

Legislative History for Connecticut Act

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GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1988

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7862-8264

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House of Representatives

Tuesday, May 3, 1988

voting by roll call. Members to the Chamber, please.

DEPUTY SPEAKER CIBES:

Have all members voted? Please check the roll call machine to insure that your vote is properly recorded.

If all members have voted, the machine will be locked and the Clerk will take a tally.

The Clerk please announce the tally.

CLERK:

Senate Bill 138 as amended by House "A".

Total number voting	147
Necessary for passage	74
Those voting yea	147
Those voting nay	0
Those absent and not voting	4

DEPUTY SPEAKER CIBES:

The bill is passed. The Clerk please continue with the Call of the Calendar.

CLERK:

585, continuing on Page 4, Senate Bill 150, AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON STATE-OWNED REAL PROPERTY USED FOR PRISON FACILITIES AND DATES FOR REPORTING ASSESSED EVALUATION OF STATE-OWNED LANDS BY MUNICIPALITIES. Favorable Report of the Committee on Appropriations.

DEPUTY SPEAKER CIBES:

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Representative Fred Gelsi, the distinguished Representative from Enfield.

REP. GELSI: (58th)

Yes, Mr. Speaker. I move acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the Senate.

DEPUTY SPEAKER CIBES:

The question is on acceptance and passage. Will you remark, Sir?

REP. GELSI: (58th)

Yes, Sir. Mr. Speaker, members of the Chamber, it's a very simple bill. We're raising the pilot programs for prisons from 20% to 100%. It would affect seven towns. The towns are Brooklyn, Cheshire, East Lyme, Enfield, Litchfield, Montville and Somers and a list of this can grow. All you have to do is accept the prison and you're in like Flynn. I hope the members will support the bill.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill?

Representative Ed Krawiecki.

REP. KRAWIECKI: (78th)

Thank you, Mr. Speaker. To my good friend, Representative Gelsi, I just wanted to take the opportunity to say that I intend to support this bill

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and I urge all my colleagues to support this bill. I think for ten years we've been going back and forth over the municipal burden that your town has to handle and I think all those other towns that bear this special responsibility to the State of Connecticut.

I don't mean to be flip or I don't mean to be funny about it. I really do appreciate the fact that the facility is there and I do think you have some unique needs and unique concerns and I'm just happy to see that after all this time, we're finally recognizing that and I suspect we'll be dealing with the issue in the future as well.

DEPUTY SPEAKER CIBES:

Will you remark further? Representative John Savage.

REP. SAVAGE: (50th)

Thank you, Mr. Speaker. I'll make it very brief. I simply go along with the last two speakers, and it's high time that we did this. Thank you.

DEPUTY SPEAKER CIBES:

Representative Andrew Norton.

REP. NORTON: (48th)

Mr. Speaker, thank you very much. I just want to echo the sentiments of the previous three speakers by saying the towns that host prisons do something

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different than towns that host other State facilities. They take something into their community that most communities don't want to take. It's something different from a hospital, something different from a State park, something different from a courthouse, something that communities generally don't want. Something people don't like to be neighbors to, and the State providing this type of compensation I think is long overdue and is money very well spent and it's probably the best bill we'll do all day. Thank you very much. And I urge support.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill? Representative Mae Schmidle.

REP. SCHMIDLE: (106th)

Thank you, Mr. Speaker, through you, a question to Representative Gelsi.

DEPUTY SPEAKER CIBES:

Please frame your question, Madam.

REP. SCHMIDLE: (106th)

Thank you, Mr. Speaker. Representative Gelsi, could you please explain to the Chamber why this particular year this program is being instituted this particular year of all years? Through you, Mr. Speaker.

DEPUTY SPEAKER CIBES:

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Representative Gelsi.

REP. GELSI: (58th)

Through you, Mr. Speaker. Very simple, probably to make your town feel more comfortable if they were to accept a prison, Madam.

DEPUTY SPEAKER CIBES:

Representative Schmidle.

REP. SCHMIDLE: (106th)

Through you, Mr. Speaker, I guess I still have some concerns about this. I understand the necessity. I understand the reality, but my town for example, has had a mental health institution for many, many years and we have been underpaid and under supported for this and I just wish that the State of Connecticut would have a policy that would be consistent with all of their State owned facilities and not just pick out a particularly kind of facility that they're interested in promoting this year and maybe next year they want to promote another one.

I think all State institutions across the State should be treated and considered fairly and any payment in lieu of taxes should be fair and equal to all of them.

Somebody mentioned that towns don't want prisons and therefore that's why they should get more money.

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There are a lot of towns who are resident to many things that the State does and I think that all State institutions shall be considered fairly, and I think this is an unfair and an unequitable thing that we're doing. Thank you, Mr. Speaker.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill.

REP. VAN NORSTRAND: (141st)

Mr. Speaker.

DEPUTY SPEAKER CIBES:

Representative R.E. Van Norstrand.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, just very briefly. I intend to support the bill. As echo the sentiments of the Deputy Minority Leader, Representative Krawiecki about his good friend, Fred Gelsi, he's also mine.

I would point out to the members, however, as a matter of public policy, pilot monies were historically given because of the demand State facilities made on a municipality in terms of services, whether it be security, sewers, whatever, for hospitals, colleges, for State owned buildings under the other program that we have generally done with State owned office buildings and the like.

