Act Number	Session	Bill Number	Total Number of Committee Pages	Total Number of House Pages	Total Number of Senate Pages
PA 71-471		**1826**	**6**	**1**	**3**
Committee Pages: • *Finance 986* • *Finance 996* • *Finance 1003-1006*				House Pages: • *4089*	Senate Pages: • *2397-2399*

H-116

CONNECTICUT
GENERAL ASSEMBLY
HOUSE

PROCEEDINGS
1971

VOL. 14
PART 9
3878-4343

Would you remark.

EDWARD TACINELLI:

Yes, Mr. Speaker. Mr. Speaker, this Bill provides for the Motor Vehicle Department to issue a Class 3 license upon the application of an operator for a renewal of his license. An operator may apply for a Class 1 or Class 2 license if he can demonstrate to the Commissioner that he is capable of operating a vehicle of the Class for which he applies. This is a Motor Vehicle Department Bill, Mr. Speaker, and they strongly urge its passage.

MR. SPEAKER:

Further remarks on the Bill. If not, all those in favor indicate by saying "aye". Opposed. The Bill is passed.

THE CLERK:

Page 16, top of the page, one-star, 1209, Substitute for S.B. No. 651, an Act concerning Executive Session of Administrative Boards, Agencies, and others. As amended by Senate Amendment Schedule "A".

PETER W. GILLIES:

Mr. Speaker, may that matter be passed temporarily?

MR. SPEAKER:

So ordered.

THE CLERK:

Third matter, another one-star item, 1213, Substitute for S.B. No. 1826, an Act concerning agreements relating to tax assessments.

ROLLIN W. METTLER, JR.:

Mr. Speaker, I move for suspension of the rules for

immediate consideration. EFH

MR. SPEAKER:

Is there objection? Hearing none, the rules are suspended.

ROLLIN W. METTLER, JR.:

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the Bill.

MR. SPEAKER:

Would you remark.

ROLLIN W. METTLER, JR.:

Yes, Mr. Speaker. This Bill permits in cities of our State with a population of 80,000 or more by vote of the legislative body of the town that a written agreement may be made with an owner of property or purchaser of property to set up an assessment schedule for property taxes up to a maximum period of seven years. The intent of the Bill is to stimulate development in our industrial area...in our municipal areas...urban areas in particular and act as a stimulus to the development of the property tax. I urge its passage.

MR. SPEAKER:

Further remarks on the Bill. If not, all those in favor indicate by saying "aye". Opposed. The Bill is passed.

THE CLERK:

Page 20, an unfavorable report which is on the Calendar for the first time as such. Calendar No. 1256, H.B. No. 5056, an Act concerning the selection of a Town Manager. An unfavorable report of Government Administration and Policy.

S-80
CONNECTICUT
GENERAL ASSEMBLY

SENATE

PROCEEDINGS
1971

VOL.14
PART 5
1921-2435

THE CHAIR:

The question is on adoption of the amendment. Will you remark further? If not, all those in favor of adoption of the amendment, signify by saying aye. Opposed nay. The ayes have it. The amendment is adopted. Ruled technical. You may proceed with the bill as amended.

SENATOR MONDANI:

Mr. President. I move adoption of the bill as amended by Senate Amendment Schedule A.

THE CHAIR:

Will you remark? Previous remarks apply. The question is on passage of the bill as amended by Senate Amendment Schedule A which reduces the bond authorization for the airports no longer required under the plan. If not, all those in favor of passage of the bill as amended by Senate Amendment Schedule A signify by saying aye. Opposed nay. The ayes have it. The bill is passed.

THE CHAIR:

Senator Houley.

SENATOR HOULEY:

Mr. President, may I merely say to you and to the Republican Minority, thank you for your reconsideration and in the future if they would ask in advance I would be glad to explain it.

THE CLERK:

The next bill is the bottom of Page 10. Calendar 768. Favorable Report of Joint Standing Committee on Finance. Sub. for Senate Bill 1826. An Act Concerning Agreements Relating to Tax Assessments.

THE CHAIR:

Senator Cutillo.

SENATOR CUTILLO:

Mr. President, I move acceptance of the committee's favorable report and passage of the bill.

THE CHAIR:

Will you remark?

