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DEPUTY SPEAKER POLINSKY:

The bill as amended is passed.

The Chamber stand at ease for a few moments.

At last. The House come to order. The Clerk please return to the Call of the Calendar.

CLERK:

Calendar 0007, Senate Bill No. 2016, AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON STATE-OWNED REAL PROPERTY. (As amended by Schedules "A" and "B").

DEPUTY SPEAKER POLINSKY:

Representative Mulready of the 20th.

REP. MULREADY: (20th)

Madam Speaker, I move acceptance and passage of the Emergency Certified.

DEPUTY SPEAKER POLINSKY:

The question is on acceptance and passage of the Emergency Certified Bill as passed by the Senate.

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, the Senate has passed two amendments to this bill. I would like to call the first one, Senate "A", LCO4596.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 4596, which has previously been designated Senate Amendment "A".

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CLERK:

LCO No. 4596, previously designated Senate Amendment Schedule "A", offered by Senator Harper, et al.

REP. MULREADY: (20th)

Madam Speaker, I'd ask permission to summarize.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked leave of the Chamber to summarize. Is there objection? Seeing none, please proceed, sir.

REP. MULREADY: (20th)

Madam Speaker, this amendment strikes the file copy and essentially provides for passage of a bill that would enact part of our budget or would tie to part of our budget.

It specifically changes the amounts that are paid out to certain municipalities and the next fiscal impact of it \$2,227,000. It also has a second provision which affects the timing of the reimbursement from the Bradley Enterprise Fund.

I move acceptance, Madam Speaker -- move adoption, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "A". Will you remark? Will you remark, sir?

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REP. MULREADY: (20th)

It's a good amendment and ought to pass.

LAUGHTER

DEPUTY SPEAKER POLINSKY:

This must be the only one of the session then.

Will you remark further on this amendment?

Representative Emmons.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, through you, because it's hard to compare the two of them, when you go down to line 101, it changes the payments of the grants from July 1, 1992 to July 1, 1993. Which grant is that for?

REP. MULREADY: (20th)

Through you, Madam Speaker, which line are you on?

REP. EMMONS: (101st)

Line 101.

REP. MULREADY: (20th)

It appears to refer to various payments in lieu of taxes.

REP. EMMONS: (101st)

Well, through you, Madam Speaker, it would appear to me and I'm trying to understand the amendment, through you, Madam Speaker, it would appear that Section 1 amends Section 12-19(a) of the General

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Statutes and then Section 2 does an amendment of a different type to the same section. Is that correct?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, essentially Section 1 applies to this fiscal year and Section 2 applies to next fiscal year and they both do refer to the same section of the General Statute and in addition they have a different funding formula, Madam Speaker, through you.

DEPUTY SPEAKER POLINSKY:

Representative Emmons.

REP. EMMONS: (101st)

Thank you. Through you, another question. The way I read it is that in the future, the payment in lieu of taxes for state-owned property is going to be limited to the amount appropriated and you will get your proportionate share as a percentage within your property in the state versus the total.

Through you, Madam Speaker, are we doing the same capping of the appropriation on payment in lieu of taxes for private colleges and non-profit hospitals?

REP. MULREADY: (20th)

Through you, Madam Speaker, no, we're only doing it

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for the public pilot.

REP. EMMONS: (101st)

Thank you. Madam Speaker, that is very disturbing to me. I think if anybody -- I mean if we should be paying payment in lieu of taxes, we should be honoring and taking care of the state-owned property and payment in lieu of taxes. We at the present time only do it about 30 percent where we're doing privates at around 60 percent and maybe it's even up to 70 percent and we're leaving that totally uncapped.

If you -- it appears to me that the program in payment in lieu of taxes should be the same whether it's a hospital, a college, a gas station on the turnpike, whatever entity it is and I'm not sure that this amendment makes it a better bill. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, madam. Will you remark further on Senate Amendment "A"? Representative Rell.

REP. RELL: (107th)

Thank you. Madam Speaker, I see Representative Pelto in the Chamber and I'd like to ask him a question, through you please.

DEPUTY SPEAKER POLINSKY:

Representative Pelto, prepare yourself for a

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question. Please proceed, Representative Rell.

REP. RELL: (107th)

Thank you, Madam Speaker. Representative Pelto, during the final days of the session we debated a bill that deal with Department of Corrections and the facilities that were open less than six months. In quickly reading through this, this is in the first part of this amendment and yet that language is not changed and there is no reference to the bill that was passed, I believe, during the final days of the session.

I'd like to know, through you, Madam Speaker, is that addressed adequately? Is it changed from that bill that was presented that I believe you brought out and how would you address it, through you, Madam Speaker?

DEPUTY SPEAKER POLINSKY:

Representative Pelto.

REP. PELTO: (54th)

Thank you. Through you, Madam Speaker, that's the reason that there are two different sections. The first section would apply to the existing fiscal year in the statute. The second section, and the reason we need the second section is to track the language that this Chamber passed in its Regular Session and to further respond to your question and also to some

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degree to Representative Emmon's question, there are a number of towns that actually have gotten more than the statute required. They were in effect hold harmless towns.

By putting in this language that the towns will get what the legislature applies to the grant and then is spread throughout, in fact, no town will get less than it should in the statute. Those towns that would lose money are towns that were in that hold harmless category.

The language that then applies would only apply for one year. The next year the hold harmless language would go back in and the legislature would once again have to grapple with the language.

So as to a question that Representative Emmons had asked, which I think is a fair question of why is there a different rate for public and private and that's something that the legislature should deal with, what this amendment does is actually says to towns, you will paid those separate rates. You will be paid whatever it is that's in the statute. You won't be paid more than what it is in the statute, which in effect has been the case over the last few years, would not be in the case and was not in the budget that this Chamber adopted, but would then go back to these issues in the

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next legislative session, through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment? Will you remark further? If not, let us try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed nay.

The ayes have it.

The amendment is adopted.

Will you remark further on this bill as amended?

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

The Senate apparently had another bright idea because they passed another amendment and I'd like to call that amendment and ask permission to summarize it. It's LCO number, my copy is a little worn, I think it's 4603, but I'm not quite sure.

DEPUTY SPEAKER POLINSKY:

I'll check it for you, Representative Mulready. There is a correction. Senate "B" is LCO No. 4668.

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Will the Clerk please call.

CLERK:

LCO No. 4668, previously designated Senate
Amendment Schedule "B", offered by Senator Munster.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked leave to summarize Senate
Amendment "B", LCO4668. Without objection, please
proceed, sir.

REP. MULREADY: (20th)

Madam Speaker, this amendment allows municipalities
a fixed property tax assessment for a period of up to
three years, to an extent up to 50 percent of the
increased assessment if the cost of the improvements to
be constructed is not less than \$100,000.

It also extends municipality's options to fixed
assessments to personal property located in
manufacturing facilities and is essentially an economic
development tool and I would move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment
"B". Will you remark? Will you remark further on
Senate Amendment "B"? If not, let's try your --
Representative Marotta.

REP. MAROTTA: (5th)

Thank you, Madam Speaker. I rise in opposition to

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Senate Amendment "B" and I think my colleagues should understand that large cities and towns in Connecticut are losing manufacturing jobs on a daily basis. We have the highest unemployment rate.

What the passage of this amendment would do would put the cities at a further disadvantage. People that cannot get out to the suburbs for employment will be losing their ability to work within the cities and we're trying to do everything possible. I think this legislature takes action on both sides as far as saying we want to create enterprise zones in cities and towns and these enterprise zones are supposed to be attracting jobs for inner city residents and what we're doing by this type of legislation is putting the large cities and towns at a disadvantage. There are already deficits showing in all the budgets of large municipalities and I think that when you pass legislation such as this amendment, you will further implement conditions in which large cities and towns in Connecticut will not be on an equal footing with other cities and towns and yet lose manufacturing jobs.

I think that my colleagues should realize that throughout the State of Connecticut large cities and towns are trying to bring jobs back and keep the jobs that they have and I think that this will be

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detrimental to a lot of cities and towns and I ask my colleagues to reject Senate Amendment "B". Thank you.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would only point out that this particular amendment would be available as an economic development tool for large cities as well as small towns.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further? Will you remark further? If not, let us try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Those opposed nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The ayes have it.

The amendment is adopted.

Will you remark further on this bill as amended?

Representative Beamon.

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REP. BEAMON: (72nd)

Thank you, Madam Speaker. As we've just come out of urban stress in Los Angeles and other cities, we have discussed many times in this Chamber relief for municipalities and many of the 11 statutory aid programs that we have right now are earmarked directly for municipalities.

The problem is there's really no way to gauge a streamlining in our government and as we look for a new cities' agenda, we can't minimize these grants themselves as they go to those communities and minimize the impact. The City of Waterbury alone receives \$69 million in intergovernmental assistance and is still a depressed and distressed municipality.

Therefore, it would seem that with all different formulae that we have under these 11 statutory aid programs that we in some way, as a legislature and our Committees of Cognizance should in some way look at a way of streamlining that process, whether it's called a Municipal Aid Pool or omnibus aid package, we are sure that our cities and our new cities' agenda need help.

But there are some questions. For example, can we maintain a level of funding for which would address the problems that we have in those municipalities and does the level of funding that we currently give provide the

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maximum for the dollar that we spend.

Intergovernmental assistance is a very costly endeavor for this legislature. We have to bond many intergovernment assistance programs. Therefore, the Clerk has an amendment, LCO No. 4850. Would the Clerk please call and may I be allowed to summarize please.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 4850, which shall be designated House "A".

CLERK:

LCO No. 4850, designated House Amendment Schedule "A", offered by Sen -- Representative Beamon.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked leave of the Chamber to summarize. Without objection, please proceed, sir.

REP. BEAMON: (72nd)

Thank you, Madam Speaker. Kindly inform the Clerk not to give me a demotion. I love the House.