Here we're not talking about people making a lot of

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demands, and certainly not for security and other protections because they're inside and they're not going anywhere. I'm not against it. I think it was alluded to by Representative Gelsi when he commented somewhat jocosely to Representative Schmidle, there's an element of conscious money in this and that's all right. I think they're entitled to it. It's fair. But how these all relate when they're such different kinds of facilities and make such different demands on a community is a rather interesting question that really isn't addressed by doing this.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill? Will you remark further on the bill? Representative John Hoye.

REP. HOYE: (37th)

Mr. Speaker, I'd just like to clarify for the record that not in all instances is it a reward that last year the prison that I have in my backyard, its sewage system broke down and my local town spent about five days working there to solve the problem. Through the efforts of the town and the State officials the problem was solved and this is one way of helping the town out for the five days that we had to have our public works department working on that State property. Thank you.

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DEPUTY SPEAKER CIBES:

Are there other Representatives with prisons in their districts? Representative Kiner.

REP. KINER: (59th)

Thank you. I'd like to add my voice and ask my colleagues to vote favorably for this piece of legislation. We all know there's obviously a need for prisons, but it's one of those things we say, we need it, but not in my backyard.

Quite obviously, it's not the most esthetic things to look at and I would just urge my colleagues to vote for this and then make our prisons a little more palatable for those of us who have it in our districts. Thank you, . Mr. Speaker.

DEPUTY SPEAKER CIBES:

Will you remark further? Representative Mary Fritz.

REP. FRITZ: (90th)

Thank you, Mr. Speaker. On behalf of the Town of Cheshire, I would ask my colleagues to please support this bill and with regard to overtaxing a community, the Town of Cheshire has over 1,700 inmates in downtown Cheshire and they have a sewage treatment plant that's severely overtaxed, and yet they are expected to absorb the effluence from these members. I would urge support for these members.

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DEPUTY SPEAKER CIBES:

Will you remark further on the bill?

Representative Jodi Rell.

REP. REL: (107th)

Thank you, Mr. Speaker. No, I'm not from a community that has a prison, and unlike my colleagues who have spoken in favor of it, I'm opposed to this legislation.

And quite honestly, folks, it's a bribe. I don't care how you look at it. You can put it by any other name you want to, but it's a bribe. If you'll take the prison, if you'll take the jail, we'll pay you more.

I think we do a great disservice to those other State facilities that are in everybody else's town and I think we're making a big mistake.

I also have to tell you that in all honesty, if the State of Connecticut would do its homework first and involve the communities right from the beginning, we wouldn't have to bribe them as is the case in Newtown right now. I'm opposed to this legislation. Thank you.

REP. GELSI: (58th)

Mr. Speaker. Mr. Speaker.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill?

Representative Fred Gelsi.

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REP. GELSI: (58th)

Mr. Speaker, I wasn't going to speak again on the bill, but I object that some members in this Chamber would consider this to be a bribe to the communities that are getting this additional money.

I didn't get up for other people or other people who have prisons in their town get up last year when the hospitals and the other institutions got their increases and the prisons almost got nill, I got a hospital that sits up the road in another district, has been getting three times at one time what we were getting in pilot for having a prison, for absolutely not giving any service up there and I think that's obnoxious.

And anybody that thinks it's a bribe you ought to take it, take the bribe. We'll be glad to help any of you out that want it. Thank you, Mr. Speaker.

DEPUTY SPEAKER CIBES:

Will you remark further on the bill? If not, staff and guests please come to the well of the House.

Members please be seated. The machine will be opened.

CLERK:

The House of Representatives is now voting by roll.
Members please report to the Chamber. The House of Representatives is voting by roll call. Members to the

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Chamber please.

SPEAKER STOLBERG:

Have all the members voted? Have all the members voted? If all the members have voted, the machine will be locked and the Clerk will take a tally.

Will the Clerk please announce the tally.

CLERK:

Senate Bill 150, Calendar 585.

Total number voting	150
Necessary for passage	76
Those voting yea	147
Those voting nay	3
Those absent and not voting	1

SPEAKER STOLBERG:

The bill is passed. The Clerk please continue with the Call of the Calendar.

CLERK:

Calendar 589, Page 15, Substitute for Senate Bill 338, AN ACT CONCERNING THE LICENSING OF REAL ESTATE APPRAISERS. Favorable Report of the Committee on APPROPRIATIONS.

SPEAKER STOLBERG:

Representative Gabriel Biafore.

REP. BIAFORE: (125th)

Mr. Speaker, I move for acceptance of the Joint

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THE CHAIR:

Without objection, so ordered.

THE CLERK:

We have been asked to go back to Calendar No. 370, File No. 515, Senate Bill No. 150. AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON STATE-OWNED REAL PROPERTY USED FOR PRISON FACILITIES AND DATES FOR REPORTING ASSESSED EVALUATION OF STATE-OWNED LANDS BY MUNICIPALITIES. Favorable Report of the Committee on Appropriations.

THE CHAIR:

Senator Harper.

SENATOR HARPER:

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

THE CHAIR:

Will you remark?

SENATOR HARPER:

Yes. The bill provides for an increase from 20% to 100% in the state payment to municipalities for tax loss on prison facilities. The bill also changes also changes assessed valuation reporting dates. There is some \$1,600,000 in the budget that just passed to fund this program, this expansion.

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THE CHAIR:

Further remarks on the bill? Senator Harper.
Excuse me. Senator Robertson.

