

<b>Act Number</b>	<b>Session</b>	<b>Bill Number</b>	<b>Total Number of Committee Pages</b>	<b>Total Number of House Pages</b>	<b>Total Number of Senate Pages</b>
PA 71-158		178	1	3	4
<u>Committee Pages:</u> <ul style="list-style-type: none"> <li><i>Insurance &amp; Real Estate 22</i></li> </ul>				<u>House Pages:</u> <ul style="list-style-type: none"> <li>1886-1888</li> </ul>	<u>Senate Pages:</u> <ul style="list-style-type: none"> <li>1036-1038</li> <li>1163</li> </ul>

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**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
1971**

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PART 4  
1451-1967**

Thursday, April 29, 1971 42.

MR. SPEAKER:

With that note of unanimity, are there any further remarks.

FRANCIS J. COLLINS:

Mr. Speaker, did I forget to say that?

MR. SPEAKER:

The Chair would observe that you did, sir. If there are no further remarks, all those in favor of acceptance of the Joint Committee's favorable report and passage of the Bill will indicate by saying "aye". Opposed. The Bill is passed.

THE CLERK:

Page 8 of the Calendar, the top of the page, Calendar No. 545, Substitute for S.B. No. 178, an Act concerning exemptions from the Real Estate Conveyance Tax, amended by Senate Amendment Schedule "A".

GEORGE W. HANNON, JR.:

Mr. Speaker, I move acceptance of the Joint Committee's favorable report and passage of the Bill as amended by Senate Amendment Schedule "A", in concurrence with the Senate.

MR. SPEAKER:

Question's on acceptance and passage as amended by Senate "A", in concurrence. Will the Clerk please read the Amendment.

THE CLERK:

The Amendment is in the files as 160.

MR. SPEAKER:

EFH

The Chair will note that the Amendment clearly was ruled a substitute in the Senate. It was referred to the Legislative Commissioner's office and is returned as contained in our files. Reading is not necessary.

GEORGE W. HANNON, JR.:

Mr. Speaker, this Act deals with Section 12-498 of the General Statutes, the 1969 Supplement, in that it further defines the exemptions in Section 1 from the Real Estate Conveyance Tax and more clearly delineates in Section 2 the thrust of the tax in those areas of conveyance, and it clearly sets forth that there must be a value to the particular transaction.

MR. SPEAKER:

Question is on adoption of Senate Amendment Schedule "A". Will you remark further. If not, all those in favor will indicate by saying "aye". All those opposed. The Amendment is adopted. The question is on acceptance of the Joint Committee's favorable report and passage of the Bill as amended. Will you remark further. If not, all those in favor...

THOMAS M. KABLIK:

Mr. Speaker, through you to the proponent of the measure. Am I correct in reading this to say that there will now be a conveyance tax for all deeds between parent and child and husband and wife?

MR. SPEAKER:

Does the gentleman reporting the Bill care to respond?

GEORGE W. HANNON, JR.:

Through you, sir, my understanding is definitely not. EFH

MR. SPEAKER:

Will you remark further. Are there further points of inquiry? If not, all those in...

JAMES T. HEALEY:

Mr. Speaker, through you, sir, if I may inquire of the gentleman reporting the Bill. If we remove the exemption and we do not state that the tax does not apply to one where there is no valuable consideration, how is the end result which the honorable gentleman indicates does result from this attained? I must admit to confusion over it, sir.

MR. SPEAKER:

Does the gentleman care to respond?

GEORGE W. HANNON, JR.:

Mr. Speaker, my understanding of the particular legislation in Section 1 that deals with those instruments on which there is no conveyance tax and in Section 2 clearly in the last section, Lines 38 to 42, clearly deals with those instruments where there is in the amount of money to be paid.

MR. SPEAKER:

Will you remark further on the Bill. If not, the question's on acceptance of the Joint Committee's favorable report and passage as amended by Senate Amendment Schedule "A" in concurrence. All those in favor will indicate by saying "aye". All those opposed. The Bill is passed.

THE CLERK:

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**SENATE**

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THE CHAIR:

Senator Zajac that is the Chair's opinion. That would have no affect on the body of the act. Because the body of the act makes clear what rights of deprivation is being discussed.

Will you remark further? The question is on the adoption of Senate Amendment Sch. B. If not a roll call vote is ordered in the Senate.

Results of the roll call vote on Senate Amendment Sch. B. offered by Senator Smith of the Second:

Whole number voting 32  
Necessary for passage 17  
Those voting yea 20  
Those voting nay 12  
Those absent and not voting 4

The Amendment is adopted. The Chair rules that the Amendment is a substantial one. That the matter must be referred to the Legislative Commissioner's Office. And we will vote on the bill as it is amended when it is returned from the Legislative Commissioner's Office.

THE CLERK:

Continue on with your Calendar please. Page 1, bottom of the page. Cal. No. 150, File 160 Favorable report Joint Standing Committee on Insurance and Real Estate Substitute S.B. 178 An Act Concerning Exemptions From the Real Estate Conveyance Tax.

THE CHAIR:

Senator Dupont.

SENATOR DUPONT:

Mr. President, I move acceptance of the Committee's/<sup>joint</sup> favorable report and passage of the bill.

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SENATOR DUPONT:

I believe the Clerk has an amendment.

THE CHAIR:

Will the Clerk please read the amendment?

