PA 26-126—sHB 5282
Planning and Development Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE CONTINUING LEGISLATIVE COMMITTEE ON PLANNING AND DEVELOPMENT CONCERNING THE STATE PLAN OF CONSERVATION AND DEVELOPMENT

SUMMARY: This act makes several changes in laws related to the state plan of conservation and development (POCD). Among other things, it generally raises, from $200,000 to $1 million (adjusted for inflation regularly), the threshold at which certain state agency capital projects and grant authorizations must be consistent with the state POCD. (Generally, these same projects were also deemed "growth-related projects" under prior law (see below).) The act also removes acquiring public transportation equipment or facilities from the list of grants and projects that must be consistent with the POCD.

Additionally, the act eliminates priority funding areas (PFAs). Under prior law, (1) the state POCD had to identify the boundaries for PFAs and (2) when state agencies funded or undertook a growth-related project, the project had to be located in a PFA unless the agency complied with a statutory exception process. The act eliminates both of these requirements, among other PFA-related requirements and references.

The POCD is a statement of the state's development, resource management, and public investment policies. The Office of Policy and Management (OPM) develops the plan, which goes before the legislature for hearings and approval.
EFFECTIVE DATE: July 1, 2026

§ 1 — STATE AGENCY SPENDING THAT MUST CONFORM TO POCD

Higher Threshold and Indexing to Inflation

Under prior law, the following projects, if they cost more than $200,000, and were undertaken by a state agency with state or federal funds, had to be consistent with the state POCD:

1. acquiring real property;
2. developing or improving real property;
3. acquiring public transportation facilities or equipment; and
4. authorizing state grants to (a) acquire, develop, or improve real property or (b) acquire public transportation equipment or facilities.

The act (1) removes public transportation facilities and equipment from the list of covered projects and grant purposes and (2) increases the cost threshold for all other covered projects to more than $1 million. But the new threshold applies to state agencies' grant authorizations (the last listed item) only if the application is made on or after October 1, 2026.

By January 1, 2027, and every five years after that, the act requires the OPM secretary to adjust the threshold by the percentage change in the Producer Price Index by Commodity: Construction (Partial) (WPU80), not seasonally adjusted, or its successor index, as calculated by the United States Department of Labor, over the preceding five calendar years, rounded to the nearest multiple of $100. The secretary must publish the adjusted threshold on OPM's website.

Advisory Statements

Prior law required agencies undertaking covered projects to request and receive an advisory statement from OPM on the grant or project's conformity with the POCD. The act eliminates this requirement and instead requires agencies to give OPM a notice explaining how their grant or project conforms to the POCD. It allows agencies to consult with the OPM secretary before submitting the notice.

§§ 2-5 — ELIMINATION OF PRIORITY FUNDING AREAS

The act repeals references to PFAs and related requirements. Under prior law, these were areas that OPM specified as part of the POCD, considering factors such as whether an area is a regional center, growth or conservation area, or located in a distressed municipality. Under the act, OPM does not have to identify PFAs.

Prior law required growth-related projects (see above) to be undertaken in PFAs, with exceptions. In eliminating the PFA framework, the act correspondingly eliminates this requirement.