SENATOR ROBERTSON:

Yes, thank you very much, Mr. President. Mr. President, I just want to rise and make a couple of comments. The largest recipient of the passage of this bill will be my home town of Cheshire, to the tune of \$635,733.30. If we could possibly wait a short while where I could have an amendment where I could get rid of the Cheshire Prison, we would be more than happy to give that money back to the state.

Not presuming that to be the case, Mr. President, I thank you.

THE CHAIR:

Senator O'Leary. I am not sure that you included 370 in the suspension of the rules initially, when we did the markings.

SENATOR O'LEARY:

Thank you, Mr. President. I did not, Mr. President. I think that we will hold that item, in view of that fact. Thank you.

THE CHAIR:

Thank you. Should that be marked Pass, Retained?
Excuse me. It does appear as a double-star next time,

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so you are not going to take it up. Thank you. Call the next item, please.

THE CLERK:

Calendar No. 372, File No. 513, Substitute for Senate Bill No. 475. AN ACT CONCERNING FALSE ADVERTISEMENT OF A WATER TREATMENT DEVICE. Favorable Report of the Committee on JUDICIARY.

THE CHAIR:

Senator Avallone.

SENATOR AVALLONE:

Yes. Mr. President, I would move the Joint Committee's Favorable Report and adoption of the bill.

THE CHAIR:

Will you remark?

SENATOR AVALLONE:

Yes. It has come to our attention over the interim that there have been a number of companies that have made what could be considered false claims, regarding potential hazards in our water supplies. Then, going out on the basis of those false claims and preying upon the fears of our citizenry.

This bill is intended to prevent the false advertisement of such water treatments, and I would move its acceptance.

THE CHAIR:

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Other points of personal privilege at this time?
Call the next item please.

THE CLERK:

Calendar 370, File 515, Senate Bill 150, AN ACT
CONCERNING GRANTS IN LIEU OF TAXES ON THE STATE OWNED
REAL PROPERTY USED FOR PRISON FACILITIES AND DATES FOR
REPORTING ASSESSED EVALUATION FOR STATE-OWNED BY
MUNICIPALITIES. Favorable Report of the Committee on
APPROPRIATIONS. Clerk is in possession of an amendment
and on April 26th, LCO 3943 was called and designated
Senate Amendment Schedule "A".

THE CHAIR:

Was this bill also...was adoption moved at the
time.

SENATOR HARPER:

I moved it yesterday, do I do it again?

THE CHAIR:

Why don't we do it again.

SENATOR HARPER:

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

THE CHAIR:

Thank you. Clerk has an amendment. Senator
McLaughlin.

SENATOR MCLAUGHLIN:

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For point of clarification I am going to move adoption of an amendment, but I would like to withdraw previously called LCO 3943, move adoption of an amendment, LCO No. 4054 which is filed with the Clerk, I believe.

THE CHAIR:

Amendment "A" is withdrawn. That is LCO 3943.

Clerk please call Amendment Schedule "B".

THE CLERK:

LCO 4054 designated Senate Amendment Schedule "B"

offered by Senator McLaughlin of the 32nd.

THE CHAIR:

Senator McLaughlin.

SENATOR MCLAUGHLIN:

Thank you, Mr. President. The need to withdraw the amendment yesterday was the need not to get into a discussion over the matter of the fiscal impact. The effective date of this and the impact on the budget would be in a prior fiscal year. I am going to make a guess that this amendment may not be successful and that's a heck of a way to start a debate for support of an idea, but if nothing else, I think this idea as I have done this for two years will have its day in court. And it deals with the general subject of payment in lieu of taxes.

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The payment in lieu of taxes program as presented in this bill deals with prison facilities. We have a payment in lieu of taxes, a rather work horse payment in lieu of taxes for our education institutions and our hospitals. The thing that has been, I think, the most disturbing to me when I chaired the Finance Committee and I continue to sit on that Committee is that we continue to up the anti. We continue to raise, in effect, the percentage of grant for pilot payments, recognizing the value of the foregone revenue of those communities and we have upped it from 20 to 25 and last year to 40%. I ask the question, where does this stop? Should it be 60%? Should it be 75%?

I think we can probably agree that it shouldn't be 100%. But where and under what system or equation are we going to draw up a formula? I present a methodology here for the hospital portion that I believe is as any other tax or application of a tax formula should be, it is impact based. What would happen under this formula is it would recognize that the communities, many in our central cities, that are serving in a satellite fashion, serving populations outside of their jurisdictions, bear an extraordinary burden of having to forego revenue that their own citizens may enjoy, that a large percentage of non-residents enjoy.

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This amendment would create attendance figures for each hospital based on those per diems of attendance for hospital service. Would recognize that non-residential portion should be reimbursed only. Let me suggest that under this proposal what would happen. Bridgeport Hospital, under this proposal, would be granted an additional \$317,000. Derby Hospital, Griffin Hospital in Derby, \$223,000. The 3 hospitals in Hartford would receive, Hartford Hospital, \$1,441,000. Mt. Sinai, \$301,000. St. Francis, \$932,000. And I could go on.

What I am suggesting to you is that what would happen under this proposal is that the central cities that have the large hospitals serving large regions and serve populations outside of their borders would be awarded for the impact of the non-residents on that hospital and presumably that municipality.

I will also present the fact that this perhaps is a prelude to next year's debate or the following debate that when CCM or the municipalities is represented by CCM are looking for more revenue and come to us to increase the pilot we can turn to them and say, no, this is the right formula, it is impact based and we are not going to continually up the ante without any real equation.

