

Legislative History for Connecticut Act

SB 2015 PA 17 (May Spec Sess) 1992

Emergency Certified

Use: 7773 - 7891 (119)

Sen: 4350-4392, 4514-4523 (53)

~~198~~ p.
172 p

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate
and House of Representatives Proceedings

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H-645

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1992

SPECIAL SESSION
MAY

VOL. 35
PART 23
7563-7816

007773

tcc

211

House of Representatives

Thursday, May 28, 1992

Senate Bill 2019 as amended by Senate "A" and
House "A".

Total number voting	133
Necessary for passage	67
Those voting yea	131
Those voting nay	2
Those absent and not voting	18

SPEAKER BALDUCCI:

The bill as amended is passed. Are there any announcements or points? If not, will the Clerk please call Calendar 14, Certified Emergency Certified Bill 2015.

CLERK:

Emergency Certified Bill 2015, 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 THE 1991 JUNE SPECIAL SESSION. LCO4581 introduced
by Senate Larson and Representative Balducci.

REP. MULREADY: (20th)

Mr. Speaker.

SPEAKER BALDUCCI:

Representative Mulready of the 20th.

REP. MULREADY: (20th)

Mr. Speaker, I move acceptance of the Emergency

007774
212

tcc

House of Representatives

Thursday, May 28, 1992

Certified Bill.

SPEAKER BALDUCCI:

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

REP. MULREADY: (20th)

Yes, Mr. Speaker. Mr. Speaker, the file copy is a technical bill. However, when we get done with it it will not be so technical, and toward that end, I would like to ask the Clerk to call LCO Number 5209 and that I be given an opportunity to summarize.

SPEAKER BALDUCCI:

The Clerk please call LCO5209 previously designated Senate "A".

CLERK:

Senate "A", LCO5209 offered by Senator DiBella.

SPEAKER BALDUCCI:

Representative Mulready, did you want to explain it, or did you want it read.

REP. MULREADY: (20th)

Mr. Speaker, I asked that I be given permission to summarize.

SPEAKER BALDUCCI:

The question is summarization. Is there objection? Representative Mulready.

REP. MULREADY: (20th)

007775

213

tcc

House of Representatives

Thursday, May 28, 1992

Mr. Speaker, in this particular case, the Office of Fiscal Analysis has done an exceptional job in summarizing the bill on the last several pages of their fiscal note, but I will take a crack at some of the larger items in the bill, or in the amendment, rather.

There are some 47 sections of this bill, Mr. Speaker. The first 8 deal with certain special features. For example, Section Number 1 deals with Class C bingo permits. Sections 2 through 8 deal with certain raffle possibilities tied to two towns' 100th anniversaries and a clear number of other sections, Mr. Speaker, are more less technical in nature.

For example, Section 9 deals with DRS providing certain tax information to the Office of Fiscal Analysis so that we can get better fiscal estimates on a variety of different taxes.

Section 10 is actually a property tax issue dealing with lodging houses.

Section 11 deals with inter vivos trusts and the taxation of those trusts under our law.

Section 12 deals with nonresident married couples and how they will be taxed in the future, they're not currently being taxed.

Section 13 deals with those nonresidents who may purchase stock through a Connecticut stockbroker or

007776

214

tcc

House of Representatives

Thursday, May 28, 1992

bonds through a Connecticut stockbroker, in fact, this amendment specifies that they will not be taxed if in fact they don't earn income in the State of Connecticut.

Sections 14 and 15 deal with estimated payments and Section 16 deals with penalties for non-filing of a tax return.

Sections 17 through 19 deal with various exemptions under the sales tax, including those for land surveyors, parking lots owned and leased by employers, a variety of other amusement types of activities, massage therapists and the fact that they would be exempted under the law.

Sections 20 through 23 deal with the so-called payroll pass through issue, Mr. Speaker, and will be the subject of a further amendment.

Section 24 deals with transportation services and exempts certain charter buses from the sales tax.

Sections 25 to 27 require, have to do with collection of taxes on the sale of a boat to out of State, people who are going to register them out of State.

Sections 25 to 27 and Section 29 exempt aviation fuel from the sales and use tax.

Section 28 deals with a technical amendment that is

007777

215

tcc

House of Representatives

Thursday, May 28, 1992

truly technical, direction to a bill we passed earlier in the session.

Sections 30 through 32 deal with various gaming matters, a couple of them dealing with moratoriums on the authorization of additional OTB facilities.

Section 31 is one that's in our revenue estimates, deals with combined pools for parimutuel wages.

Section 33 deals with some reexamination fees for professional engineers and land surveyors, which we've been trying to do for a couple of years.

Section 34 deals with the taxation of free car washes as if those car washes, it essentially imputes a sales price for what are now free car washes.