LAUGHTER

Basically what this amendment would do is allow the Chairs and the Ranking Members of the following committees, Finance, Revenue and Bonding, Approps and Planning and Development to meet jointly and conduct a study of combination of all state grants in aid to municipalities into a single formula grant in some way

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and report their findings to the General Assembly not later than January 1, 1993 and I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "A". Will you remark, sir?

REP. BEAMON: (72nd)

Yes, Madam Speaker. As I mentioned earlier in my opening remarks, it would seem that many cities at this time are depressed and maybe one way, maybe one way of dealing with the amount of money that we send to those municipalities would be for our committees themselves, at no cost, by the way, to go ahead and study a single formula grant in order to maximize the amount of dollars that we spend.

I am not of the mindset, after working in government for ten years and being here for six years, to say that the bureaucracy doesn't work, but in some ways, I question whether the funds are definitely going to recipients, the intended recipients of the need who have the need versus going to bureaucracies, whether it's OPM or the municipalities themselves.

I think this amendment is something that will forge together a new cities' agenda as to the way we fund those 11 statutory aid programs and I would hope that we can keep an open mind and be able to look at the

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difference as to 11 different scatter site programs, which are really not joined together in any way, versus a single program. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further? Will you remark on this amendment? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would rise to mildly oppose this amendment on the basis -- Representative Rell would like me to say strongly oppose -- so therefore, I will get to the middle and moderately oppose this amendment.

LAUGHTER

On the basis that we don't need to put this in legislation. We certainly have the ability to do this if we choose to do it.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment?

Representative Beamon.

REP. BEAMON: (72nd)

Yes, Madam Speaker, for the second time. I wholeheartedly concur with the esteemed Chairman of the Finance Committee, a good colleague, who moderately opposes the amendment.

LAUGHTER

However, we have to in some way here set a new

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tone, a new tone for the amount of money that we spend in municipalities and that new tone is that we get the bang out of buck. I am not sure we do and I'm not sure all of the members get the bang back for the buck. So I believe after studying this that many of us don't even know the formulae which is taken into consideration before towns and cities receive aid.

I don't feel there's nothing wrong with looking at it and studying it. Maybe we'll find out administratively we might save 10 percent. Maybe we can merge some of these programs together or maybe things will stay the way they are. Hopefully not, but maybe they would.

We should have the will to do this. The only way we can do this is say we must do it because we get all running around on various different items and there's no focus for a new cities' agenda. We are spending the money. Let's make sure we are spending it wisely and we should study this.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on House Amendment "A"? Representative Pelto.

REP. PELTO: (54th)

Thank you, Madam Speaker. I too must rise, with all due respect to my good friend from Waterbury to

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oppose the amendment. I think he's done an excellent job in articulating the reason that we have to deal with the problems of our distressed municipalities. I think we can do it even better than this. We'll have bills coming down from the Senate with a Municipal Institute. There are other mechanisms for studying these topics.

This bill, I don't believe, is the appropriate place to do it and I'd point out that, of course, the largest grant is that of education grants. The Education Committee is not even a part of this proposed study. All of the committees, every single committee should think about how they can do a better job in addressing the needs of the cities, and so with all due respect, I'd ask that we defeat this amendment, but do so knowing that we must commit ourselves to dealing with these issues. Thank you, Madam Speaker.

SPEAKER BALDUCCI:

Further remarks on House "A"? Further remarks on House "A"? Further remarks on House "A"? If not, all those in favor signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER BALDUCCI:

All those opposed nay.

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REPRESENTATIVES:

No.

SPEAKER BALDUCCI:

The noes have it.

House "A" is defeated.

Will you remark further on the bill?

Representative Samowitz of the 129th.

REP. SAMOWITZ: (129th)

Thank you, Mr. Speaker. The Clerk has LC05306.
May the Clerk call and I be permitted to summarize.

SPEAKER BALDUCCI:

The Clerk please call LC05306, designated House
"B".

CLERK:

LC05306, designated House Amendment Schedule "B",
offered by Representative Balducci, et al.

REP. SAMOWITZ: (129th)

Thank you, Mr. Speaker.

SPEAKER BALDUCCI:

The question is summarization. Is there objection?
Seeing none, Representative Samowitz.

REP. SAMOWITZ: (129th)

Basically what this bill does, this amendment does,
is gives the power to the Bridgeport Financial Review
Board when payments in lieu of taxes and other grants

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have been made to give the power to the Financial Review Board to review those contracts to see if they are in the best interest of the city because we are in the sense in a receivership, give the power to the Financial Review Board to look at those contracts and if they're not in the best interest, to ask the parties to renegotiate.

If they don't renegotiate, then under certain circumstances, it gives the power to avoid these contracts.

I urge its adoption.

SPEAKER BALDUCCI:

The question is adoption. Will you remark, sir? Will you remark further? Representative Samowitz.

REP. SAMOWITZ: (129th)

Yes, Mr. Speaker. The bill itself and bills of this nature do a balancing act in that the court -- the Supreme Court has reviewed bills of a similar nature and has found that the state has the power to pass a law which will avoid contracts when the fiscal emergency exists.

The preamble to the Bridgeport Financial Review Board does point out a fiscal emergency and this gives the power to the Financial Review Board to give the city a fresh start for those contracts that fall into

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classes of non-collective bargaining and also nothing that goes on the bond market.

Again, I urge its adoption.

SPEAKER BALDUCCI:

Further remarks on the amendment? Representative Belden.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. It was with interest, Mr. Speaker, I noticed the name on the top of the amendment.

LAUGHTER

Through you, Mr. Speaker, to the gentleman bringing out this amendment.

SPEAKER BALDUCCI:

Proceed.

REP. BELDEN: (113th)

Several questions, if I might. Has this subjection, which essentially is the new language in Subsection 6 on line 108 through 151, had any kind of a public hearing in this General Assembly this year, through you, Mr. Speaker?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, yes, it in essence had because it was part of the -- it went through the Planning and Development Committee. A bill of a

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similar nature was presented to the committee. This is a draft of an amendment which was on the Calendar on a bill that was throughout the whole session previously and its subject matter was broached in hearings through the Planning and Development Committee.

REP. BELDEN: (113th)

Mr. Speaker, I don't think the gentleman answered my question. Was there a bill on this subject that was raised or heard as a subject matter at a public hearing on this particular subject, the Financial Review Board, City of Bridgeport.

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, the answer is, yes, it has. It was a bill in the Planning and Development Committee.

SPEAKER BALDUCCI:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. Then I'll concede that possibly somewhere in the process some subject matter similar to this was discussed. Through you, Mr. Speaker, why wasn't this amendment drawn to include collective bargaining?

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SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, basically it doesn't include collective bargaining because these are not the type of long term contracts which can impair a city because they tend to terminate within a fix period of time and there is no need to have them be addressed because most of the old collective bargaining agreements which would have any onerous effect have already expired.

REP. BELDEN: (113th)

Mr. Speaker, if this is such a serious problem and I know in West Haven, the language in West Haven was dramatically changed with regard to collective bargaining, but I guess the proponents of this amendment only feel that they don't want to address that part of the potential problem in the city and I know the City of Bridgeport, one of their largest problems is their collective bargaining agreements and some of the benefits paid which far outweigh any benefits paid to the members of the state employees or most private sector employees.

Through you, Mr. Speaker, to the gentleman, could he give us some samples of what contracts might be

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considered for voidance?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, some of the payment in lieu of taxes where we have given parking garages and offices buildings which are in the City of Bridgeport, we've contracted to waive the property tax and now our tax base for the City of Bridgeport is lower than, for instance, the Town of Fairfield, and these are the things that give an opportunity for the Financial Review Board to review.

REP. BELDEN: (113th)

Through you, Mr. Speaker, would the contract payment in lieu of taxes on the CRRRA resource recovery project in Bridgeport fall under that category?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, boy, I'm glad you asked that question.

REP. BELDEN: (113th)

Pardon me?

REP. SAMOWITZ: (129th)

The CRRRA project would probably not be a contract that would be voided. I'll tell you why. The amount that the facility is worth is probably in actuality no

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more than \$30 million. At \$30 million, since assessments are based upon 70 percent to the market value, you're talking about a taxable base maybe of 21.

Since we're getting 1.5 and maybe for in payment in lieu of taxes, there's no vested interest in considering that particular -- there probably won't be any interest in considering that project.

REP. BELDEN: (113th)

Through you, Mr. Speaker, I think the value is much greater than that. The problem I have is the language reads in such a way that you determine if it's voidable if it's not in the best interest of the city and then it goes on essentially to say this is what you do, whether it is or isn't, I guess, you notify them that you'd like to renegotiate the contract.

I'm from the old school. A contract is a contract. It's already. We've already been through the process of can Bridgeport declare bankruptcy and that's been essentially taken care of. I think we're all willing to assist Bridgeport in various ways to keep their head above water, to make a comeback over the long term.

I have a serious problem with striking out to break contracts, especially if it's done selectively and doesn't address some of the more serious ones that also by change may effect voting for people in the City of

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Bridgeport because they do effect people more directly.

It's easy to go tangle with some corporation. You're not directly touching the investors. Labor contracts you are. Those are people that can throw you out of office.

Through you, Mr. Speaker, to the gentleman, on line 123, or actually on line 122, it starts there near the end, the board may, upon request of the city, review the contract. Could the gentleman just, for the record, let me know who in the city would be requesting that? Would that be the City Council? The Mayor or some other entity?

SPEAKER BALDUCCI:

Representative Samowitz, do you care to respond to that question, sir?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, would the questioner please again repeat the question?

SPEAKER BALDUCCI:

Representative Belden, would you care to respond?

REP. BELDEN: (113th)

Certainly, on line -- it's on line 109 where it indicates upon request of the city and it's further on down on line 122 and 123, upon request of the city, just so we could understand, would that be on an action

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of the Board of Alderman, an action of the Chief Executive of the town? Who would be requesting that action to be taken by the board, through you, Mr. Speaker?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, it's intended to be the Mayor of the City of Bridgeport.