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The cost for this has been presented under the figures I have worked out and Fiscal Analysis has worked with me on would be \$6,604,000. Perhaps a large figure for that 1989 budget, that perhaps at that time we are not going to be able to afford the 89-90 budget, but I suggest to all of us we are going to hear again, up the pilot. I offer a methodology for at least the hospital portion that is a precise and fair impact based equation.

I would move adoption of the amendment.

THE CHAIR:

Further remarks on the amendment? Senator Harper.

SENATOR HARPER:

Thank you, Mr. President. Reluctantly I have to oppose the amendment. I believe it has some merit, but it addresses an issue of such a magnitude that I think it would be more properly addressed through the committee process and in that the budget for this year is already set and the priorities in towns have already been set, I just think again it is a little late and it's really not put forward in the appropriate form. I regretfully urge its rejection.

THE CHAIR:

Ready for the question? Senator Smith.

SENATOR SMITH:

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Thank you, Mr. President. If the roll call has not
be requested I would like to do so at this time.

THE CHAIR:

All those in favor of a roll call vote signify by
saying aye.

SENATORS:

Aye.

THE CHAIR:

Sufficient number has been attained. Roll call
will be issued. Senator Robertson.

SENATOR ROBERTSON:

Yes, Mr. President. Mr. President, I must have
missed the discussion on this amendment in caucus and
if you wouldn't mind, because I think it merits
everyone's attention, I would like to ask the Senator
some questions.

THE CHAIR:

You may proceed.

SENATOR ROBERTSON:

Senator, I am curious as to..you talk about it
being an impact formula and I am curious as to if you
would further explain what you mean by an impact
formula as comparison to what we have now.

THE CHAIR:

Senator McLaughlin do you care to respond?

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SENATOR MCLAUGHLIN:

Now we have a formula that says we will reimburse a 40%, a flat 40%. Frankly, as far as I know that figure was picked out of the air. Under a formula that I believe is impact based we would take the total attendance at each of the hospitals which is done on a per diem basis and the Connecticut Hospital Association tracks this. We would take each of those days as a total universe and we would take the percentage of those days attended by non-residents impacting on that municipality that is home to that facility and reimburse for the non-residential portion of that universe.

THE CHAIR:

Further remarks? Senator Robertson.

SENATOR ROBERTSON:

Yes, Mr. President, if I could continue. And as you have had that analyzed by Fiscal Analysis and I imagine you have fiscal note sitting around somewhere, as I understand this now would have a positive effect, I think you mentioned, Bridgeport, positive effect on Hartford. One would certainly imagine it would have a positive effect on New Haven with the Yale New Haven hospital as well as St. Raphaels. Does...is the money just redistributed or does the bottom line of that

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pilot program grow?

THE CHAIR:

Senator McLaughlin.

SENATOR MCLAUGHLIN:

Thank you, Mr. President. The bottom line of the pilot program does grow. It grows by some \$6,604,000 under the estimates we are working with which is a formula that would have to change because we are using the average from 4 years previous. The Commission on Hospitals would be aggregating and what it does do is in effect recognizes that the central cities, the two very premiere examples that would be rewarded are those large, not only metropolitan, but national institutions, Yale New Haven Hospital and Hartford Hospital which serve clearly broad, in effect, non-residential and in some cases, National populations.

THE CHAIR:

Further remarks? Senator Robertson.

SENATOR ROBERTSON:

Yes, Mr. President, if I might continue. Only because I haven't seen the amendment, I can presume that there is no town which is negatively affected by this. And if I might through you, Mr. President, ask that as a question.

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THE CHAIR:

Senator McLaughlin.

SENATOR MCLAUGHLIN:

Thank you, Mr. President, unfortunately we have passed the threshold of going up to 40% whereby some hospitals population of non-residents has been exceeded and there are some losers. The losers are few, frankly, and the numbers are not tremendous. But there are losers. Meriden Hospital, some \$12,000. Milford Hospital, \$37,000. Bradley Hospital in Southington, \$13,000. Bristol Hospital, \$70,000. St. Mary's in Waterbury, the big loser, \$53,000.

What I am getting at is the losses are not considerable and yes there are losses.

THE CHAIR:

Senator Robertson.

SENATOR ROBERTSON:

I probably should ask a number of questions to get myself out of this hole. I have always been told don't ask a question unless you know the answer and normally I follow that and I apologize Senator for not following that. I personally believe when I hear from the Mayor of New Haven that New Haven is forced to bear a burden that the States does not properly compensate them for. And specifically one of the most areas that are vividly

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correct by Mayor Dilieto emphasized is the fact that they lose so many tax dollars because they have such major hospitals in New Haven.

The fact that this addresses that, I am appreciative of. I believe that if it were to pass here, this Body, actually if the bill were to pass the amendment were to pass, it would be an appropriate move to move it to the Appropriations Committee and I believe that between then and now we could look at the formula and if it needs any adjustments it could be changed as it comes back to us. Therefore I think it is a worthy amendment and I praise the Senator for his insight.

THE CHAIR:

Further remarks? Senator McLaughlin for the second time.