SENATOR CUTILLO:

Isn't there a correction you were supposed to make note of Mr. Clerk.

THE CHAIR:

That is correct. A typographical error has been noted. Will you announce it to the Circle.

THE CLERK:

The Clerk has been informed that in Line17, a five was typed in in front of the thousand in error. It should read "Any municipality with a population of eighty thousand or more, rather than eight-five.

THE CHAIR:

If there is no objection , in the interest of economy of time, we will make the correction on the original bill. Any who wish may make the correction in his or her file, from eighty-five thousand down to eighty thousand. Correct. You may proceed.

SENATOR CUTILLO:

Thank you Mr. President. This bill would permit municipalites with a population of eighty thousand or more to fix by agreement for not more than seven years the assessment on certain types of developments which cost not less than ten million dollars. The purpose of this Mr. President and members

SENATOR CUTILLO:

of the Circle is to encourage development within municipalities and we obviously know that the dire need within the big cities throughout the State of Connecticut of developing and flourishing and at this particular point we are not on that road and we hope this bill will do this...serve this particular purpose.

THE CHAIR:

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

THE CLERK:

On Page 14, Calendar No. 820. File No. 954. Favorable Report of Joint Standing Committee on Insurance and REal Estate. Sub. House Bill 6876. An Act Concerning Insurance Advisory Services.

THE CHAIR:

Senator Dinielli.

SENATOR DINIELLI:

Mr President. I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

THE CHAIR:

Will you remark?

SENATOR DINIELLI:

Mr. President. This would be a special group of insurance people and I move for passage.

THE CHAIR:

Question is on passage. Will you remark further? If not , all those infavor of passage, signify by saying aye. Opposed nay. The ayes have it.

JOINT
STANDING
COMMITTEE
HEARINGS

FINANCE

PART 3
727-1114

1971

Senator Louis S. Cutillo, Chrmn.
Representative D. J. Spain, Chrmn.

Committee Members Present:

Senators: L. Cutillo, E. Rimer, L. DeNardis, E. Power.

Representatives: E. King, S. Bigos, J. Fugliese, A. Fox, M. Comstock, R. Holdridge, V. Gagliardi, J. Clynes, M. Griswold, R. Martin, W. Violette, A. Beck, G. Ritter, Rollin Mettler, J. Thorton, A. Nevas.

Rep. Clynes: If you have a long presentation leave it with the Committee and summarize your statement. We will first go to Legislators who are here this morning. Mrs.Green.

Eloise Green: Mr. Chairman, members of the Committee. 93rd Assembly District, I'm speaking in favor of bill 8088 AN ACT CONCERNING IMPROVEMENTS OF THE RESIDENTIAL COTTATES AT THE SOUTHBURY TRAINING SCHOOL. Very briefly I will state that this is a statement of purpose to allow funds authorized in 1967 for construction of a residential cottage at the Southbury Training School to be expended instead to improvements to the existing cottages. Now somebody from the State will be here later and also Frank Giliberty, Superintendent of the Southbury Training School to answer any technical questions you might have to ask on this subject.

HB8088

Rep. Clynes: Thank you. Any questions. Mr. Stevens.

Rep. G. Stevens: Assistant House Minority Leader appearing here this morning on behalf of the Governor Meskill to support raised bill 1826. This bill which is now before the Committee, would permit certain municipalities to fix by agreement for not more than seven years the assessment on certain types of developments. This legislation is the type of local tax option that is needed if are to meaningfully assist our urban areas. Under the provisions of this law, it would permit the legislative body of any municipality with a population of eighty-five thousand or more to enter into a written agreement with any person owning real property or with any person proposing to acquire real property to fix the assessment for a period of seven years. This would apply to cities such as New Haven, Hartford, Bridgeport and Stamford all of which have at least 85,000 in population. Under section 2. of this Act certain standards are set forth that must be met before the a agreement can be entered into. One of these standards requires that the cost of such improvements must be not less than ten million dollars. This Act will provide an incentive for major increases on the grand

SB1826

Rep. G. Stevens: list of our larger cities. The cities will benefit from the increase in the grand list and the jobs that will be created by the imporvement, and the property owner will be assured of a fixed assessment for seven years. We would urge the Committee to act favorably on this bill which will be a major assist to our urban areas. Thank you.