SPEAKER BALDUCCI:

Representative Belden.

REP. BELDEN: (113th)

Yes, through you, Mr. Speaker, I'm not familiar with the City of Bridgeport, the executive of a contract within the City of Bridgeport, does that require an action by the Board of Alderman of the city to go into effect, through you, Mr. Speaker?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Yes, it does. Through you, Mr. Speaker, to become into effect it requires the approval of the council and the Mayor.

SPEAKER BALDUCCI:

Representative Belden.

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REP. BELDEN: (113th)

Through you, Mr. Speaker, to Representative Samowitz, wouldn't you feel that both those parties should be involved in requesting the board to take some action?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, the city -- this is part of an act that goes back to the fiscal emergency act of the City of Bridgeport and the city is represented or comes before the board, so what will happen, what's envisioned is that the city, in going before the board and presenting just as if it presents all the other new contracts that have to be approved, the city, in the same capacity, would go back for the old contracts that you're talking about.

And by the way, I just wanted to respond to what you're saying about being from the old school. The difference is that when you reach a certain point and you're in a fiscal emergency, you have to balance the interests of the state to protect its health, welfare and integrity of the city versus the need to maintain contracts. It's a balancing act, but once you reach that stage where it becomes too far out of kilter, it's

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not fair to have the children in generations past pay for contracts which may not have been in the best interests of the City of Bridgeport and its inhabitants.

The contracts that have waived property taxes, that may not have been necessary, may have been done for a preferred developer that is no longer needed and this is the reason for a bill to address this great problem that's facing the City of Bridgeport.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. Just a comment. Perhaps Representative Samowitz might respond to this. If this is a problem with cities that deteriorate financially to a certain level and if there were public hearings held concerning voidance of contracts, I believe in general in the planning and development, not specifically for the City of Bridgeport, why wouldn't we write legislation that would apply to any city that got into this situation? Why wouldn't it be specifically drawn in such a manner that all the parties who want to invest in those particular cities in the future would know what they're getting into and that they have a contract that's not a contract?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, I think the reason why is

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because it's best to deal with a scalpel rather than with a hammer. It's best to try it on one city because this may very well be tested in the courts and if it is, then to see how the City of Bridgeport fares on it. However, the research that has been done on this shows that we do have the power to do this when we are faced with fiscal emergencies and the Supreme Court of the United States has in a very similar case, involving the Ashbury Park, New Jersey, reviewed a more extensive receivership act for cities which call for even the powers of paying 85 cents on a dollar, a plan.

This does not deal with that particular powers of bankruptcy. It just deals with the executory contracts, those things that are going into the future which can forever imperil a city.

REP. BELDEN: (113th)

One more question, Mr. Speaker, and then I think I'll probably sit down. If this amendment were to pass and become law and if the City of Bridgeport entered into a contract of this nature in September and under this legislation if they found next summer they didn't like the contract anymore, could they void that contract because I don't see anything in here that says -- this is only those contracts in place on a certain date, through you, Mr. Speaker?

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SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, it does, in line 112 say existing on the effective date of this act, so it only deals with contracts prior to this act. Anything that's entered into after this act does not go through this bill.

REP. BELDEN: (113th)

Thank you, Representative Samowitz. I appreciate that. I missed that. Members of the House, I think I could probably support this as we had done with West Haven if we were doing things at this point -- if we were passing laws that were even-handed and affected all of our municipalities who might fall into these conditions in the same way. We have some laws on the books dealing with that now.

To me, if we're going to do it, that's where it ought to be. It ought to be fair warning, then on a certain date and any contracts entered into after that date, in any town that may have a fiscal problem could stand a chance to be voided and what that would do would be kill that town, kill it dead because nobody is going to invest in those towns if that were in fact the scenario that were put in place.

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We're going to, in this amendment before us, do it a little differently. You're going to say, hey, we entered into a contract with you in good faith in the past and now, without you having any recourse, the legislature is going to say, give us the power to void your contract and maybe renegotiate for something better for the city. That's not a good message to send out.

I'd rather the City of Bridgeport look at those contracts, look at perhaps -- come back to the state and say I've issued these tax abatements. They're good for 20 years and these are the kind of monies they dealt us. Can you help us out in the state? And the future contracts won't be written that way.

I happen to know of a tax abatement that exists in the City of Bridgeport under state law right now. It's a five-year abatement. It's called an economic development tax incentive and what happens is the owner of the property pays 40 percent, I believe, the state pays 40 percent and the city eats the other 20 percent of the property tax. That's a program that exists throughout the entire state, if the municipalities want to enter into it to create jobs and to hold industry in the towns and Bridgeport has some of those.

Through you, Mr. Speaker, to the gentleman, would

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that type of a contract, it's a state law, could that tax abatement be voided under this amendment, through you, Mr. Speaker?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker.

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, I believe that not every contract is going to automatically be avoided. It has to meet certain conditions and one of those conditions is has the fiscal condition of the city changed since the contract was effective.

So in your example, which was something recent, it may not be that the fiscal conditions have changed since that particular contract was entered into.

Also, if the impact on the city -- it also provides for the board to consider the impact that that contract has on the city. So there are certain criterias that are set forth that don't automatically call for avoidance. In order to voided, it has to meet those conditions. And by the way, it's only after they fail to renegotiate. Most time -- this is a procedure crafted in such a way to be the least restrictive. It allows for a long period of time for renegotiation and

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it may be renegotiated without having to go through the board and even be tested on whether it should be avoided or not.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. Thank you, Representative Samowitz. I rise to oppose the amendment.

Representative Samowitz has clarified a number of issues, but I still think if we're passing this legislation, we ought to do it after a great deal of review.

One more question, has the Office of Policy and Management, through Secretary Cibes or any of his people, made any comment or input into this particular amendment, through you, Mr. Speaker?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, extensive discussions were made with the Office of Policy and Management along with the Attorney General on this particular amendment.

REP. BELDEN: (113th)

Through you, Mr. Speaker, did he buy onto it?

SPEAKER BALDUCCI:

Representative Samowitz.

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REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, I don't know what buying on, you know, what you particular mean. I think they reviewed it. They are not opposing and they don't sign on because they're not legislators. I don't know what you mean by buying on.

SPEAKER BALDUCCI:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. I didn't mean literally sign on. I meant that they -- you know, they do things in many ways. Sometimes they tell you what you want to know and walk away and sometimes they say that's a good idea and I don't mind standing up here right next to you and being counted and I'm not sure where they're at on this, but Mr. Speaker, I reluctantly would oppose this until another time until we have had an opportunity to have this debated and discussed as it might affect any municipality. This is very serious when we talk about voiding contracts.

SPEAKER BALDUCCI:

Thank you. Representative Mulready of the 20th.

REP. MULREADY: (20th)

Mr. Speaker, I also rise to oppose the amendment and I would, in partial answer to Representative

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Belden, I think that it's fair to say that OPM is not in favor of this amendment.

SPEAKER BALDUCCI:

Representative Caruso of the 126th.

REP. CARUSO: (126th)

Thank you, Mr. Speaker. I rise tonight in support of my city for several reasons. This amendment this evening would give the opportunity for the city to examine its current contracts that it has on a long term basis for the fiscal stability of the city.

Unfortunately, what Representative Belden has raised are some valid points, but this management throughout our city as in many municipalities has given way for legislation such as this. What we did as a General Assembly only weeks ago with the City of West Haven is no different than what you would be doing this evening. The only difference to it is that you have prohibited the City of West Haven from declaring bankruptcy, which in my opinion, is inconceivable for a debtor to be denied the right to file bankruptcy by a creditor who in this case is the State of Connecticut through bonds.

The reason for bankruptcy law is to assist the debtor in trying to reorganize debt in order to get a stronger financial footing, but the State of

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Connecticut has, in its wisdom denied that opportunity of the municipality and it's been shown in bankruptcy court that a municipality could declare bankruptcy without the permission of the state. That has been tested in bankruptcy court and has been shown that it could happen.

So all of the contracts that the City of West Haven has entered into will now be under the auspices of the Financial Control Board that has been established. So that means contracts past and present can now be reviewed by that board and a determination as to whether those contracts are in the best interest of that municipality can be determined, but yet when it comes to the City of Bridgeport, almost identical language, it seems to be a different case.

Representative Belden brings up the story of CRRRA and the contract that the City of Bridgeport has entered into. Well, if the City of West Haven is into contract with a private firm that burns their garbage that Financial Control Board now in the City of West Haven that the State of Connecticut has created can change the terms of that contract and can determine exactly the way in which it is to enter into those contracts.

So all we're doing here is asking that the City of

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Bridgeport be given an opportunity because of past mismanagement to begin to straighten out its financial house.

Now what happened in Planning and Development, the reason the bill never got out was the whole question of the bankruptcy and the right of a creditor to determine the fate of a debtor which is totally contrary to bankruptcy law. That was the question in Planning and Development and that's what put the entire issue into question and didn't bring it out to this floor for action.

Now we speak of collective bargaining and entering that into it. Yes, that is an issue, but to simply state that what we have currently is not enough and to reject it on that basis is just to destroy the entire concept which is the ability of the city to look at contracts that have been entered poorly in the past and review them for their current situation.

We have in some cases in the City of Bridgeport, tax abatements that was caused on various hotels, on various new constructions that run to seven to ten years on these abatements that could be looked at in light of the city's fiscal dilemma.

When those contracts were entered into, the City of Bridgeport was not at the brink of financial collapse

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as it is today and in many cases could be looked at and re-evaluated and redetermined, but right now the City of Bridgeport does not have that authority and what you actually effectively have done with the Financial Review Board is to establish a paper tiger. That Review Board has absolutely no power over the various contracts in the city, the fiscal plight of the city. As a matter of fact, it was determined by a judge in his opinion from the Federal Bankruptcy Court that the Financial Review Board's sole purpose in the City of Bridgeport is to protect the bond investment that has been made by the State of Connecticut in order that those bonds be paid.