SENATOR MCLAUGHLIN:

Thank you, Mr. President. I rise to make some broader remarks and leave this to the Body to decide. This is really offered in earnest. Two years ago Senator Smith and I stated broadly that property taxes needed to be addressed. We will be doing that later today. We very earnestly offered at the time, in recognition of our central cities burdens we recognized that something had to be done with tax exempt

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properties, perhaps a change in the definition therefore, and that we also had to address the burdens that they as central cities played as satellites to regional economies and regional burdens that they weren't property reimbursed for.

If I had a methodology that I thought was fair for the higher education institutions, I would be offering it. Unfortunately the demographics and the composition of those populations are broad and national in scope. This is a fair methodology that recognizes everyone in the State of Connecticut as served by one of the 36 institutions and the burden is spread very evenly. It's fair and frankly we don't have to get into a discussion talking about 40%, 25% or 80% next year, which frankly is a figure drawn out of air that is not impact based.

THE CHAIR:

Further remarks? Clerk please make an announcement for immediate roll call.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber.

THE CHAIR:

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Senator Herbst. Did you wish to be recognized?

SENATOR HERBST:

Thank you, Mr. President. I just have a question. I'm not quite clear about this impact formula. Are you talking only, to Senator McLaughlin please, are you talking only about hospitals in the formula that you are presenting?

THE CHAIR:

Senator McLaughlin.

SENATOR MCLAUGHLIN:

Yes.

SENATOR HERBST:

May I ask a question again, Mr. President, through you. Senator McLaughlin there has been considerable concern among towns who have state-owned parks and large property where large numbers of people go into those communities and begin to impact local roads and impact in some instances, services, particularly when you have a volunteer fire department and no police, but a constable or a state trooper in resident. Are you indicating in your remarks that this impact formula can take care of people like that also or towns like that?

THE CHAIR:

Senator McLaughlin.

SENATOR MCLAUGHLIN:

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Thank you, Mr. President. Through you to Senator Herbst. I am not presenting that in this amendment and in the ideal world if there was a way to measure those impacts by some park ranger or state trooper standing at the border of every state park, counting everybody that came and went and asking for identification, that would be one thing. I think the beauty of the amendment as I offer it under the hospital universe is that it is very easily identified and measured unlike any other. But frankly in the ideal world your analogy is not a bad one.

THE CHAIR:

Further remarks?

SENATOR HERBST:

Thank you. Mr. President, just a comment in closing. If we are going to do any kind of study on the pilot program, I sincerely hope that we look at what is happening to communities who have large tracts of state-owned property who now are only getting 20% and not the increase they should be getting. Thank you.

THE CHAIR:

Clerk please make an announcement for immediate roll call.

THE CLERK:

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Immediate roll call has been ordered in the Senate.

Will all Senators please return to the Chamber.

Immediate roll call has been ordered in the Senate.

Will all Senators please return to the Chamber

THE CHAIR:

Question before the Chamber is a motion to adopt
Amendment Schedule "B", LCO No. 4054. The machine is
open, please record your vote. Has everyone voted?

The machine is closed. Clerk please tally the vote.

The result of the vote.

11 Yea

25 Nay

The amendment is defeated.

Are there any further amendments?

THE CLERK:

There are no further amendments.

THE CHAIR:

We are now on the bill. Senator Harper.

SENATOR HARPER.

Yes, speaking to the bill. This bill provides an
increase from 20% to 100% in the state payment to
municipalities for tax loss on prison facilities.
Several communities are referenced in the fiscal note,
Brooklyn, Cheshire, East Lyme, Litchfield, Montville,
Enfield and Somers which cumulatively would benefit by

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some additional \$1,600,000 in pilot grants.

THE CHAIR:

Further remarks? Senator Robertson.

SENATOR ROBERTSON:

Mr. President, the largest beneficiary of this bill is my home town of Cheshire. I'm not saying this to create negative votes for the bill. Certainly the fact that we have received so much money as compared to the other towns that are recipients, I think it's indicative of the burden which the prison in Cheshire has put on the towns' ability to raise taxes. It is probably the prime site in the town of Cheshire, which has some 400 and some odd acres that is occupied by the prison. And the fact that such wisdom has come out of whoever it has come from, my compliments and the compliments of Cheshire. If we are stuck with the prison, which we would rather not be, but as long as we are, we thank you.

THE CHAIR:

Further remarks? Senator Harper.

SENATOR HARPER:

If there is no objection I move this item to the Consent Calendar.

THE CHAIR:

Without objection, so ordered. Next item please.

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GEN. ASSEMBLY
SENATE

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give her our warm appreciation again. (Applause)

THE CHAIR:

Mr. Clerk, please make an announcement for roll call on the Consent Calendar.

THE CLERK:

Immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber. Immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

Please direct your attention to the Clerk who will call the items that have been referred to the Consent Calendar.

THE CLERK:

Beginning on Page 2, Calendar No. 326, Senate Bill 206. Calendar Page 3, Calendar 344, Substitute for House Bill 5881. Calendar 364, Substitute for Senate Bill 364. Calendar 370, Senate Bill 150. Calendar 382, Senate Bill 196. Calendar Page 4, Calendar 387, Senate Bill 536. Calendar Page 5, Calendar 395, Substitute for Senate Bill 520. Calendar Page 7, Calendar 418, Substitute for Senate Bill 534.

Calendar 425, Substitute for House Bill 5242.
Calendar 426, Substitute for House Bill 5353. Calendar

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429, House Bill 5855. Calendar Page 8, Calendar 441,
House Bill 5804. Calendar Page 9, Calendar 445,
Substitute for House Bill 5962. Calendar 447,
Substitute for Senate Bill 86. Calendar 450, Senate
Bill 315.