Rep. Clynes: Any questions. Seeing no other Legislators, the first - Sen. Petroni.

Sen. Petroni: Mr. Chairman and all the illustrious members of the Committee of Finance. Good morning, it is rather to discuss this mundane issue such as money but it is one of those things in this session we are all going to be concerned with and the bill that I address myself to is AN ACT CONCERNING THE REAL ESTATE CONVEYANCE TAX. Hopefully it will raise in the vicinity of $25. million, it's not on the list, but I do have copies - it's a Committee bill and I think that the Senate Chairman is aware of the bill and is before you. At the present time the conveyance tax on real estate is 1/10th of one percent of the consideration paid. The funds from it goes into the towns general fund, in my opinion there is an excellent source of revenue with this particular tax and I think it meets all the standards of a fair tax. Certainly men can disagree on the amounts that it should be taxed, but I have taken a very simple figure of 1% of the consideration to be paid. Last year I think, in Conn. the total sales were approximately $1.6 billion and I think Mr. Tarrant is here and would estimate that to be about $16. million in revenue. I happen to feel that we are going to have a great year this year. I think we are going to do about $2.5 billion and I think that in 1972 we are going to have a better year, so, most of you do know that 1969 to use that year 1970 we had a poor year. With this revenue I think we could take into a new direction; half of it under this bill would be kept by the towns and cities in this state, and certainly there is no question in any body's mind of the need for the revenue there, and I think it is the right direction to take, because we collect the tax and they keep one half of it. The other half of the tax or about $12.5 million under my estimate would go to finance the program that we know is inadquate now in helping the elderly. I think that in the last campaign almost everyone that I talked to, both candidates and people felt that this is an area that we neglected, this is an area we should do more in. People over 65 are the ones that are suffering the most with inflation and they

John Tarrant: And this particular piece of property was all ledge and swamp and we are now getting $150. more on the system of State owned property than good arable property in the community. Bill 1690 mv records indicate that I testified on this bill on April 6th. There are over 185,000 persons, widows or widowers, two-thirds of whom are 65 or over. And since the regular elderly tax relief law has a limitation of $3,000 on people that are widowed or single, then these people would certainly flock under this bill if it were enacted for the $5,000 limitation. Our experience so far is that it has cost the State $1. million for each 10,000 eligibles and you can figure on your own arithmetic how much this make costs us if these 185,000 widows and widowers, and I don't know how many of them own property - that's the bad part of it with come under this bill. Bill 1786 and SJR 76. Local taxes amount to $877.7 million per year, 54% of the state and local tax bill; state taxes amount to $742. million or 46% for a total of both amounting to one billion six hundred and nineteen million dollars. It would be most difficutl to set forth what percentage of that figure is paid by business, because business pays a substantial part of the taxes that may be listed here as "sales and other transaction taxes." Business also pays a substantial portion of property taxesin the Community and I estimate that it pays about 20% of our total sales tax, so it would be nearly impossible to fix these percentages accurately within the three percentage points differential allowance that this bill provides, but I do remember that Sen. DeNardis that was raised somewhat and of course that would cancel out that objection. Bill 8491 Something of this nature was done as to the transfer of real property which is totally exempt, property owned by hospitals, schools and charitable institutions. Here, however, we are dealing with property only partially exempt, and much of it is personal property--particularly automobiles, property and veterans. So the number of transactions would multiply far beyond the totally exempt real estate situations. Some veterans even split their exemptions between and automobile and a building lot, and veterans exemptions vary according to the statutes now on the books as of the degree of disability between the variance on the exemptions between $1,000 and $10,000. There you have situation where you a paraplegic who gets a $10,000 exemptions and he wants to transfer his property to a veteran with a $1,000 exemption, what do you do about that and if the reverse situation is true, what do you do about that. Do you grant refunds, this is something to think about and finally gentlemen I just noted in passing that bill 1826 which says the towns having 85,000 population or over may enter into agreements with property owners who want to develop particular areas within their community and I note that you just missed New Britain 2,000 people

SB1690

SB1786

and SJR 76

HB8491

SB1826

J. Tarrant: and you might draw a deal there.

Rep. Clynes: Thank you Mr. Tarrant. Are there any questions. There's a question Mr. Tarrant would you -

Rep. Beck: Mr. Tarrant on 1786, you pointed out that business taxes in comprehensive terms. Is it not your understanding that this is however a particular catagory of business taxes and that the intent of this bill is really to pin down different classifications of taxes rather than the individuals who pay them and that this is a special collection of business taxes.

