



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

Intergovernmental Policy and Planning Division

January 17, 2022

To: Chief Executive Officers
Chief Financial Officers

From: Martin L. Heft, Undersecretary

RE: Municipal Revenue Sharing Account Grants

[Public Act 21-2 JSS](#) Section 448 outlines how Municipal Revenue Sharing Account (MRSA) funds shall be distributed to municipalities in the current biennium. The Act overrides the current distribution process for fiscal years ending June 30, 2022 and June 30, 2023.

The act significantly alters the funding sources, allocations and timing of payments of the Motor Vehicle Property Tax Grant (Municipal Transition), Payment in Lieu of Taxes (PILOT), General Fund transfer and Municipal Revenue Sharing Grants.

The act requires the Office of Policy and Management to pay the Municipal Revenue Sharing Grant in each fiscal year after all commitments and accruals are satisfied. Based upon our estimates after all obligations have been met, no payments will be possible during the biennium. Shall revenues exceed our estimates, grants will be re-evaluated.

Overview of commitments:

Municipal Transition	Paid August 1, 2021
PILOT payments	Paid September 30, 2021
General Fund transfer	\$262.7 million FY 22
	\$276.3 million FY 23
Municipal Revenue Sharing Grants	anticipated FY 23

Public Act 21-2 JSS Section 448

Sec. 448. (Effective July 1, 2021) (a) Notwithstanding the provisions of 4-66l of the general statutes, for the fiscal years ending June 30, 2022, and June 30, 2023:

(1) Payments for the motor vehicle property tax grants shall be made in accordance with the provisions of subsection (c) of section 4-66l of the general statutes and from the funds appropriated for said fiscal years for such purpose; and

(2) Payments for the grants payable under said section pursuant to subsection (d) of section 12-18b, subdivisions (1) and (3) of subsection (e) of section 12-18b, subsection (b) of section 12-19b and subsections (b) and (c) of section 12-20b of the general statutes shall be made from the funds appropriated for said fiscal years for such purpose and the remaining balance due for such grants shall be made from the municipal revenue sharing account established under section 4-66l of the general statutes.

(b) (1) After the payment of the remaining balance, as set forth in subdivision (2) of subsection (a) of this section, has been made from the municipal revenue sharing account for each said fiscal year, the following amounts shall be transferred from the resources of said account to the General Fund: (A) For the fiscal year ending June 30, 2022, two hundred sixty-two million seven hundred thousand dollars; and (B) for the fiscal year ending June 30, 2023, two hundred seventy-six million three hundred thousand dollars.

(2) Moneys remaining in the municipal revenue sharing account for said fiscal years after all payments are made under this section shall be expended for the municipal revenue sharing grants under section 4-66l of the general statutes.