So this evening this legislation begins to provide this state oversight panel with more authority and yet when the question is raised, it's said that, well, the City of Bridgeport should get its house in order. We cannot do it unless we get the assistance from the General Assembly.

So, in conclusion, what I am stating is the same conditions that you applied in the case of the West Haven situation is similar to the Bridgeport situation and I would only ask that you'd permit this to take place so that that Financial Review Board that's been empaneled can truly do its job. Thank you.

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SPEAKER BALDUCCI:

Representative Schlesinger of the 114th.

REP. SCHLESINGER: (114th)

Thank you, Mr. Speaker. A question, through you, to the proponent. A question, through you, to the proponent.

SPEAKER BALDUCCI:

Proceed, sir.

REP. SCHLESINGER: (114th)

Thank you. Through you, Mr. Speaker, I'm a little concerned with some of the language right at the end of the amendment, on Page 5, starting on lines 145. Could you enlighten the Chamber as to the ending, which says or the effective property tax rate of the city is greater than the 19th percentile town as determined by OPM.

Does this mean that if the current crisis is over, but the Town or City of Bridgeport remains as a high tax town you can go about voiding old contracts, is that the intent of that particular language?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, no, the intent was basically because while there is a -- to determine

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where a fiscal emergency exists because this could only happen when the Financial Review Board is in existence, the Financial Review Board could be in existence, but there could not be -- in order to determine that the fiscal emergency exists, that reflects the top ten towns with the highest effective property rate as being one of the conditions for determining when a fiscal emergency exists.

REP. SCHLESINGER: (114th)

Through you, Mr. Speaker, then shouldn't the amendment read instead of a comma in line 147 after existence, shouldn't be and the city is determined to be a distressed municipality and the effective property tax rate is under that level rather than just it looks like an or, or, or type of situation? Am I incorrect?

REP. SAMOWITZ: (129th)

No, through you, Mr. Speaker, it should be an or because these are the conditions that define a fiscal emergency.

REP. SCHLESINGER: (114th)

Well, Mr. Speaker, maybe greater legal minds than I can look this over and see that interpretation, but I think if you read it slowly, you get the interpretation that this could still remain in exists even after a crisis is over and the town just happens to be a highly

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taxed town which a lot of municipalities fall under.

I have some grave concerns about this amendment, Mr. Speaker, of going around, voiding contracts, basically imposing a quasi-bankruptcy when the courts are not allowing a bankruptcy for a particular municipality is not what I think we ought to be doing in this legislature whether it's for the City of West Haven or for the City of Bridgeport.

You know, it's about time that we get all our houses into order, in Bridgeport, in West Haven and so forth, and you know, some of the legislators, Representative Caruso from Bridgeport makes a very compelling case for the city, and you know, you sit back and you almost buy the argument, but then you say, well, wait a second here. This is not an individual we're talking about. This is a municipality in the State of Connecticut and whether or not a past administration ran haphazardly with their financial affairs for many years or not, the current administration has certain responsibilities.

We have responsibilities here in the State of Connecticut. We decided to increase taxation massively to make up for those responsibilities and now some of the cities in the State of Connecticut are finding that sometimes you have to pay the piper.

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Well, Bridgeport is going to have to pay the piper and this type of legislation I don't think is what we want. As a matter of fact, I think that this might be a mistake for the City of Bridgeport because I think in the future if the city does get on a firm financial foothold, I think they're going to be in a poor position to negotiate and I think you might find yourselves paying a premium, paying a premium on other contracts with other vendors because of this type of legislation which say, hey, you have a contract with the City of Bridgeport for \$1 million, and guess what, you don't have a contract with the City of Bridgeport for \$1 million. It does exist anymore, based upon a dictum from the State of Connecticut up here in Hartford.

This is not the type of legislation we should be fostering and I think basically it tells the public and it sends out a message to the business community, to those who would do business with the government that we don't even live up to our responsibilities as well as an individual in the private sector. We're above and beyond the law because we write the law, and Mr. Speaker, that just ain't right. Thank you.

SPEAKER BALDUCCI:

Representative Chase of the 120th.

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REP. CHASE: (120th)

Thank you, Mr. Speaker. Mr. Speaker, through you a question to the proponent of the amendment, I guess Representative Samowitz.

SPEAKER BALDUCCI:

Proceed.

REP. CHASE: (120th)

Thank you, Mr. Speaker. After reviewing the amendment, would these contracts include contracts with the city for real property?

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, if they're executory, it would.

REP. CHASE: (120th)

Okay, through you, again, Mr. Speaker, would you consider the contract that Captain's Cove Marina, to get very specific here, executory, where the HMS Rose is docked?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, the bankruptcy law, which deals with long term leases would have to be -- in the bankruptcy law they set up a two class system dealing with long term leases and with executory contracts so

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that leases are a separate class as opposed to an executory contract. So you follow the bankruptcy law, then it would not fall into an executory contract.

REP. CHASE: (120th)

Through you, Mr. Speaker, then the answer to my question, if you can verify this, Representative Samowitz, then the leasing agreement between the HMS Rose Captain Cove Marine would not be affected by this amendment?

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, that may be something that has to be determined by a court, but like I said, if they follow the precedent set forth in the Bankruptcy Court, and by the way, Representative Schlesinger is absolutely wrong when he says beyond the law because the fact of the matter is that bankruptcy law permits this right now.

The Bankruptcy Court, let it be known, said Bridgeport had a right to file bankruptcy. What this does is this takes any incentive out of filing bankruptcy and provides a less onerous procedure. So if we really want to get Bridgeport's house in order, this House ought to start addressing the needs of the cities.

REP. CHASE: (120th)

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Well, if I'm interpreting the response to my question, the answer is yes, it's possible that the contract with Captain's Cove Marina could be null and void and I guess so could Success Park. I think that's another long term lease.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, it's up to the court to decide, not up to the legislature to decide if we would pass this bill because it's a court proceeding.

I would say that the Bankruptcy Court which has dealt with a similar issue as this, has dealt with it in a way by separating long term leases from executory contracts. The Bankruptcy Court allows a trustee to avoid executory contract or leases. They set up a separate class.

REP. CHASE: (120th)

Thank you, Mr. Speaker. Mr. Speaker, I rise to oppose the amendment. I don't think this body should be giving the courts any authority to void any contracts or give the powers of the board to recommend any contracts, particularly the two that I suggested be null and void.

I think that you run the risk, in the particular case of the HMS Rose Foundation of having that foundation leaving the City of Bridgeport. I don't

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think the one bright shining spot that the City of Bridgeport has is that particular marina and for you folks to even suggest that that's a possibility I think is the height of irresponsibility and I would therefore oppose the amendment.

SPEAKER BALDUCCI:

Representative Radcliffe of the 123rd.

REP. RADCLIFFE: (123rd)

Thank you, Mr. Speaker. I think Representative Chase put it very succinctly, that we should be given the courts the power to void contracts. Well, frankly, Mr. Speaker, the courts don't have that power right now and neither do we. As I read this amendment, we're only dealing with contracts that exist right now. A contract that was entered into on July 1st of this year would not be subject to this.

So therefore if there's an existing contract, for example, for the purchase of police cars or for a food service for the Bridgeport school system or a lease such as Representative Chase had mentioned, those contracts would be subject to this act, but if they were allowed to lapse, if they were renegotiated, if there were a contract entered into on July 1 of next year, that somehow would not be.

I think the intent of this is certainly laudable.

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The Financial Review Board may have very little power right now. Unfortunately, at least 70 percent of the City of Bridgeport's obligations or almost any other city in this state has to do with collective bargaining agreements, has to do with labor contracts. Those are specifically exempted from this amendment, if I read line 110 correctly.

So once again, we're taking the bulk of the obligations. We're taking in a salary intensive municipal operation most of the fixed costs and we're still leaving them beyond the scope of the Financial Review Board, but the impairment of an obligation of contract I think is something that we should take seriously and therefore I would have to rise to oppose the amendment.

We can't give the courts that power. We can't take that power ourselves because this is a government that still relies on its laws and still relies on its Constitution, including the Constitution of the United States and, Mr. Speaker, I think Article I, Section 10 of that Constitution is very clear.

It's very clear when it says no state, not the Federal Bankruptcy Court, that's a federal court, but not state can enter into any contract or make any law impairing the obligation of contracts, Article I,

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Section 10 of the United States Constitution and that's exactly in the name of saving one of our great cities, what this particular amendment does.

It allows without standards, it allows without any due process, guarantees, whatever, a creature of the State of Connecticut to void a contract that may have been freely entered into for good and valuable consideration between two parties at arm's length and it treat those parties differently from two similar parties after July 1 of this year because it sets up two different categories.

If it applied to future contracts, if it said, for example, that the City of Bridgeport shall not enter into a contract after the 1st of July that doesn't include a clause saying that this is voidable by the Financial Review Board, that would be notice to both parties. That would be something that everyone would be aware of at the time the contract was entered into.

I'm not sure it would be any more enforceable. I think it would certainly increase the cost of that contract markedly because no one is going to want to enter into a contract that can be void or voidable halfway through the contract, so it's going to actually costs instead of decrease them, but nevertheless, that would give notice to both parties of the fact that this

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could be voided under certain circumstances.

This amendment didn't exist when all of the contracts which would be subject of the legislation were entered into. It clearly, in my judgment, violates the unambiguous commands of Article I, Section 10 of the United States Constitution as well as the Constitution of the State of Connecticut.

It takes property without due process of law. It does this in the name of a laudable purpose, but however laudable, this is still a government of laws, not of men and we ought to vote down the amendment. Thank you.

SPEAKER BALDUCCI:

Representative Samowitz.