J. Tarrant: Well, that may be your understaning Mrs. Beck, but it isn't mine. I think that business pays a substantial portion of many taxes which are called, sales taxes and other excises as it says in here and I think that should be cued in.

Rep. Beck: No, I'm just asking you whether it is not the intent of this bill to classify different kins of taxes. I think your comment is pointed to a different way

J. Tarrant: I'm sorry I can't answer about the intent of the bill, I can only answer you what I gather is the intent

Rep. Beck: Could I, because I think the Committee ought to be sure of the intent here. I interpret it differently, Mr. Tarrant, and I just wanted to get a clarification from you. When we're done perhaps I could ask Sen. DeNardis who is still here to clarify that particular point. My second question Mr. Tarrant is on 156 which you commented on. Do I understand that you are opposing this bill, is that the point of your - the very first bill and I just want to clarify what your position was on this particular bill.

J. Tarrant: I think the preamble to what I said was, that I wasn't projecting myself to this bill, but merely to the general idea of grants in lieu -

Rep. Beck: So that you are opposed in general to them. I just want to clarify this

J. Tarrant: I'll stand on my statement, if I may.

Rep. Beck: The reason I'm asking is on 156 here, we have a great number of proposals before the State Development Committee and as you realize one of our problems in allocating funds for housing is the fact that if we do not provide payments in lieu of taxes in the urban areas, we cannot get low income housing into New Haven or Hartford, Bridgeport etc., and we have been deeply conecerned with that problem and I wasn't quite sure from the nature of your comments whether you supported

J. Austin: University of Connecticut should be provided general budget guidance by the Governor, but otherwise should be accorded administrative flexibility in day-to-day operations, consistent with the satisfactory discharge of their responsibilities.

Rep. Clynes: Are there any questions.

Sen. Cutillo: Could you give me an example as you stated - the operation - how could the operation be handicapped.

J. Austin: Well, the change in the act is very broad and it could be interpreted in a lot of ways. One way could be interpreted that when we get our appropriation from the legislature, we would then look to the Finance Advisory Committee to get a break-down of our allotments. This would make it cumbersome operation. We don't know that this is the intent of the bill, but it could be.

Sen. Cutillo: Well, I fail to see where it would be cumbersome to go to a procedure of this nature, could you, you know, go a bit farther to show me truingly where this would be cumbersome.

J. Austin: Well, let me take in our day-to-day operations, suppose we want to buy a piece of equipment and our first bid on this $375., this is for the engineering department; subsequently the price comes in $25. higher than that, we now want to try inaudible from the Fine Arts School, to engineering so we can buy that piece of equipment.

J. Austin:--- Is this something that would have to be o.k'd by the Finance Advisory Committee. This is the type of --

Rep. Clynes: Thank you sir, any other questions. If not Mr. George Levine.

George Levine: Mr. Chairman, members of the Committee, I'm a member of the Hartford City Council and the Chairman of its Legislative Policy Matters Committee. I'm here speaking in favor of raised Committee bill 1826.

SB1826 Although few people have yet appreciated the fact, downtown Hartford has now reached the point where the number of people on the streets, both shoppers and office workers, has fallen below the minimum which is required to give pedestrians the sense of security which they demand. As a result, a major department store, E. J. Korvettes, has closed, leaving vacant a large building on Main Street. In addition, several smaller stores have closed, and others would also have closed if they had not been bound by long-term leases. Unfortunately, each store closing in turn decreases the pedestrian traffic, thereby generating additional closings. Because of the dearth of shopper traffic, no new tenants can be attracted to the vacant stores. In fact, even office buildings have been experiencing

