

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2015

Bill Number: H.249 **Name of Bill:** An act relating to intermunicipal services and the authority to create a regional council of governments

Agency/ Dept: AOT/PPAID **Author of Bill Review:** Joe Segale/Michele Boomhower

Date of Bill Review: 04/27/16 **Related Bills and Key Players** _____

Status of Bill: (check one): ☐ Upon Introduction ☐ As passed by 1st body ☒ As passed by both

Recommended Position:

☐ Support ☐ Oppose ☐ Remain Neutral ☒ Support

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

The bill would allow any regional planning commission (RPC) to enter into an Intermunicipal Service Agreement with its member municipalities

Based on conversations with Peter Gregory (Two Rivers RPC Director) and Chris Campany (Windham Region Director), the purpose of the bill is to create a regional entity that that could provide services to municipalities beyond what RPCs are currently allowed to do per 24 VSA Chapter 117 (§ 4345a). RPCs' current list of required and optional duties in 24 VSA § 4345a are limited to general planning, adopting a regional plan, participating in Act 250, facilitating cooperation and coordination with its members, state and federal agencies, and the public, sharing information, and providing technical assistance. In many cases, RPCs act only in an advisory role. Establishment of a intermunicipal service agreement would enable RPCs to provide services for one or more municipalities such as joint purchasing, contracting for maintenance activities where state roads pass through village centers, managing federally funded transportation projects for smaller municipalities (such as bike/ped grants) that do not have the staff or experience with federal requirements, or developing and implementing stormwater management practices. According to Chris Campany, the intermunicipal service agreement would provide administrative support and not regional governance.

In order to enter into an intermunicipal service agreement an RPC shall:

- Draft bylaws specifying the process for entering into, method of withdrawal from, and method of terminating service agreements with municipalities; and
- Hold one or more public hearings within the region to hear from interested parties and citizens regarding the draft bylaws.
- The draft bylaws required under subsection (a) of this section shall be adopted by a vote of at least 67 percent of the commissioners of the regional planning commission in accordance with the voting procedures of the regional planning commission.
- Upon adoption of the bylaws under subsection (b) of this section, a regional planning commission may:
 - (1) promote cooperative arrangements and coordinate, implement, and administer service agreements among municipalities, including arrangements and action with respect to planning, community development, joint purchasing, intermunicipal services, infrastructure, and related activities; and
 - (2) exercise any power, privilege, or authority, as defined within a service agreement under subsection (d) of

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this section, capable of exercise by a municipality as necessary or desirable for dealing with problems of local or regional concern.

- In exercising the powers set forth in subsection (c) of this section, a regional planning commission shall enter into a service agreement with one or more municipalities.
- Participation by a municipality shall be voluntary and only valid upon appropriate action by the legislative body of the municipality. To become effective, a service agreement shall be ratified by the regional planning commission and the legislative bodies of the municipalities who are a party to the service agreement. Any modification to a service agreement shall not become effective unless approved by the legislative body of the municipalities who are a party to the service agreement.
- A regional planning commission shall not have the following powers under this section:
 - (1) essential legislative functions;
 - (2) taxing authority; or
 - (3) eminent domain.
- Funds provided for regional planning under section 4341a or 4346 of this chapter shall not be used to provide services under a service agreement without prior written authorization from the State agency or other entity providing the funds.
- A commission shall not use municipal funds or grants provided for regional planning services under this chapter to cover the costs of providing services under any service agreement under this section.
- EFFECTIVE DATE: July 1, 2016.

2. Is there a need for this bill? *Please explain why or why not.*
Somewhat.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

To provide additional services beyond what RPCs currently provide more staff and related overhead costs may result. Intermunicipal service agreements would have a fee-for-services structure to cover its activities beyond typical RPC responsibilities. The VTTrans Transportation Planning Initiative (TPI) provides approximately \$2 M per year to RPCs to conduct transportation planning, provide technical assistance to towns and assist VTTrans with local outreach and coordination activities. The objectives of the TPI would not change if an RPC enter into intermunicipal service agreements so additional funding should not be necessary.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

The requirements and funding levels of existing programs provided to RPCs by other state agencies should not change.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

There may be some additional costs for municipalities that choose to enter into intermunicipal service agreements. A municipality would determine whether or not the investment was worthwhile. In theory, services provided have the potential to save money for municipalities, or at least provide a better value.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why? RPCs – this bill was proposed by RPCs.

6.2 Who else is likely to oppose the proposal and why? Unknown.

7. Rationale for recommendation: *Justify recommendation stated above.*

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Intermunicipal Service Agreements managed by RPCs may help improve the delivery and implementation of VTrans funded programs (such as Better Back Roads, Transportation Alternatives Program, and the Bicycle and Pedestrian grant programs) especially for smaller municipalities that do not have the institutional capacity to manage these types of less frequent projects.

- 8. Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

None

- 9. Gubernatorial appointments to board or commission?**

None

Secretary/Commissioner has reviewed this document: _____ **Date:** _____