REP. SAMOWITZ: (129th)

Through you, Mr. Speaker, nowhere of all the law if the impairment of contract absolute. It's always been a balancing act and a classic example of the reason why we allow an impairment of contract which has been upheld by the court is the Mortgage Moratorium Act where the state has said that people whose houses are being foreclosed, if they're underemployed, can change around the contract that they have with the bank and follow a certain statutory procedure.

In this act too, a very detailed statutory

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procedure has been outlined and the Supreme Court, which is the highest court in the land, has said in a case where -- in the State of New Jersey, being very farsighted, had done a comprehensive Receivership Act for municipalities which included not only dealing with executory powers or executory contracts, but also dealt with allowing past debts to be part of a plan has upheld the New Jersey procedure.

This just deals with a more limited aspects, the executory contracts, without dealing with putting off past debts inside of a plan and how long should a generation in the future be paying for debts and obligations that go years and years in the past.

There are some other things, for instance, Harbor Point. We cannot develop that harbor. The contract calls for the City of Bridgeport to do infrastructure improvements. We can't afford to do them. That contract was entered into in a time when the City of Bridgeport could afford. How long should we be held to standards and things that may have made sense years ago, but because of a change in fiscal circumstances 20, 30 years later, doesn't make sense?

There has to be a procedure and there is a procedure for dealing with this. It's called filing bankruptcy, which we have a right to do, but it has a

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cost. It has a cost to the state and it has a cost to the city and it may not be necessary. This has all the benefits without all the drawbacks.

SPEAKER BALDUCCI:

Would anyone remark further? If not, we'll try your minds. All those in favor of House "B", signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER BALDUCCI:

All those opposed nay.

REPRESENTATIVES:

No.

SPEAKER BALDUCCI:

The nays clearly have it.

The amendment fails.

SPEAKER BALDUCCI:

Will you remark further on the bill?

Representative Kiner of the 59th.

REP. KINER: (59th)

Good evening, Mr. Speaker. Mr. Speaker, the Clerk has an amendment, LCO4775. Will the Clerk please call and may I be given leave to summarize, sir.

SPEAKER BALDUCCI:

The Clerk please call LCO4775, designated House

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Schedule "D". Excuse me, House Schedule "C".

CLERK:

LCO No. 4775, designated House Amendment Schedule "C", offered by Representative Loffredo.

SPEAKER BALDUCCI:

The question is summarization. Is there objection? Seeing none, Representative Kiner.

REP. KINER: (59th)

Thank you, Mr. Speaker. Very briefly, sir, the essence of this bill passed the House just a few weeks ago on Consent. We've since added three small sections of land conveyances and, Mr. Speaker, I move adoption of the amendment.

SPEAKER BALDUCCI:

The question is adoption of House Schedule "C". Will you remark? Representative Kiner.

REP. KINER: (59th)

Thank you, Mr. Speaker. Mr. Speaker, as I indicated to this body just a few moments ago, this bill has already passed this Chamber last week. What it does, however, is add three new sections to the bill.

Section 14 basically is a swap of land between Portland and the State of Connecticut. This swap of land has been approved by the Department of

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Environmental Protection and by the Department of Health Services. Section 15 of the bill is also new. It conveys 4.45 acres of land to the City of Hartford to be used for the expansion of athletic facilities for Hartford Public High School and Section 16 and 17, Mr. Speaker, very briefly, conveys about a quarter of an acre of land to the City of Meriden in two cases to widen Lewis Street, and again, Mr. Speaker, I move adoption of this amendment.

SPEAKER BALDUCCI:

Further remarks on House "C"? Representative Belden.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. It is a while ago that we had this bill before us previously. If I could just ask, Representative Kiner, one or two clarifying sections. Section 11 of the bill, does that deal with the State Police barracks and the trade of land? Is that what that one was, through you, Mr. Speaker?

SPEAKER BALDUCCI:

Representative Kiner.

REP. KINER: (59th)

Through you, Mr. Speaker, it does deal with the State Police, going back to 1940. This person by the name of Sherman Woodward gave a small parcel of the

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land to the State of Connecticut I think for a dollar to be used for a radio tower. The State Police doesn't want it anymore. The land is just sitting there, not doing very much and this family would like that land back.

SPEAKER BALDUCCI:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Mr. Speaker. If I might go to Section 14 which deals with the Portland land. As I read this, it says that the State of Connecticut permit for the sale to the State of Connecticut -- I'm on line 230, to the Commissioner of the Environment Protection for the use as a state forest, Class I and II, that's watershed lands, the Town of Portland, identified as, one, Parcels 1 and 2. Two, a portion of Parcel 1 and then three, Sub 3 says Parcel 1 on the Town of Portland tax map which is to be acquired by the Town of Portland. There is a -- there seems to be a conflict in that it indicates that the three categories are for conveyance except category or Sub 3 is a reverse.

It appears the way it's written that the three -- I mean I appreciate the gentleman shaking his head. I read the words and they say something and what they say is that there's three sub categories. One, Parcels 1

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and 2 on the Town of Portland tax map. Two, a portion of Parcel 1, the Town of Portland tax map. These are conveyances.

Then Sub 3 says Parcel 1, the Town of Portland tax map, which is to be acquired by the Town of Portland. It conflicts with the previous language. The gentleman indicated earlier that there was a land swap here, but the language there is in conflict with itself and I would ask the gentleman if he could perhaps explain how this operates. Thank you, Mr. Speaker.

REP. KINER: (59th)

Mr. Speaker, I really don't see the problem that Representative Belden sees. As I look at lines 232, 233, 234, and 235, the parcel of land that Representative Belden is referring to deal with different tax maps. One is Tax Map 105. Another one is Tax Map 104. The other map is Tax Map 96. We're dealing with three separate parcels of land here and I don't see any conflict at all, through you, Mr. Speaker.

SPEAKER BALDUCCI:

Representative Belden.

REP. BELDEN: (113th)

Mr. Speaker, perhaps I'm in error, but I think you have to start reading the section with the first word

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"notwithstanding". Notwithstanding the provisions of Subsection B the Commissioner of Health Service may issue a permit to the Town of Portland for the sale to the State of Connecticut to the Commissioner of Environmental Protection for the use as a part of the state forest of Class I and II lands in the Town of Portland identified as 1, 2 and 3. 1 and 2 fall in that category. 3 is a reverse transaction.

Mr. Speaker, I do believe that this amendment is faulty and I think it ought to be corrected if we want to pass it and would pass it correctly and everybody would be happy or if you want to allow that Legislative Commissioner's can, through their magic, make the necessary corrections, perhaps that fine too, but I think I read the words correctly.

REP. KINER: (59th)

Mr. Speaker.

REP. FRANKEL: (121st)

Mr. Speaker.

SPEAKER BALDUCCI:

Representative Frankel.

REP. FRANKEL: (121st)

For legislative intent, a question or two, through you, sir, to Representative O'Rourke.

SPEAKER BALDUCCI:

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Proceed.

REP. FRANKEL: (121st)

Representative O'Rourke, for the record, as I understand Section 14, the purpose of establishing this statutory language is to allow the Town of Portland to sell in the future a number of parcels of land. This is a permit needed by the Town of Portland and are to be able to sell parcels that they either now own or hope to acquire, through you, Mr. Speaker.

SPEAKER BALDUCCI:

Representative O'Rourke.

REP. O'ROURKE: (32nd)

Thank you, Mr. Speaker. That's basically true. It's permissive statute that will allow the Commissioner of Health Services to okay the permit. If you read down the bottom of the section here, upon determining that said sale will not result in any significant environmental change to said parcels.

So this isn't a conveyance. It's permissive language that will allow this to go through.

REP. FRANKEL: (121st)

Mr. Speaker, through you, a follow-up question. On line 234 Representative Belden identified what is known as the third parcel that's listed. It says, three, Parcel 1 on Town of Portland Tax Map 96 which is to be

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acquired by the Town of Portland. Can you tell me if the Town of Portland is currently under contract or arrangements to acquire this property, and if so, from whom?

SPEAKER BALDUCCI:

Representative O'Rourke.

REP. O'ROURKE: (32nd)

Through you, Mr. Speaker, they are currently finalizing an arrangement with private citizens in the Town of Portland who have deed to that property currently.

SPEAKER BALDUCCI:

Representative Frankel.

REP. FRANKEL: (121st)

Thank you, Mr. Speaker. I think for legislative intent what we have, excuse me, sir, through Section 14 is basically an authorization to the Town of Portland to sell to the State of Connecticut land which they either own or are acquiring, namely, the acquisition of Parcel 1 on Tax Map 96.

I think that -- I trust that this colloquy clarifies the questions raised by Representative Belden and sets the record straight. Thank you, Mr. Speaker.

SPEAKER BALDUCCI:

Further remarks on this amendment? If not, we'll

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try your minds. All those in favor signify by saying
aye.

REPRESENTATIVES:

Aye.

SPEAKER BALDUCCI:

Opposed nay.

REPRESENTATIVES:

No.

SPEAKER BALDUCCI:

The ayes have it.

The amendment is adopted.

Will you remark further on the bill as amended?

Representative Fonfara of the 4th.

REP. FONFARA: (4th)

Thank you, Mr. Speaker. The Clerk has an
amendment, Mr. Speaker, LC05303. May I please call and
I be allowed to summarize.

SPEAKER BALDUCCI:

The Clerk please call LC05303, designated House
Schedule "D".

CLERK:

LC05303, designated House Amendment Schedule "D",
offered by Representative Fonfara.

SPEAKER BALDUCCI:

The question is summarization. Is there objection?

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Seeing none, Representative Fonfara.

REP. FONFARA: (4th)

Thank you, Mr. Speaker. This amendment includes in a category of facilities receiving 100 percent payment in lieu of taxes newly purchased or constructed properties as of the effective date of this bill, July 1, 1993, newly purchased or constructed properties in distressed municipalities as defined in Section 32-9P.

I move adoption, Mr. Speaker.