Calendar Page 10, Calendar No. 463, Substitute for
House Bill 5503. Calendar Page 11, Calendar 469,
Substitute for House Bill 5390. Calendar Page 12,
Calendar 470, Substitute for House Bill 6113. Calendar
473, Substitute for House Bill 5017. Calendar Page 13,
Calendar 479, Substitute for Senate Bill 479. That
completes the Consent Calendar.

THE CHAIR:

Any changes or omissions? The machine is open,
please record your vote. Has everyone voted? The
machine is closed. Clerk please tally the vote.

The result of the vote.

36 Yea

0 Nay

The Consent Calendar is adopted. Senator O'Leary.

SENATOR O'LEARY:

Thank you, Mr. President. Mr. President, I would
like to suspend the rules for immediate transmittal of
those items which are Senate Bills acted upon today to
get them to the House.

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Mr. Van Selden.

EDWIN VAN SELDEN: Good morning Mr. Chairman. I am Edwin Van Selden from the Office of Policy and Management. With me is William Carbone, the under Secretary for Planning of OPM. We are here to speak on Senate Bill 150, which is in large measure a bill that increases the payment in lieu of tax program for state property to 100% for prisons and jails located in various municipalities.

(cass 3)

WILLIAM CARBONE: Thank you. Members of the Committee in the past year I have had the responsibility within State Government for attempting to start several new correctional facilities in Connecticut. To expand at virtually all of our existing correctional facilities and even to convert several non-corrections buildings, but State-owned to corrections use.

All of this is an effort by the State to add 3000 new beds to our correctional system over the next 5 years. Needless to say this does not generally meet with opened arms when we attempt to promote this at the local level. Many of the concerns that local communities express, I think we are able to deal with constructively. Issues about safety in the neighborhoods of correctional facilities. We have data that can substantiate that that is not a problem.

The issues about property value reduction, we can also demonstrate is not a problem. But we feel that local communities throughout Connecticut do raise some very significant issues that should be addressed. They often point to the impact that corrections have on traffic problems which creates a need for additional coverage at the local level. They often point to sewage treatment disposal issues, landfill issues. They also point to the fact that in the event of any kind of a disturbance at a correctional facility, there is a need for local police to respond and finally in the event of any kind of a fire at the facility there may in fact be a need for local fire response.

Now up to this point local communities have been reimbursed at a rate of 20% of the assessed value.

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In most cases that does not represent very much in the way of dollars and we have here a listing of where we have existing correctional facilities and exactly what it represents. And what they have said to us repeatedly is to try and deal with this pilot program to make it more responsive.

I think most communities view correctional facilities as while it is in the best interest of all the people of Connecticut, they seem to view it negatively. One way that I think we can improve the acceptance of it is to have a more realistic approach to the distribution of the pilot monies. So what this bill would do in effect is to raise the pilots for prisons from the 20% up to 100%. So for those towns that currently have correctional facilities or new correctional facilities where they will be sited, this would be a significant infusion of new money and I think would help to more responsively compensate them for this type of facility.

Governor O'Neill of course included the funding for this in his budget. It is approximately \$1.5 million and I would urge your favorable consideration of this bill.

REP. MAZZA: Thank you. Representative Young.

REP. YOUNG: How do you assess..what do you use to determine the assessed evaluation?

WILLIAM CARBONE: It is no different than other properties. The market value...how you equate market value for prisons...

REP. YOUNG: Market value the land?

WILLIAM CARBONE: And the buildings themselves. What they cost to construct, (inaudible) last evaluation period and that is what your assessed value is.

REP. MAZZA: Nobody? Senator McLaughlin.

SEN. MCLAUGHLIN: Bill, nice to see you. Van, you know my interest in this subject. I guess my concern is I happen to think this is an appropriate measure to tackle and we should. The question is why not all other State facilities? Why not then for the

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unimproved portion, that is the foregone revenue that towns go through public act 490 and all other State public policies that have been closed on municipalities to (inaudible - someone banging against the mic).

That's my only reservation here. This is in so much as it's a little bit of a bandaid on the wound, it's soothing to those towns that have to deal with something if they object to it. Other than that if broadly applied we are really missing other State facilities that have just as much as a public nexus and should be considered. And on that score, although I support this measure in its part, it's really missing some other questions that I think in terms of the methodology are really overlooked. I would just like you to comment.

EDWIN VAL SELDEN: Senator, that's sort of an impossible issue to respond to. I understand well what you are saying from a philosophical situation. I don't necessarily disagree with you. Then comes the function of dollars available to do this. And by taking out jails and looking at them as 100%, some of the other issues were raised to include one you didn't raise and that's solid waste. The same kind of thing. I don't know how you address that issue. Overall if there were enough money in the budget to do it, I think that personally we ought to look at that, but that's partly a budgetary function.

It was felt when we were going through the deliberative process of locating jails as a way of trying to provide those towns which become the host communities for these a way of assisting them.

SEN. MCLAUGHLIN: If I could comment further. I think one of the things that concerns me is that this whole issue of tax exempt property is central, the base of our urban centers particularly. And if we are concerned about property tax relief in any form in that area that we ought to be addressing and indeed with the prison location sites they are mostly in non-urban areas, that is the new ones, and this is an interesting question. We are going to give 100% of foregone revenue in X-urban areas while overlooking again the fact that the base in our urban centers is particularly effected by those

property values.