G. Levine: leasing problems in downtown, in spite of the fact that our need for new office space is growing in the Hartford area by approximately 200,000 square feet per year. This results from the fact that secretarial help is reluctant to walk the empty sidewalks from the bus stop or parking lot to the office building. The only way we can halt way we can halt this declining and self generating spiral is by bringing into downtown new developments of a type which create pedestrian traffic and of a size which will generate enough pedestrian traffic to overcome the gap between the existing level of activity and the minimum level required for shopper security. Obviously, a development of the size needed will require a very substantial investment. As can be anticipated, the real estate investors want their dollars to produce the maximum return with the minimum risk. Viewed in this light, core city development is overtaxed, produces low yields, and is subject to both economic and physical risks not present in the suburbs. As a result, no new investors are willing to put money into downtown, at least not on the basis of an ar's length negotiation. The consequence of this sad tale is that in order to attract the new development which is essential to maintain the life thread of our downtown, we must, as nearly all cities must, provide a subsidy to a new investor. Under existing law, the only type of subsidy we can now make available to developers is to allow them to construct facilities which. while their return is high, does not produce the highest and best use of our choicest real estate. This practice would not be so evil if these structures were to enjoy relatively short life spans. However, any such development must, of course, be planned for a 40-60 year useful life in order to allow for amortization. The result is that present practices are dedicating our most valuable lands to the wrong uses for the next two to three generations. We believe that it is far more practical to do what is being done both formally and informally in other major cities across the country. That is, to eliminate a major hazard for a downtown developer which has proven to be the greatest obstacle to new building. We refer to the uncertainty attendant on tax assessments during the early life of a project when it often has not been fully rented. This bill would accomplish our purpose. The effectiveness of such an approach can be seen in a city suchas Boston where this practice has been employed by the assessors and where new construction has blossomed. We fully realize that this bill grants special treatment to certain types of development, but we feel that the community at large will benefit from this approach. In fact, we believe the total of property tax revenues will be increased if this technique is employed, because most of the lands suitable for this type of development are now owned by redevelopment agencies,

G. Levine: and there have not been customers for these lands on the terms which are now available. Granting minor tax concessions should make these lands salable so that they begin producing revenue immediately instead of remaining in the non-taxable redevelopent land banks. By limiting the term of any such agreement to seven years, which really means the first four years after construction has been completed, and by limiting it to multi-use developments of over $10 million, we believe we are protecting against abuse by allowing only very temporaty concessions to a very limited type of development so that the great bulk of the taxpayers whose land uses are quite different don't feel they are being put at a competitive disadvantage. If, in this year of stringent economies when the cities are clamoring for huge subsidies from the state, this bill provides an opportunity for the state to give the cities a chance to help themselves, at no cost to the state. Finally, please bear in mind that this bill is not mandatory and is not, in any way, a directive by the state that the cities should adopt this approach. Rather, the bill merely allows the cities, if they desire, to adopt this technique and the judgment, and the potential liabilities, lie where they belong, with the cities. We have proposed a few amendments in the existing form of the bill, Mr. Bliss has those amendments and will present them to you.

Rep. Clynes: Thank you. Any questions from the Committee. There is a question.

Rep. Comstock: In section 2, where you define everything here, what is meant by "for transient use or otherwise" that apparently is one of the problems with communications with the legislature, with the Legislative Commissioners Office.

G. Levine: The amendment which we are proposing, in line 29 triple I would be the improvements our for, we would add permanent residential use and in line 30 roman 4 "improvenments are for transient" we would slash in residential use and we would cross off the words or otherwise. We have a new draft of the proposal that we are presenting and you will get a copy of it.

Rep. Clynes: Mr. Parent.

Randolph Parent: Mr. Chairman, members of the Committee. I'm Senior Vice-President Mortgage Officer of the Waterbury Savings Bank and Chairman of the Housing Committee of the Greater Waterbury Chamber of Commerce, representative of some 800 businesses establishments in our community. I'm here to speak in favor of also raised committee bill 1826. Since this bill would, could be beneficial to City of Waterbury, as well as those cities already mentioned. The points already

SB1826

R. Parent: raised by Mr. Levine, I don't need to repeat. I would like to re-emphasize the point, however, that the bill would give the cities an opportunity to help themselves and could provide a tool which could be of great beneficial to the community and the development in encouraging the right kind of improvements and redevelopments and renewals of our cities, I would like to add that it seems to me that this is not a completely new idea, the idea of subsidizing through tax assessments, there is a statute on the books now which enables towns to fix assessments on rental housing; one of the provisions is that construction must have been started prior to April 1, 1971 and of course there are other, as you are aware, subsidies through tax assessments. I would like to repeat that this would provide an additional tool for cities and our developers to attract and hold department stores and other improvements and businesses in our downtown area. Thank you.