SPEAKER BALDUCCI:

The question is adoption of House "D". Will you remark, sir?

REP. FONFARA: (4th)

Thank you, Mr. Speaker. What this amendment does, Mr. Speaker, is provides or creates an incentive for the state to consider in its purchasing of properties in various municipalities the costs and benefits that would be obtained through the purchase of those properties with the inclusion of 100 percent of payment for reimbursement to the towns for the assessment of that property through the pilot program.

Currently, as you are aware, as the Chamber is aware, the reimbursement rate is 20 percent, but for distressed municipalities, many of which are urban

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cities where the state has taken a majority of its property or has placed a majority of its facilities, so it's a Catch-22 for many of our urban communities to have more and more of its property taken off the rolls, taxable property taken off the rolls to serve the needs of the state, but then not have that property available for property taxation or at least not at the going rate, if you will.

REP. FONFARA: (4th)

So this amendment would address that particular problem for new properties, not for existing purchases or for property that is owned by the state for anything new and it would create an incentive for the state to consider that additional cost before it does move into those areas and purchase that property and if I could just note for the Chamber, Mr. Speaker, that in the capital improvement budget that we will act on at some point in the Special Session, there is an allotment for some \$45 million for the Department of Public Works for development of state-owned office facilities, including acquisition of land or buildings or both and an additional \$10 million for the purchase of a facility for data center conflicts, which is understood to be, the state is looking for in the City of Hartford.

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That's over \$55 million alone in the City of Hartford and related areas that the state is looking to purchase, so that will remove a substantial portion of revenue producing property in the City of Hartford and other urban communities in our state that are distressed in great need of those revenues for the benefit of the state and this would not prohibit the state from purchasing those properties, but they would have to pay 100 percent of pilot much as they do now for correctional facilities.

I urge passage of the amendment, Mr. Speaker.

SPEAKER BALDUCCI:

Will you remark further on the amendment?

Representative Rell of the 107th.

REP. RELL: (107th)

Thank you. Mr. Speaker, through you, a question please, to Representative Fonfara.

SPEAKER BALDUCCI:

Proceed, madam.

REP. RELL: (107th)

Thank you. Representative Fonfara, I was listening carefully to your comments and I just would ask that you confirm what I thought I heard and that is that what you're saying is that if the state purchases any land or any facility in a distressed municipality for

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any purpose, not necessarily corrections, we would reimburse 100 percent under the pilot program, through you, Mr. Speaker.

SPEAKER BALDUCCI:

Representative Fonfara.

REP. FONFARA: (4th)

Through you, Mr. Speaker, that is correct.

REP. RELL: (107th)

Through you, Mr. Speaker, do we have a fiscal note on this amendment?

SPEAKER BALDUCCI:

Representative Fonfara.

REP. FONFARA: (4th)

Yes, we do, Mr. Speaker, and I believe it's available if you care to have one delivered over to you, but if I could read -- basically the impact would be -- if I could quote from this document, the extent of the increased state cost of municipal revenue is dependent upon the number of state facilities bought or constructed in the distressed municipalities and cannot be determined at this time, so I think it speaks to the issue that I addressed earlier in my remarks that it would be a signal to the state to consider the cost and benefit involved in purchasing a property in a distressed municipality.

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It wouldn't be the same considerations of equation that it would be for every town, that the incentives would be much greater to consider whether or not the costs equal the benefits or are outweighed by the benefits of doing so in a distressed municipality which very much needs, as I said earlier, those revenues to be obtained from the properties that are existing.

REP. REL: (107th)

Thank you, Representative Fonfara. Through you, Mr. Speaker, another question. If we were to purchase as a state office buildings in the City of Hartford right now, under this amendment would they then be classified -- would the City of Hartford be classified for -- well, after the effective date of this, for reimbursement 100 percent? These would be empty municipal buildings that we would purchase from the City of Hartford?

SPEAKER BALDUCCI:

Representative Fonfara.

REP. FONFARA: (4th)

I'm sorry, Mr. Speaker, I didn't understand the question. If it could be repeated, it would be helpful.

REP. REL: (107th)

Through you, Mr. Speaker, the question is if we

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were to purchase after the effective date of this amendment -- bill, office buildings in the City of Hartford, they would be state-owned facilities. Would we then reimburse that 100 percent under the pilot program to the City of Hartford?

REP. FONFARA: (4th)

Through you, Mr. Speaker, that's correct.

REP. REL: (107th)

Through you, Mr. Speaker, I'd like to just follow-up, and I believe that we have the authority under the Bonding Commission right now to purchase several office buildings, well, at least one or two. I think that we'd be talking about a lot of money right here.

I guess what I'd really like to say, Mr. Speaker, and members of the Chamber, is first of all, I don't support the 100 percent reimbursement in the first place because we do have -- we have several categories where we end up reimbursing at different levels for different facilities and different types of property that is owned, but to blanketly put into the statutes that we would simply reimburse a municipality 100 percent, I think is very far reaching. It's kind of an unknown quantity right now and certainly something that we should not be jumping into and I would urge defeat

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of this amendment. Thank you, Mr. Speaker.

SPEAKER BALDUCCI:

Will you remark further? Representative Mulready
of the 20th.

REP. MULREADY: (20th)

Mr. Speaker, I reluctantly rise to oppose the
amendment not because it may not be a good idea at
some, but I think we ought to take the time to think
about the long term implications of this and the fiscal
implications of it and I think it's perhaps a good idea
that we ought to look at it in the next session, but
not now. Thank you, Mr. Speaker.

SPEAKER BALDUCCI:

Representative Fonfara.

REP. FONFARA: (4th)

Thank you, Mr. Speaker, for the second time, if I
could, I think again that this is not something that
will have an immediate impact on the fiscal situation
of the state given that the decision to purchase a
facility or property in a distressed municipality would
be one that would be before the particular department
that would be considering the purchase, whether it was
Public Works or what have you. It's not as though this
would implement a new cost to an existing agreement or
facility that already had been purchased in a

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distressed municipality. It would be a -- the situation would be addressing the future where a decision would have to be made following the effective date of the bill.

So it's not one that would create a fiscal situation, a negative fiscal situation for this fiscal year nor the coming fiscal year unless the state were to make that judgment that it was an appropriate and cost effective purchase. Thank you, Mr. Speaker.

SPEAKER BALDUCCI:

Further remarks on the amendment? Representative Marotta of the 5th.

REP. MAROTTA: (5th)

Thank you, Mr. Speaker. I rise in support of the amendment. First of all, the State of Connecticut and we understand is out leasing buildings in large cities and towns to state departments and when they're leasing these buildings or renting these buildings, the City of Hartford and other distressed municipalities receive taxes from the owners of the property, but as soon as -- and we've all realized that it's cheaper for the State of Connecticut to go out and own their own buildings or construct their own buildings and what will happen in this case is that the City of Hartford and other distressed municipalities would lose millions

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of dollars in tax revenues once the state buys the property.

So, for that reason, I think all our colleagues, since we do support other legislation at 100 percent for prisons and jails, that we should also have 100 percent reimbursement for cities and towns, especially those distressed when the city purchases a facility or constructs a facility that they own starting in 1993.

I support the amendment.

SPEAKER BALDUCCI:

Will you remark further on the amendment? Will you remark? If not, all those in favor signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER BALDUCCI:

All those opposed nay.

REPRESENTATIVES:

No.

SPEAKER BALDUCCI:

Those noes have it.

The amendment fails.

Will you remark further on the bill as amended?

Representative Andrews of the 88th.

REP. ANDREWS: (88th)

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Thank you, Mr. Speaker. Mr. Speaker, the Clerk has an amendment, LC05213. Would the Clerk please call and I be allowed to summarize please, sir.

SPEAKER BALDUCCI:

The Clerk please call LC05213, designated House "E".

CLERK:

LC05213, designated House Amendment Schedule "E",
offered by Representative Andrews, et al.

SPEAKER BALDUCCI:

The question is summarization. Is there objection?
Seeing none, Representative Andrews.

REP. ANDREWS: (88th)

Thank you, Mr. Speaker. Mr. Speaker, this amendment is fairly simple. It's a strike everything, but it also includes the Senate Amendments that we've already adopted. Mr. Speaker, the gist of the amendment is that the state, in line 38 of the amendment, it says that the state shall pay 100 percent of the property taxes which would have been paid with respect to any facility used as a group home for the mentally retarded in the State of Connecticut.

Mr. Speaker, I move its adoption.

SPEAKER BALDUCCI:

The question is adoption. Will you remark?

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REP. ANDREWS: (88th)

Thank you, Mr. Speaker. The State Department of Mental Retardation has recently made a change in its group home stance and rather than subbing out to privately-owned firms, the state is buying group homes and using them and what's happening is that a lot of the group homes throughout the state are causing the municipalities' police and fire protection costs to increase and, Mr. Speaker, I would hope that the Chamber would adopt this amendment. Thank you.

SPEAKER BALDUCCI:

Will you remark further on the amendment?

Representative Frankel.

REP. FRANKEL: (121st)

Yes, Mr. Speaker. I'm a little confused about one aspect and maybe the gentleman was clear and it was me. I was under the impression he indicated -- I was under the impression that he indicated that this, while it struck everything after the enacting clause, retained everything that had gone beforehand.

Obviously, it does strike all of the House Amendments that we've dealt with up until now. That is the intention, through you, Mr. Speaker?

SPEAKER BALDUCCI:

Representative Andrews.

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REP. ANDREWS: (88th)

Yes, sir. Through you, Mr. Speaker, yes, sir.

SPEAKER BALDUCCI:

Representative Frankel.

REP. FRANKEL: (121st)

I'll let the debate continue, but I wanted to be certain the membership was aware of the fact that this will reverse the action we took on the earlier House Amendments and it does strike them from the file.

SPEAKER BALDUCCI:

Will you remark further?

REP. MULREADY: (20th)

Mr. Speaker.

