Local Government of the Future Subcommittee Advisory Commission on Intergovernmental Relations

Tuesday, January 23, 2024

Note: This document is ACIR staff notes written during this subcommittee meeting. It is a public document and has been provided to meeting participants for their review and revised in accordance with any comments received but is not approved minutes of the meeting.

The agenda is available at: https://egov.ct.gov/PMC/Agenda/Download/24168

The meeting recording is available at: https://ctvideo.ct.gov/opm/2024-01-23 ACIR LGF Video.mp4

ACIR Members present: John Filchak, Jim O'Leary, Brendan Sharkey, Katie Stargardter, Ethan van Ness

Other participants: Betsy Gara, John Harkins, Rick Porth

ACIR/OPM staff: Christine Goupil, Greg Lowrey, Bruce Wittchen

1. Call to order

Commission chair Sharkey called the meeting to order.

2. If helpful for background: draft 1/5/2024 ACIR minutes and 10/24/2023 LGF notes

There was no discussion of the draft minutes and notes.

3. Old Business

Commission chair Sharkey explained that the ACIR decided at its meeting earlier this month to dedicate this subcommittee meeting to a discussion of potential legislative changes to make the ACIR more efficient and operational. He provided some background regarding the <u>ACIR structure legislative proposal</u> circulated prior to this meeting. The purpose of this meeting is to ensure we are going the right direction. After that, he will ask the <u>Planning & Development Committee</u> (PD) chairs to raise a bill.

Commission chair Sharkey mentioned that he has had conversations with the Governor's Office and Majority Leader Jason Rojas about the role the ACIR can and should be playing in terms of policy. Some of the things the ACIR has traditionally pursued regarding property tax reform and regionalism are important but are not priorities for the governor and the legislature. He said that will change when times are not as positive financially for the state.

The ACIR should provide guidance reflecting the current perspective of the legislature and administration. ACIR members want to continue encouraging a focus on efficiencies and regionalized services where they make sense, with an eye towards property tax reform in general, but to also consider other issues that can make the ACIR more relevant. The current structure of the ACIR membership and process of appointing members should be amended to make us more efficient and more nimble. He asked Commission vice chair Filchak to explain the legislative proposal.

Commission chair Filchak described the history of the proposal and how it has been pared back to focus on the ACIR's problem getting a quorum and to include the representation the group should include. He listed changes, including the process by which certain members are appointed, a greater role for legislators, an opportunity for members to have alternates, and a process for members who miss a majority of meetings. He highlighted the length of time the Council of Small Towns (COST) has waited for members it nominated to be appointed.

Commission chair Sharkey thanked Commission vice chair Filchak for putting that together and there was a discussion of other points that had been included in previous drafts that have been removed and of the early history of the ACIR, when it was moved from the legislative branch to the executive branch. Commission chair Sharkey said he hopes the Governor's Office will not think the proposed changes are unnecessary. He asked if anyone else has other thoughts about the latest version.

Betsy Gara described the challenges the current process creates for COST when it must find people who can be nominated. She said the process for appointing members has been slow after COST has nominated people and she added that finding nominees is also complicated by the requirement that one of COST's nominees represent a town of 10,000 or less and one represent a town having a population of 10,000 – 20,000. Commission chair Sharkey suggested that be mentioned at the PD Committee hearing to request more flexibility. Rick Porth agreed with this effort but added that the ACIR should also discuss how to frame its work and how to make sure that state and local government pay attention.

Commission vice chair Filchak pointed out that the ACIR decided to narrow the scope of this legislative proposal to avoid bogging down the proposal in the short legislative session. He also mentioned that the intent of the division between towns less than or greater than 10,000 population had been to provide different perspectives.

There was further discussion of other issues that could also be addressed in the legislative proposal, including changes in representation of education interests and state agencies. Commission chair Sharkey asked if there were any other thoughts to discuss and none were raised. He said he would reach out to the co-chairs and ranking members of the PD Committee in particular to ask if they can raise the ACIR's proposal as a committee bill with some backup from legislative and executive branch leadership. He added an overview of the likely process from there.

4. ACIR plan for specific actions in 2024

Commission chair Sharkey described the discussion of this at the 1/5 meeting of the full ACIR (see <u>draft minutes</u>). He mentioned a conversation he had with former legislator and current Comptroller Sean Scanlon, who has paid a lot of attention to state and local relationships and efficiencies. Commission chair Sharkey said topics the ACIR is traditionally involved with will continue to come around again even if they are not current priorities of state leaders. We must be relevant, but not simply an arm of either branch, responsible for just doing studies they commission us to do. We should also do our own initiatives and all of this leads to a question of what should our work plan be?

Commission chair Sharkey asked if the group should do another visioning session like it had done in September. Should it do one annually to determine what the ACIR's work plan should be? Commission member O'Leary noted that the ACIR has frequently discussed trying to figure out a way to study the actual effect of some major mandate on municipalities and to compare those impacts to what was expected at the time of passage. He also mentioned the ACIR's long-standing interest in how towns could do things together or more efficiently than they're doing them individually.

Rick Porth said another visioning session could be a good thing and that the important question for state and local government is "How do we deliver services to the people of Connecticut?". The property tax which has been the main source of revenue for local government will continue to be, but online commerce and remote work will impact commercial leases and commercial property values. Bonds loans that are coming up on large office leases and downtowns and there will be a major impact on the property tax here and all across the country. Government service delivery, the way state and local government interact together to serve the same people, needs government attention.

There was a discussion of the limited ACIR staff capacity and of potential outside partners, such as UConn, that might have the bandwidth to do the work the group has in mind. Christine Goupil reminded the group that some key topics were identified during the ACIR's 2023 visioning session and she suggested they refer back to those and also ask members to recommend topics the ACIR can consider and flesh out at a future meeting. She added the ACIR will need to firm up the specific topics before they can pull in partners and others outside the ACIR to contribute to the process.

Commission chair Sharkey recommended dedicating the ACIR's 2/2/2024 meeting to this and noted that it is too late to attempt to complete this task in time for this year's legislative session. Commission vice chair Filchak said this will take multiple conversations and he added that there could be value in scheduling an in-person meeting at the Legislative Office Building and inviting legislators, to get their perspective. Commission member O'Leary recommended reaching out to key legislators with a request like the one being sent to ACIR members to learn what they think the ACIR should do.

There was further discussion of how the ACIR should proceed and of the need for the ACIR to do things that matter to state leaders and to the ACIR's members. The group also discussed how its property tax reform initiative was not taken up in the previous year and Commission member O'Leary mentioned CCM's related report that was never issued. Commission chair Sharkey said the topic will be a priority again when the state no longer has a surplus and it would be a shame if the ACIR has not continued to work on it in the meantime.

Commission chair Sharkey said ACIR members will be asked to identify topics that should be included in the groups' work plan for 2024 and he will contact PD Committee leadership to see if they can raise the proposed legislation discussed earlier.

5. Next meetings

2/2/2024 ACIR

2/20/2024 LGF Subcommittee (3rd Tuesday, not 4th)

5. Adjourn

The meeting was adjourned.

Notes prepared by Bruce Wittchen, OPM