THE CLERK:

The Clerk has Senate Amendment Sch. A. as offered by Senator Rimer. I believe this amendment is lengthy is on every Senator's desk.

THE CHAIR:

Do I hear a motion to waive reading of the amendment? So moved Senator Rimer. Senator Dupont, do you wish to be heard or Senator Rimer.

SENATOR RIMER:

Mr. President, I move adoption of the amendment. Will you remark on the amendment?

SENATOR RIMER:

Mr. President, very simply what this amendment accomplishes it changes the system of taxation on the Real Estate conveyance tax so that it would be based now on actual consideration or sale price of the property involved. Rather than the existing situation where the tax is based upon a fair market value. Now what this amendment would accomplish number one, it would eliminate several of the existing exemptions from this tax because these exemptions are predicated upon the fact that there is no consideration involved. It would also accomplish there being no conveyance tax for a situation where property, real estate is deeded to a land conservation trust or is given to a charitable institution or comparable situation. Going back to the history of this bill. The Conn. Real Estate conveyance tax was adopted simultaneously with the phase out of the federal documentry

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tax on conveyance of real estate. The federal tax was based upon consideration rather than fair market value and the history was that it was a very workable tax program. In my judgment this amendment would make the Connecticut conveyance tax a fairer tax. And a more workable tax and would obviate certain hardship situations that are now in existence.

THE CHAIR:

Will you remark further on the amendment? Senator Dupont.

SENATOR DUPONT:

Mr. President, I rise in favor of this amendment. I think it goes a step further than the bill as originally in the file. That expanded the exemptions. And I understand that there were still more possibility of exemption. I think that it makes some sense to limit the tax to those where there is considerations.

THE CHAIR:

Will you remark further? Question is on the adoption of Senate Amendment Sch. A. All those in favor say aye. AYE. Opposed nay. The ayes have it. The chair will rule it is a substantial amendment. We cannot proceed on the bill today.

THE CLERK:

Turn to page 2 of your Calendar please. Top of the page Cal. 155 File 132. Favorable report Joint Standing Committee on Liquor Control on Substitute H.B. 6052 An Act Concerning Sunday Sale of Liquor.

THE CHAIR:

Senator Dupont.

SENATOR DUPONT:

Mr. President, I move acceptance of the committee's joint favorable

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the bill is of nature. If you don't believe what I say, I have a dozen telegrams that can back me up. I urge passage of the bill.

THE CHAIR:

Question is on passage of the bill. Will you remark further? If not, all those in favor signify by saying, "aye". Opposed, "nay". The ayes have it. The bill is passed.

THE CLERK:

CAL. NO. 150. File No. 160. Favorable report on the joint committee on Insurance and Real Estate. Substitute Senate Bill 178. An Act Concerning Exemptions From the Real Estate Conveyance Tax. As amended by Senate A.

SENATOR RIMER:

Mr. President, I move acceptance of the joint committee's favorable report on passage of the bill. Very briefly stated, this changes the existing law on the Real Estate Conveyance Tax, making it now based on the consideration received for the transfer of the real property as opposed to the fair market value of the property, for taxation. I think it is a good change in the legislation and I urge its support.

THE CHAIR:

Question is on passage. Will you remark further? If not, all those in favor signify by saying, "aye". Opposed, "nay".

THE CLERK:

FOOT OF THE CALENDAR:

CAL. NO. 194. File No. 210. Favorable report of the joint committee on Corrections, Welfare and Humane Institutions. Substitute Senate Bill 178. An Act Concerning the Entering of Unauthorized Items or Person into Correctional Institutions.

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**INSURANCE  
AND  
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WEDNESDAY

FEBRUARY 17, 1971

SB831 (Sen. Dinielli) AN ACT CONCERNING SHOPPING CENTERS

SB724 (Sen. Mondani) AN ACT CONCERNING PREPARATION OF  
ASSESSING OFFICIALS

SB178 (Sen. Dupont) AN ACT CONCERNING EXEMPTIONS FROM THE  
REAL ESTATE CONVEYANCE TAX

SB215 (Sen. Cutillo) AN ACT CONCERNING THE LAPSE OR TERMINATION  
OF INSURANCE POLICIES RESULTING FROM THE NON-COLLECTION OF  
premiums by striking agents

James Merrinan, West Hartford, attorney with the Travelers Insurance in Hartford: We have no personal interest in SB219 or SB215 rather. But I would like to introduce to the committee three gentlemen who are here to testify on the bill. The first is Mr. Robert Montgomery, Counsel to the Life Insurance Association of America and he will be followed by Attorney William Skinner of the Prudential and Attorney Edward Baud of John Hancock. Thank you Mr. Chairman.

SB 215  
Robert Montgomery Jr. Associate General Counsel with the Life Insurance Association of America: I am speaking today for that association and the American Life Convention. These two associations have a membership of 360 life insurance companies. The member companies write about 91% of the total life insurance in force in the United States. The 130 members who do membership business in Connecticut have about 96% of the life insurance in force in this State.

This bill would provide that no insurance policy shall lapse during any agents' strike or during a period of sixty days following the termination of the strike by reason of default in the payment or other charge or obligation of the insured during the strike.

We feel gentlemen that this bill is unconstitutional. A similar bill enacted in Massachusetts in 1963 was declared unconstitutional by the highest court in the State of Massachusetts and John Hancock Mutual Life Ins. Co. v. Farnam in 1965.

Although these bills have been introduced in at least sixteen states in the past two years....