Rep. Clynes: Thank you. Any questions. Mr. Bliss.

Robert J. Bliss: Mr. Chairman, members of the Committee. The Executive Director of the Hartford Redevelopment Agency. I am in favor of raised Committee bill

SB1886 1886 with some suggested revisions which are as follows, and I will leave this with the Committee. On line 20, we substitute "a" for "any"; on line 21 "a party" for "person" on 22 "party" for "person": on substitute line between "22 A" probably, we eliminated "under which" and we add the word "fixing"; on line 24 we eliminate "would be fixed" and we put a period after "years" and eliminate "as of the date of the agreement"; in line 29 we add the word "permanent" before residential; on 30 we add "residential" after transient; and 31 we add a phrase after "improvements" to be constructed and I think those are the changes.

Rep. Clynes: Thank you.

Robert J. Bliss: I do have, sir, just a few comments. I'm speaking primarily of renewal land; land is available as Councillor Levine has pointed out; we potential developers that are interested, but in today's high money market, and high construction costs, it is difficult to encourage developers with the present emphasis on real property tax, in the cities. It is not clear to them with so much emphasis on the real property tax what they are going to pay, in fact what their assessment is going to be. This bill would help to provide this encouragement by providing a means of implementation to the legislative body of the municipality. I would urge a serious consideration on it. Thank you.

Rep. Clynes: Thank you. Any questions. Sen. Rimer.

Sen. Rimer: Just to set the record straight, I believe you misspoke and meant to refer to raised committee bill 1826

SB1826

R. J. Bliss: I'm sorry, I'm probably wrong.

Sen. Rimer: Thank you very much for the correction.

Rep. Clynes: Mr. Slitt.

William Slitt: Mr. Chairman, Ladies and Gentlemen, I'm appearing here as Director of Housing for the City of Hartford, and I have a brief statement to make in support of raised Committee bill 1826 with the amendments suggested by my colleague Mr. Bliss. There is no need to belabor the fact that cities are in the throes of a multi-dimensional crisis. While we look to other resources anear and afar to assist us in this moment of need, it is essential that we be allowed discretionary authority to help ourselves, particularly in the area of increasing our property tax base upon which we now depend so heavily for operating income. As of this moment in time in our City, there is no greater single deterrent to new constructy by private enterprise than the imposing burden of taxes which cut so heavily and so early into a developer's gross income, threatening or even precluding economic feasibility. Even those ventures which promise ong-term economic advantages to the City now require some short-term assistance to assure the realization of these subsequent benefits. The proposed legislation, I believe, will provide this assistance during the critical period of a developer's commitment without any adverse impact on current tax revenue, since the legislation permits the local governing body to protect the best interests of the City while rendering aid to the entrepreneur, and any such compact will be subject to public scrutiny. Further, the 10 million dollar scope of each proposal and the requirement of a combination of uses will assure maximum land use and significant increases in tax revenue. I view this legislation as a means of stimulating the use of idel vacant land and the demolition of deterioted structures for a higher and better use, whether in inside or out side or urban renewal areas, and this thus increasing the pace of public and private renewal which will, in turn, increase our revenue sources and set us on the road to achievening a more balanced economic community. I urge a favorable report on Committee Raised bill no. 1826. Thank you.

SB1826

Rep. Clynes: Thank you. Mr. Goodrich. Mr. Barbour.