SPEAKER BALDUCCI:

Representative Mulready.

REP. MULREADY: (20th)

Mr. Speaker, now I think I know why Representative Dyson didn't want to take this bill out and gave it to me to do, despite the fact that it's an Appropriations Bill. With that, Mr. Speaker, I'd rise to oppose the amendment and pretty soon I'll think of a good reason for it.

LAUGHTER

SPEAKER BALDUCCI:

Will you remark further on the amendment? If not,

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all those in favor signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER BALDUCCI:

All those opposed nay.

REPRESENTATIVES:

No.

SPEAKER BALDUCCI:

The nays have it.

The amendment fails.

Will you remark further on the bill as amended?

Will you remark? If not, staff and guests to the well.

Members please be seated. The machine will be opened.

CLERK:

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

SPEAKER BALDUCCI:

Have all the members voted and is your vote
properly recorded? If all the members have voted, the
machine will be locked. The Clerk take a tally.

SPEAKER BALDUCCI:

Langlois of the 51st.

REP. LANGLOIS: (51st)

Thank you, Mr. Speaker, in the affirmative please.

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SPEAKER BALDUCCI:

Representative Langlois in the affirmative.

The Clerk please announce the tally.

CLERK:

Senate Bill 2016, as amended by Senate
Amendment Schedules "A" and "B" and House Amendment
Schedule "C".

Total Number Voting	137
Necessary for Passage	69
Those voting Yea	124
Those voting Nay	13
Those absent and not Voting	14

SPEAKER BALDUCCI:

The bill as amended is passed.

Would the Clerk please call Emergency Certified
Senate Bill 2014.

CLERK:

Emergency Certification Bill No. 2014, AN ACT
MAKING CERTAIN AMENDMENTS AND CORRECTIONS TO THE
PERSONAL INCOME, GIFT, SALES AND USE AND MOTOR VEHICLE
FUELS TAXES AND THE ECONOMIC RECOVERY FUND ENACTED OR
AMENDED IN 1991.

REP. MULREADY: (20th)

Mr. Speaker.

SPEAKER BALDUCCI:

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GEN. ASSEMBLY
SENATE

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Senate Bill No. 2010 as amended to the House. Is there
any objection? Any objection? Hearing none, so
ordered. Mr. Clerk.

THE CLERK:

Calendar Page 4, Calendar No. 533, Senate Bill
No. 2016, AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON
STATE-OWNED REAL PROPERTY.

The Clerk is in possession of two amendments.

THE CHAIR:

Thank you very much. The Chair would recognize
Senator Harper, the victorious Senator Harper.

SENATOR HARPER:

Thank you, Madam President. I move adoption of the
Emergency Certified Bill. I'd ask that the amendment,
LCO No. 4596 be called, that the reading be waived and
that I be permitted to summarize.

THE CHAIR:

Thank you very much. Mr. Clerk.

THE CLERK:

LCO4596, which will be designated Senate Amendment
Schedule "A". It's offered by Senator Harper of the
6th District.

THE CHAIR:

Senator Harper.

SENATOR HARPER:

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Yes, I move adoption of the amendment. Whereas the file copy of the bill limits these grant payments for state-owned property to the amount appropriated and therefore resulting in a savings of \$2.2 million, the amendment does two things. It says that that cap, the limiting of the payments to what's ever appropriated will only be for the coming fiscal year.

Furthermore, the amendment would transfer the Connecticut Housing Partnership Program from the Office of Policy and Management to the Department of Housing.

THE CHAIR:

Thank you very much, Senator. Would anyone else wish to remark on Senate Amendment "A"? Yes, Senator Robertson.

SENATOR ROBERTSON:

Yes, Madam President, if I might, ma'am, through you, to Senator Harper.

THE CHAIR:

Certainly.

SENATOR ROBERTSON:

Thank you very much. Senator Harper, could you possibly explain if this amendment would have any effect on state-owned prisons, specifically in towns like Cheshire, Connecticut?

THE CHAIR:

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Senator Harper, did you hear the question? I'm sorry.

SENATOR HARPER:

In the next fiscal year the formula currently I believe for payment in lieu of taxes for state-owned property compensates towns at a 20 percent rate of what the actual taxes would be other than towns with prisons that would get 100 percent. Because there's a cap limited to the amount of money appropriated, all communities getting the reimbursement would get a prorated reduction.

So all communities would be affected by that \$2.2 million savings for FY1993. According to my understanding, including those that would have a prison.

THE CHAIR:

Senator Robertson.

SENATOR ROBERTSON:

Madam President, this bill doesn't have an OLR report or it doesn't have a fiscal note, so I'm scurrying through this information. I'm just wondering if we would allow that to be P-T'd so we can at least discuss this with some level of intelligence.

THE CHAIR:

That's fine with me. Senator Harper.

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SENATOR HARPER:

I'd ask that the Chamber stand at ease for a second. I'd like to consult with the Majority Leader.

THE CHAIR:

Thank you. The Senate will stand at ease. Senator Harper, are we ready to proceed?

SENATOR HARPER:

Well, I would defer to Senator Robertson. He was at the time asking for a P-T and I asked for the Chamber to stand at ease. I would defer to his --.

THE CHAIR:

Senator Robertson.

SENATOR ROBERTSON:

Yes, Madam President, I would withdraw the motion for a P-T. Thank you very much.

THE CHAIR:

Thank you very much.

SENATOR HARPER:

I've essentially explained the amendment, Madam President. I would urge adoption.

THE CHAIR:

We're taking debate on it now. Senator Upson.

SENATOR UPSON:

Yes, through you, Madam President, to the victorious Senator Harper, and specifically we're now

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adding the Bradley International Airport Enterprise Fund and the four towns from the 9th District, I believe they're all from the 9th, East Granby, Suffield, Windsor Locks and Windsor now will receive grant in lieu of taxes payable. Why are we including these four towns, through you, Madam President?

THE CHAIR:

Senator Harper.

SENATOR UPSON:

Except for the obvious?

SENATOR HARPER:

Through you, Madam President, these towns have always been compensated under the pilot. The only difference is they're now going to get their money from the Bradley Fund.

SENATOR UPSON:

Oh, all right. So in other words, it's not a new program?

SENATOR HARPER:

The Enterprise Fund, no.

SENATOR UPSON:

It's just a different way that we pay, right?
Thank you very much. I appreciate that.

THE CHAIR:

Thank you, Senator Upson. Would anybody else wish

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to remark? Yes, Senator Nickerson.

SENATOR NICKERSON:

Yes, I'm still not sure I understand this, and if I may, a question, through you, to Senator Harper. As I understand it, the bill has the effect of saving the state \$2.227 odd million by limiting the pilot program to the amounts appropriated in the budget bill. The effect of this amendment, as I understand it, would change that by providing a source of revenue for the three mentioned towns, the four mentioned towns, East Granby, Suffield, Windsor and Windsor Locks so that notwithstanding the reductions in appropriations available under the bill, these towns would go back up to some degree to the amounts originally scheduled for them under the statutory formula because they would have the availability of this new source, namely, the Bradley International Airport Enterprise Fund.

If that is correct, can you tell me, Senator Harper, to what extent these four towns will gain revenue, what additional dollars will be available to them, through you, Madam President?

THE CHAIR:

Thank you, Senator Nickerson. Senator Harper.

SENATOR HARPER:

Through you, Madam President, I cannot answer

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Senator Nickerson's question.

SENATOR NICKERSON:

Well, it seems to me we have a problem here, Madam President. The effect of the amendment is to create a flow of funds from a new source to four out of the 169 towns in Connecticut and I do, in all honesty, think we ought to know what that flow of funds is. I don't see how we can move on this amendment without knowing that and would ask for a P-T.

THE CHAIR:

Thank you very much. You have a motion, Senator.

SENATOR HARPER:

Through you, Madam President, as far as I'm concerned, we can P-R it.

THE CHAIR:

We have a motion to P-T. That's your motion. Is that what you want?

SENATOR NICKERSON:

I accept the amendment to my motion, yes.

THE CHAIR:

Okay, you have a motion before you to P-R. Is there any objection? Any objection?

SENATOR HARPER:

Through you, Madam President, I would move we P-R
this bill.

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THE CHAIR:

Is there any objection? The item is P-R'd. We
P-R'd the bill. The motion was to P-R the bill.

THE CLERK:

Madam President, it's my understanding that
Calendar No. 536 is to be passed temporarily, Calendar
Page 5, Calendar No. 538, Senate Bill No. 2021, AN ACT
CONCERNING THE SECOND INJURY FUND, VOTING MACHINE
BALLOTS, THE ELECTOR'S OATH AND THE STATE REGISTER AND
MANUAL.

The Clerk is in possession of one amendment.

THE CHAIR:

Thank you very much. The Chair would recognize
Senator Herbst.

SENATOR HERBST:

Thank you, Madam President. I'd move the Joint
Favorable Committee's Report and passage of the bill
and would like to call for LCO4981, if I may please.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO4981, which will be designated Senate Amendment
Schedule "A". It's offered by Senator Herbst of the
35th District.

THE CHAIR:

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Page 4, we had P-T'd Calendar No. 533. No, I believe we might have made a motion to P-R that.

THE CHAIR:

It was P-R'd, Senator.

SENATOR O'LEARY:

Senator Harper tells me that that is ready, that the questions have been answered. So I would ask you to test the Chamber as to whether there's an objection to remove that from the P-R List and to continue to take it up.

THE CHAIR:

Is there any objection to Senator O'Leary's motion to remove Senate Calendar No. 533, Senate Bill No. 2016 from the P-R List and to take it up? We had -- it had been introduced. I believe that we were on it, Senate Amendment "A", which had not been adopted as yet. There was debate going on. Is there any objection now to retaking that bill up today? Hearing none, then it's so ordered.

SENATOR O'LEARY:

There are three other items that are ready for action and that will be the completion of our work for today. They are Calendar No. 529, which is on Page 3, Calendar No. 534 on Page 4, and Calendar 538 on Page 5.