EDWIN VAN SELDEN: In response to that Senator is as you recall last year we came to the formula on which the State property program operates to make it in a sense the same as the colleges and hospitals programs. So they are running parallel to one another. In that process of changing the formula, and I would agree with what you said, an arbitrary figure of 20% reimbursement. Those towns that get more currently than 20% reimbursement are held harmless.

We could have made all those communities, (inaudible) harmless and following your analogy about the urban centers, Hartford, Bridgeport, New Haven, Waterbury would have lost substantial amounts of money that they were getting under the old formula. In a sense as you work your way up the percentage reimbursement which I presume will become at some point we will start doing that, whether it is this year or some year in the future, those towns above 20% are going to go down...the urban areas are going to rise up and pretty soon everybody starts moving up.

But Stamford, for example, under the existing program is reimbursed something in excess of 60% on State property. Hartford, New Haven, Bridgeport are in excess of 40%. So they are already getting more than these other communities and our thought last year, which I think was good policy, was to equalize everybody in this game of tax exempt property and as you move up that scale pretty soon they are going to be in the reimbursement range.

SEN. MCLAUGHLIN: Well, in that regard I have to agree with you moving towards something that measures the impact completely is what we should have. I think the measure of impact in the corrections institutions is 100%. I think that's fair. We could agree that it is 100% in most other state facilities that are born by just a few communities and then we can get into my proposal on hospitals where we can measure by others and 100% by way of impact.

This is a good measure. I just wish we could do more if we were really being fair to the issue.

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REP. GELSI: If I can just for the Committee, I don't know how much money a prison brings into a community with the exception of the job market and some jobs. But I'm sure when people visit the larger cities where there is hospitals there is money being spent. People go to community colleges they spend money. Most of the people that go visit up there at Somers, we are giving them money, so I think it is a good bill, whose time has come.

REP. MAZZA: Anyone else? Representative McNally then Andrew.

REP. MCNALLY: I think just to follow up on what Representative Gelsi said. I agree with you we probably should be taking up our State property and providing property tax relief that is exceeding what we currently do. I think you have to associate the price with the pain. And in communities like Norwich where we already have a State hospital and we are one of the proposed sites for a prison, to ask people in my community how they price the pain of a prison in relation to a State hospital the price is much higher.

So I think getting to the 100% level on jails and prisons is certainly merited and will be very helpful in siting that prison need in Connecticut.

SEN. MCLAUGHLIN: Just to comment then, you would subscribe to the myth that those hospitals are less objectionable to prisons and I think we have seen certainly Bill Carbone has been going around the State telling us how safe they are, how fair they are to not have the negative impacts that have been brought up by public objections that are generally unfounded, and I would just substantively disagree to that comment Sean and I think we have to stand above those objections and recognize that it's just really another State function probably just as safe as others.

REP. MAZZA: In all fairness can we hold that until Committee meets? Andrew?

REP. NORTON: I just, I think this is a great bill and I just wanted to say that those other State (inaudible) proximities desired (inaudible-too far

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away from mic).

REP. MAZZA: Representative Savage.

REP. SAVAGE: In the case, I am one of the Representatives that does have a location and you quoted very nicely from a letter I think I wrote to you on the take back. Currently are these institutions paying them ways?

WILLIAM CARBONE: Are the correctional facilities?

REP. SAVAGE: Yes.

WILLIAM CARBONE: How do you mean?

REP. SAVAGE: Well, for instance, let's take Berkland as an example. The amount that is paid to the town from the institution, is it enough to cover the conditions or is there a cost to the town for being there?

WILLIAM CARBONE: We don't think that it is. And that's really the motivation for this bill. If my figures are correct, Berkland currently receives \$5500 and this of course would increase that four-fold which is still not significant, however, it does put a (inaudible) than we currently have.

REP. SAVAGE: I think in Berkland there is a problem with potentially can short circuit the sewage handling system and cause some major problems.

WILLIAM CARBONE: There is two added dimensions to this. One, should Berkland be the site of the new Eastern Correctional facility, either a scaled down version or in the 400 bed facility, obviously this would be impacted by this bill because it is 100% of the assessed value and the building that is scheduled to be constructed will be cost in excess of \$40 million. So this allotment would substantially if that were the case.

Secondly, in most every community where we have a correctional facility, in addition to the payment in lieu of taxes, the State has invested heavily in the way of road improvements or water improvements, mainly aimed at improving the facilities at the correctional center, but in many cases they have

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also helped the towns where they are located.
So there is something as well in addition to this.

REP. SAVAGE: Well, certainly this is the sugar coating on the pill and it is a bitter pill for communities, but the sugar coating will help.

WILLIAM CARBONE: I wanted to indicate to you Representative Savage that I appreciated your very thoughtful message to us about the impacts that you saw that the correctional facility would have and we did take all that into account.

REP. SAVAGE: Thank you.

REP. MAZZA: Any further questions? Senator Lovegrove.

SEN. LOVEGROVE: A State Senator who happens to have a jail going into his District now and I have spent a lot of time on the selection process, how the people have been effected. And I think if you had a selection process with integrity and professionalism the pain would not be anywhere as near as great as the pain is when they find out the shenanigans that went on in the selection process. And I have spoken to you about this before.

I have mixed emotions on the other (inaudible) of this bill. Right now I feel support in this bill will be my acknowledgement that the process should go on the way it is, but I think the process needs to be changed. It needs to have some professionalism and integrity to work.