Wm. Hendron: I'm appearing in the place of on behalf of the Greater Hartford Chamber of Commerce and in place of Mr. Goodrich. Mr. Chairman, ladies and gentlemen of the Committee, I'm appearing to give our strong support to

Wm. Hendron: SB1826. The Greater Hartford Chamber of Commerce has as one of its central missions the economic betterment of the Greater Hartford Community. Approximately 27% of the property in the City of Hartford is non-taxable due either to governmental use or used by private non-taxable institutions. The City of Hartford faces a critical need to broaden its tax base. While the tax rate in the city has risen almost 83% over the past ten years the Grand List has expanded only 24%. The Greater Hartford Chamber of Commerce in supporting this bill recognizes that tax inducements must be available in order to attract the type of development which will broaden the city's tax base and bring relief to its taxpayers. While not in attendance today, we have been told that the Chambers of Commerce of New Haven, Stamford and Waterbury will no doubt be submitting written statements supporting this bill. We feel that legislation such as CB1826 is urgently needed to enable the larger cities of Connecticut to broaden and expand their tax base and, accordingly, the Greater Hartford Chamber of Commerce expresses its strong support for this bill and urges the Finance Committee to report favorably.

CB1826

Rep. Clynes: Thank you sir. Any questions.

James P. Barbour, Jr.: I'm Director of Property Development for Aetna Life and Casualty here in Hartford. I'm speaking on behalf or raised Committee bil 1826. I represent Aetna Life and Casualty, Hartford based organization that has substantial and rapidly increasing real estate investments, primarlity in other parts of the country. We are, however, interested in vesting as much as possible in the future of Connecticut for obvious reasons. This is our own state, this is home to some of our 8000 employees. As a matter of fact at the moment we're in the process of investing a good many million dollars in the new Hartford Civic Centre, as well as new Hotel here in Hartford. We have a responsibility to our share holders and to our policy holders, most of whom are in other parts of the country, and we cannot divert more than a nominal amount of our investment folio to an effort in one particular geographic area, no matter how laudible it might be if that in fact is going to erode our investment yield. Therefore, you can recognize our sense of frustation, we would like to help Connecticut, this is our home, we would like to help the Hartford area, but our hands are somewhat tied. The type of investment that, the type of real estate or core city development invisioned in this bill is substantial - this is as it should be - I think that it floors $10. million. To accomplish anything in a deterioting core city today you have to make a large statement. This is what we agree with. To do that, requires a rather long gestation period between the time a commitment is made to proceed, the time required for land assembly demolition, design,

CB1826

J. P. Barbour, Jr.: construction, leasing and finally operations, seven year period envisioned by the builders rather realistic. Some jobs take a little less some jobs take longer. We are prepared to pay our fair share of taxes and I think I speak for our sister companies when I say that. We do think however the taxes should recognize the econimic value and during the earlier years of such a massive urban investment, there is questionable economic value in that there is no income. We think that this short term recognizance of effort being made on behalf of the city should make sense in the long run for the city. Not dissimilar laws in Massachusetts and Missouri and other states and the results of these laws are becomming increasingly obvious. I think this type of temporary limitation on assessment for tax purpose will prove in the long run to be a tremendous for the urban areas of Connecticut. Thank you/

Rep. Clynes: Thank you sir. Any questions. Mr. Bentley.

John Bentley: I'm speaking for the Connecticut Department of Transportation, on SB1487 and my statement also refers to HB8367 which is similar. The Department supports the concept of both of these bills in that it is desirable to have a road constructed through the grounds of Central Connecticut State College to connect with a relocation of Fenn Road. The Department of Transportation has already modified the plans for 1-291 to adjust the proposed relocation of Fenn Road underpassing I-291 in a manner that would allow a connection with the proposed road through the state college campus. The Institutional Master Plan of Development for Central Connecticut State College, of which the road through the campus is a part, is under the jurisdiction of the properly be financed from the general fund. HB8367 does provide for this type of funding. SB1487 would modify section 13 a - 198 b of the 1969 supplement to the General Statutes to add a new section concerning this institutional road and would thereby finance its construction through additional bonding authorizations of $2,700,000. The Department of Transportation cannot support any additional bonding for highway construction under the provision of this statute.

SB1487

HB8367

Rep. Clynes: Thank you. Any questions. Mr. Dubrow.

Arthur DuBrow: Mr. Chairman, members of the Committee, I'm director of Administrative Services for the Office of Mental Retardation in the State Health Department. I'm here to speak in behalf of my Agency in support of bill 8088. This bill does not call for any new money, but rather it permits a different use of bond funds which were authorized in the 1967 General Assembly. At that time in specail Act 272 authorized $250,000 for the construction of a new cottage at the Southbury Training School. After the usual extended period of

HB8088