead. NECCOG participated in Phase I of the MORE Commission and will continue its participation in Phase II. The MORE process is a unique (and we hope one that will be repeated) approach to problem solving for our state – engaging local elected officials, regional representatives, business, unions and others with legislators to enhance dialogue between various interests and find solutions or at least the opportunity for solutions. We thank the Speaker for his leadership and Representative Sharkey for his tireless efforts in making the MORE Commission work.

NECCOG, as a regional organization of 12 municipalities, has a long history of embracing regionalism. This includes regional programs in **Engineering, Paramedic Intercept, Animal Services, GIS** and our newest venture in conducting **Revaluation** regionally. Our member towns are open to the possibilities that regionalism affords – not just in terms of savings, but from the efficiencies gained resulting in better services for our residents. The bills before you are an enhancement to our efforts and those being done and tried in other parts of our state.

Initial financing for regional and inter-municipal cooperation is a critical issue and present challenge to those seeking such opportunities. Proposed Senate Bill 144, An Act Concerning Enhanced Regionalism, Senate Bill 159, An Act Concerning Inter-municipal Cooperation and Enhanced Regionalism and Senate Bill 303, An Act Concerning a Municipal Hotel Tax would address the issue and greatly enhance our ability to pursue regional opportunities..

Mandates (most of which are well intended) cost our towns considerable resources. Relief from the costs related to many of these can be of great financial benefit to our towns – especially during the financial situation we find our state in at this time. House Bill 5031, An Act Reducing Costs to Municipalities (introduced by the Governor), House Bill 5255, An Act Concerning Municipal Mandate Relief, House Bill 5257, An Act Concerning The Termination Of New Municipal Mandates, Senate Bill 197, An Act Concerning In-School Suspensions, and Senate Bill 198, An Act Requiring A Two-Thirds Vote To Enact New Municipal Mandates seek to address the mandate issue for municipalities. We do wish to emphasize that some mandates (such as the in-school suspensions) have a strong policy basis and should not simply be thrown aside due only to financial implications to towns. We need to work together to find affordable/effective ways to address the issues that resulted in the mandates.

As noted earlier, NECCOG is a strong advocate and practitioner of regionalism. We strongly support initiatives that enhance those efforts. House Bill 5331, An Act Authorizing Municipalities To Join In State Contracts For The Purchase Of Services, House Bill 5336, An Act Concerning Shared Services, House Bill 5337, An Act Authorizing Two Or More Municipalities To Pursue Joint Employee Health Insurance Plans and House Bill 5383, An Act Concerning Regional Economic Development each furthers efforts and opportunities to enhance regionalism.

Regionalism provides the opportunity for the towns of our state to save resources and enhance the delivery of services to the people of our state. Much is being done through our RPO's, RESC's, and between towns on a formal and informal basis.

*Successful regionalism will have to come from grass-roots efforts among municipalities to work together, not a top-down mandate to change. Toward that end, efforts are best focused on devising systematic incentives to encourage cooperation.*

"Forum: Why regionalism is so hard" by Christopher Briem, Sunday, July 09, 2006, Pittsburg Post Gazette

What we need in Connecticut is the environment to allow the opportunity of regionalism to flourish. The bills under consideration today further that goal – we urge your favorable consideration.

Thank you.

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For More information, please contact:

John Filchak, NECCOG Executive Director  
860-774-1253  
John.filchak@necog.com



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Martin Mador, Legislative Chair

Planning and Development Committee  
 March 10, 2010

Testimony In Support of  
SB 303 AAC A Municipal Hotel Tax  
SB144 AAC Enhanced Regionalism  
SB 159 AAC Intermunicipal Cooperation and Enhanced Regionalism  
SB 199 AAC The State Plan of Conservation and Development  
HB 5331 AA Authorizing Municipalities to Join in State Contracts for the Purchase of Services  
HB 5338 AAC Local Plans of Conservation and Development  
HB 5383 AAC Regional Economic Development

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303

This bill, one of the recommendations of the Revenue Streams Subcommittee, provides a new source of revenue for the town through creation of a lodging tax. Sierra supports this measure, as it will, to a small extent, decrease our reliance on property taxes. Sierra holds that over-reliance on property taxes drives towns to make poor and environmentally damaging land use decisions.

144 and 159

These bills would set aside a small portion of the sales tax to be shared among several municipalities if derived from regional initiatives. Sierra strongly endorses this concept. Regional revenue sharing will eventually help to reduce our extreme reliance on property taxes.

However, the wording of these bills should be examined. To illustrate, assume a \$100 purchase. The sales tax would be six percent, or \$6.00. "One-quarter of one per cent of the amount of the sales tax", in the language of both bills, would be  $0.25 * 0.01 * 6$ , or \$0.015 (a penny and a half). If the intent is actually one-quarter of one percent of the purchase amount, this would be  $0.25 * 0.01 * 100 = \$0.25$ .

199

Written testimony on this bill will be submitted later when the actual language of the bill becomes available.

5331

Sierra supports this bill, which would extend the concept of towns receiving bulk purchasing rates by joining in state purchasing contracts for services.

5338

The bill places a 2 year moratorium on the requirement that towns update their Plans of Conservation and Development every 10 years. While it may have minimal impact for plans coming up for renewal, Sierra feels towns which are seriously delinquent should not be granted an additional two year delay.

5383

This bill creates the concept of a regional economic development district, which might address transportation, jobs, the environment, development, and responsible growth. Sierra feels that the state is poorly served by our over-reliance on home rule. 169 governments in a small state is a poor model for economic growth and protection of our natural resources. HB 5383 provides another pathway for regional cooperation. Sierra endorses it. Eventually, we hope these strategies will be centered around the state's Regional Planning Organizations.