THE CHAIR:

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We did 538.

SENATOR O'LEARY:

I'm sorry. 5 -- well, I'll have to find that other one. There may be one more, Madam President, but at least those are the ones that we are going to go with and our intention is to adjourn completing that.

THE CHAIR:

Thank you. All right, Madam Clerk, would you please call the first item. Senator O'Leary, the Clerk asked me do you have any objection in just going in the order or do you wish to go back and take up the item --?

SENATOR O'LEARY:

I would like to go back to Page 4 and take up Calendar 533.

THE CHAIR:

Page 4 and take up 533?

SENATOR O'LEARY:

Thank you.

THE CHAIR:

Madam Clerk, would you call it again please.

THE CLERK:

Page 4, Calendar 533, Senate Bill No. 2016, AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON STATE-OWNED REAL PROPERTY.

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Senate Amendment Schedule "A", LCO4596, had been called.

THE CHAIR:

Thank you very much. Senator Harper.

SENATOR HARPER:

Thank you, Madam President. I believe at the time --.

THE CHAIR:

(Gavel) Could I ask please, because apparently this bill has engendered a little bit of interest and so has the amendment, could I ask you please to keep your levels of conversation down in the Chamber? I'm sure we'd all like to get out of here at a reasonable hour and if we could stay quiet, we could conduct business and expedite it. Senator Harper.

SENATOR HARPER:

Thank you, Madam President. I believe at the time we terminated debate on this, Senator Nickerson had posed a question and I would ask just for the record if he would rephrase that and then I'll respond.

THE CHAIR:

Thank you very much. Senator Nickerson.

SENATOR NICKERSON:

Yes, I accept the yield. Thank you. Yes, Senator Harper is correct. I was -- I had asked the import of

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Section D of the amendment that's now before us which begins on line 145. That section refers to four towns, East Granby, Suffield, Windsor and Windsor Locks and indicates that the Bradley International Airport Enterprise Fund shall be utilized to pay a portion of the pilot, that is, Payment In Lieu of Taxes Fund, to those towns.

My question, therefore, was is the effect of this amendment to increase the amount of pilot payment payable to those four towns and if so by how much, through you, Madam President?

THE CHAIR:

Senator Harper.

SENATOR HARPER:

Through you, Madam President, the answer is no. This section has been put in for the following reason, as explained to me a bit earlier by the Office of Fiscal Analysis. The Bradley Enterprise Fund has always reimbursed the General Fund for the pilot payments to these towns.

This section merely changes the timing of the reimbursement to before the state pays the towns. Historically the state has paid the grant to the town and the Bradley Enterprise Fund has been notoriously late in reimbursing the General Fund.

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As a result of this provision, it allows the Appropriations Act to reflect the one point -- roughly a \$1.1 million decrease which is reflected in the savings because, in other words, the payment is made after -- as a result of this legislation because payment to the towns would be made after the state receives the money from the fund. The money does not appear in the appropriations line item.

So the towns would still be subject to the pro rated reduction as specified in the file copy of the bill. They would not be getting more money. They would not be exempt from the pro rated reduction.

THE CHAIR:

Thank you very much, Senator Harper. Senator Nickerson.

SENATOR NICKERSON:

Yes, through you, I would thank Senator Harper for his answer. I accept his assurance that the import of this amendment is not to change the dollar amount payable to these towns, but rather to change the timing and the flow of funds, but you've answered my key question which is it does not change the amount payable to these towns and I accept that. Thank you.

THE CHAIR:

Thank you very much. Would anybody else wish to

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remark on Senate Amendment "A", LCO No. 4596? Are there any further remarks? If not then, please let me know your mind. All those in favor of Senate Amendment "A", LCO No. 4596, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Those opposed.

The ayes have it.

The amendment is adopted.

Madam Clerk, I believe there is another amendment.

THE CLERK:

LCO4668, offered as Senate Amendment Schedule "B",
offered by Senator Munster of the 33rd.

THE CHAIR:

Thank you very much. Senator Munster.

SENATOR MUNSTER:

Yes, Madam President. I move adoption of the amendment, waive its reading and seek permission to summarize.

THE CHAIR:

Please proceed, Senator.

SENATOR MUNSTER:

Existing state statutes enable towns to abate taxes on two classes of projects. Projects of real property

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improvements of more than \$3 million can be abated for up to seven years and projects of more than \$500,000 can be abated for up to two years.

In both cases the abatements can be up to 100 percent.

This amendment adds a third class of abatement which is aimed at smaller projects, projects of \$100,000 or more.

In addition, the amendment would allow the abatement of taxes on personal property of manufacturing facilities for all three classes of projects that I've just described and basically what it would do, the purpose is to extend the ability of our municipalities to abate taxes for the smaller projects in order to retain existing facilities and to encourage businesses to locate in Connecticut towns.

I urge adoption of the amendment.

THE CHAIR:

Thank you very much, Senator Munster. Would anybody else wish to remark on LCO --.

SENATOR HARPER:

Madam President.

THE CHAIR:

Yes, Senator Harper.

SENATOR HARPER:

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Yes, simply I accept the amendment as a friendly amendment to the bill and I'd also urge its adoption.

THE CHAIR:

Thank you very much. Would anybody else wish to remark on Senate Amendment "B", LCO No. 4668? Are there any further remarks? If not then, please let me know your mind. All those in favor of Senate Amendment "B", LCO No. 4668, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

The ayes have it.

The amendment is adopted.

Senator Harper, you now have before you Senate Bill No. 2016 as amended.

SENATOR HARPER:

Thank you, Madam President. In the explanation of Senate "A" we essentially explained the file copy of the bill as well and so I'd simply urge adoption at this point.

THE CHAIR:

Thank you very much. Would anybody else wish to speak on Senate Bill No. 2016 as amended? Yes, Senator Robertson.

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SENATOR ROBERTSON:

Thank you very much, Madam President. Now that Senator Munster's amendment has been added to this bill, it makes it difficult because it's a fine amendment which will eventually improve the situation in many, many towns, but for you to realize what this bill does is, as you may recall, people are touting this as a no tax increase budget, the Governor has touted this as a no tax increase budget and in reality this is a tax referral to the towns. Certain towns are losing \$2,275,631. I know for a fact one of the towns on this list, because of this no tax increase deferral and one other, is going to have to raise property taxes by \$250 per household. Therefore, I'd like to vote no.

THE CHAIR:

Thank you very much, Senator Robertson. Would anyone else wish to remark on Senate Bill No. 2016? Are there any further remarks? If not, Madam Clerk, would you please make the necessary announcement for a roll call vote.

THE CLERK:

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

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Chamber.

THE CHAIR:

Thank you very much, Madam Clerk. The issue before the Chamber is Senate Calendar No. 533, Senate Bill No. 2016 as amended by Senate Amendments "A" and "B". The machine is on. You may record your vote.

Is Senator Gunther here? Senator Gunther. Is Senator Gunther here? Have all Senators voted that wish to vote? Have all Senators voted that wish to vote? The machine is closed.

The result of the vote:

34	Yea
1	Nay
1	Absent

The bill passes.

THE CLERK:

Going back to Page 3, Calendar 529, Senate Bill No. 2012, AN ACT INCREASING CERTAIN BOND AUTHORIZATIONS FOR CAPITAL IMPROVEMENTS.

The Clerk is in possession of one amendment.

THE CHAIR:

Thank you very much, Madam Clerk. The Chair would recognize Senator DiBella.

SENATOR DIBELLA:

Thank you, Madam President. I move adoption of the

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the Chamber is Senate Bill 2019 as amended. The machine is on. You may record your vote.

Senator Hale. Have all Senators voted that wish to vote? Have all Senators voted that wish to vote? The machine is closed.

The result of the vote:

33 Yea

1 Nay

2 Absent

The bill passes.

Senator O'Leary.

SENATOR O'LEARY:

Thank you, Madam President. On today's Senate Calendar, Page 2, Calendar No. 533, under the heading Disagreeing Action is ready for action.

THE CHAIR:

Thank you very much. Mr. Clerk. (Gavel)

THE CLERK:

Senate Calendar for Friday, May 29, 1992, Calendar Page 2, Disagreeing Actions, Calendar No. 533, Senate Bill No. 2016, AN ACT CONCERNING GRANTS IN LIEU OF TAXES ON STATE-OWNED REAL PROPERTY. (As amended by Senate Amendment Schedules "A", "B" and House Amendment Schedule "C".

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Thank you very much. The Chair would recognize Senator DiBella.

SENATOR DIBELLA:

Thank you, Madam President. I move adoption in concurrence with the House.

THE CHAIR:

Thank you very much, Senator. Do you wish to remark any further?

SENATOR DIBELLA:

Yes, the amendment is -- the passage of this amendment would result in a variety of financial impacts in the state that are described below. It basically the amendment authorizes transactions involving the conveyance of exchange of state properties. All of these transactions are subject to the review and approval of the State Properties Review Board which can perform these reviews within existing appropriations.

THE CHAIR:

Thank you very much, Senator. Would anybody else wish to remark on Senate Calendar No. 533? If not, Mr. Clerk, would you please make the necessary announcement for a roll call vote.

THE CLERK:

An immediate roll call has been ordered in the

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

THE CHAIR:

Thank you very much, Mr. Clerk. The issue before the Chamber is Senate Calendar No. 533, Senate Bill No. 2016. The machine is on. You may record your vote.

Have all Senators voted that wish to vote? Have all Senators voted that wish to vote? The machine is closed.

The result of the vote:

34	Yea
0	Nay
2	Absent

The bill passes.

Senator Spellman.

SENATOR SPELLMAN:

Thank you, Madam President. A Point of Personal Privilege if I may.

THE CHAIR:

Yes, sir.

SENATOR SPELLMAN:

Thank you, Madam President. In the Chamber in her