REP. NORTON: I just wanted to ask in regard to what he described as quality to really help out when it comes to what might be necessary in the structural movement, does this mean that the State might not be (inaudible) that one shot deal?

WILLIAM CARBONE: Quite the contrary. The State is committed wherever we are constructing new facilities. We currently are doing an environmental impact evaluations and wherever actions are required by the State and the way of sewage treatment disposal and the way of water issues and the way of water improvements or whatever, the State is totally committed to making those upgrades. That's totally separate and

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distinct from this particular measure.

REP. NORTON: Are we not going to find out (inaudible)?

WILLIAM CARBONE: I don't know exactly when you...

REP. NORTON: I'm just joking.

REP. MAZZA: Thank you. Any other questions from the Committee? Thank you. Van.

EDWIN VAN SELDEN: Mr. Chairman, I do have comment on two other bills just briefly that you have before you this morning. 5201, which is AN ACT REQUIRING PAYMENT TO MUNICIPALITIES FROM THE LOCAL PROPERTY TAX RELIEF TRUST FUND.

On Line 21 it refers to all sources in this bill. I do not know what the definition of all sources are. This is as you may recall last year we had a whole harmless provision put in one of the bills, that no town would receive less aid this year than they got prior to this. I can assure you that 99.44% of 100% of the towns this year will get more aid this year from the Governor's budget than they got last year. But I don't know what all sources means and I don't know if you are talking about categorical grant programs, bond funds, which are here today and gone tomorrow, so to speak. They are not an annualized kind of thing and two, whether we are talking education grants in this process and from the point of view of GTB, Special Ed and those.

I think that word needs to be defined and I would quite frankly have concerns if we did what we did last year relative to education. Education grants (inaudible) and that is what the formula is there for. The whole harm this year is reimbursing some 30 odd towns whose GTB went down this year because of declining school enrollments into their general fund, in other words they are making money.

The other bill that I would like to reference is 5533 which is AN ACT CONCERNING STATEWIDE COLLECTION OF MOTOR VEHICLE PROPERTY TAX. This is a bill that is as a result of the property tax evaluation task force. I believe that Deputy Commissioner O'Dea from the Department of Motor

prior year formula, would receive an estimated \$538,600 in additional revenue.

The City of Hartford has a disproportionate share of tax exempt property. Our residents cannot afford to continue to carry the over-burdensome taxation they now bear. Just for an example and I'll leave this with the Secretary, total assessment in the City of Hartford for 1987, this is including the State of Connecticut, \$160,227,090 hospitals, \$123,094,920, colleges, \$81,222,000, that would be the assessment. The Institute, like I stated before, \$18.1 million. When we add these all up that's a total of \$382,644,770. At our 72.9 mil rate that we should return to the City of Hartford was fully taxed like other property approximately \$28 million.

We currently are receiving under the PILOT for state properties, \$4 million; hospitals, \$3 million; colleges, \$2 million and the Institute of Living, zero for a total of \$10 million. So as you can see we are short \$18 million. Now with reevaluation coming this year in the City of Hartford will place an even larger tax burden in our residential neighborhoods. Although the inclusion of the nonprofit general psychiatric hospitals will not solve our property tax problems, it will at least assist in the inequities in our tax system and provide some revenue in lieu of taxes for these facilities.

And at this time I would like to conclude by saying we also support Bill 150, Proposed Bill 150, 293 and 5214. And I am not going to take much of your time because you have a long agenda, but Dr. Webb would have additional comments also to make. Thank you.

DR. WILLIAM WEBB: I'll try to be very brief. In addition my name is Dr. William Webb. I am the President and Psychiatrist-in-Chief of the Institute of Living. And I am here today to testify in favor of House Bill 5434, Pilot on private and general psychiatric hospitals.

Last year the Legislature increased Pilot funding for general hospitals and educational institutions from 25% to 40% but did not include the Institute

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Secondly on the issue of two other pieces of legislation that I just want to mention to you. Speaking both for the Council and also for the Capital Region Council of Governments.

First of all House Bill 5434, An Act Concerning State Payments In Lieu Of Taxes For Real Property Owned By Private Non-Profit General Psychiatric Hospitals. This is an important legislative agenda for the Capital Region Council of Governments. And we urge your favorable action on this Bill.

Secondly, on Senate Bill 150, An Act Concerning Grants In Lieu Of Taxes On State-Owned Real Property Used For Prison Facilities. We support this piece of legislation. As a principal, I think it is important when you have an extraordinary facility such as these proposed to be constructed over the next few years. One of the ways to ensure and calm local communities about the impact is to pay for that impact as this Bill proposes to do. So we certainly support that.

One of the difficulties in one of the towns. The max, the cap has already been reached and you might consider amending that for purposes of prison facilities.

Lastly, I would like to suggest that this concept also be applied to halfway houses that house inmates, ex-inmates. The Commissioner of Corrections has proposed one hundred new halfway houses in his budget. I think that is an important initiative. The difficulties surrounding the siting of these kinds of facilities are certainly the same as those that face prisons. I think, I'm not sure what the cost is, but I urge you to consider including halfway houses that house ex-offenders in the formula. Thank you.

(cass 6)

SEN. DIBELLA: Any questions?

NB5533

REP. GELSI: Just one. Just a comment, Charlie, I guarantee on that motor vehicle tax is only as good as when we pass. And then the other Legislature can do exactly as it pleases.