Sections 35 to 39 deal with electronic funds transfers.

Section 40 deals with the filing of extensions by people other than the taxpayer.

And Section 41 deals with technical changes with regard to the refinancing of the economic recovery notes.

Sections 42 to 45 validates various municipal actions and Sections 46 and 47 authorize the feasibility study of casino gambling in the State and provides \$25,000 to conduct that study.

With that summarization, Mr. Speaker, I would move

007778
216

tcc

House of Representatives

Thursday, May 28, 1992

adoption.

SPEAKER BALDUCCI:

The question is adoption. Will you remark?
Representative Mulready. Will anyone else remark?
Representative Emmons of the 101st.

REP. EMMONS: (101st)

Thank you, Mr. Speaker. Mr. Speaker, just one
question for legislative intent to Representative
Mulready. In Section 14 you have a subsection d with
provision 1 and 2 and in reading it, it appears as
though they are in conflict.

For legislative intent, could you just explain what
those two subsections are supposed to do?

REP. MULREADY: (20th)

Through you, Madam Speaker, I will tell you that we
have a further amendment to delete section d-1 because
it's mistakenly written.

REP. EMMONS: (101st)

Thank you, Mr. Speaker. Just through you, again,
is that going to be a House Amendment?

REP. MULREADY: (20th)

Yes, it will. Through you, Madam Speaker.

REP. EMMONS: (101st)

Thank you very much.

007779

tcc

217

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Will you remark on this bill as amended? 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:

All 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 Mulready.

REP. MULREADY: (20th)

Madam Speaker, the Clerk has a series of other amendments, the first of which I would like to call now. That is LCO Number 5040 previously, well, it was previously known as Senate "B".

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5040 which has previously been designated Senate Amendment "B".

CLERK:

LCO5040, Senate "B", offered by Senator DiBella.

DEPUTY SPEAKER POLINSKY:

007780

218

tcc

House of Representatives

Thursday, May 28, 1992

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

REP. MULREADY: (20th)

Madam Speaker, this amendment deals with the payroll pass through issue which is dealt with in Senate "A" which we just adopted and unfortunately, Senate "A" didn't quite do it. This one corrects some deficiencies in Senate "A" and essentially does what we thought we did last year when we passed a payroll pass through language but which we did incorrectly last year and Senate "A" didn't do it correctly either, so this amendment presumably will take care of that.

So I move adoption, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate "B". Will you remark? Will you remark further on Senate "B"? If not, let's again try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. Senate "B" is adopted.

REP. MULREADY: (20th)

007781

219

tcc

House of Representatives

Thursday, May 28, 1992

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would ask the Clerk to call another Senate amendment, LCO Number 5211.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5211 which has previously been designated Senate Amendment "C".

CLERK:

LCO5211, Senate "C", offered by Senator DiBella.

DEPUTY SPEAKER POLINSKY:

I assume the gentleman wishes to summarize. Is there objection? Seeing none, please proceed, Representative Mulready.

REP. MULREADY: (20th)

This amendment, Madam Speaker, clarifies something that is already in the law regarding the ability of the Finance chairs to write a report to the Comptroller on the subject of revenue estimates. I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "C". Will you remark? Will you remark further on Senate "C". Representative Belden.

REP. BELDEN: (113th)

007782

220

tcc

House of Representatives

Thursday, May 28, 1992

Thank you, Madam Speaker. I believe the gentleman indicated that the Chairs, Co-Chairs could write a report making amendments to the financial projections? Through you, Mr. Speaker, to the gentleman, referring to lines around 59, I believe it indicates that the Committee to which Chairpersons may make adjustments.

Would the gentlemen indicate what he feels that really represents? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

I think the language is fairly clear, Madam Speaker. My interpretation of it would be that they should represent the judgment of the Committee.

DEPUTY SPEAKER POLINSKY:

Representative Belden.

REP. BELDEN: (113th)

Through you, Madam Speaker, would it be your opinion then that the Co-Chairs could revise the revenue estimates without action of the Committee? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, it is my opinion that

007783

221

tcc

House of Representatives

Thursday, May 28, 1992

they should not and could not. I'm not quite sure what the Senate had in mind, but it's my opinion that they could not.

DEPUTY SPEAKER POLINSKY:

Representative Belden.

REP. BELDEN: (113th)

Thank you, Madam Speaker. I believe we had some concerns about this and we will be proposing an amendment later on, on top of this, to perhaps clarify that section. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on House Amendment "C"? 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. Senate Amendment "C" is adopted. Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would ask the Clerk to call LCO Number 5038.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5038 which

007784
222

tcc

House of Representatives

Thursday, May 28, 1992

has previously been designated Senate Amendment "D:.

REP. MULREADY: (20th)

Madam Speaker, this amendment deals with --

DEPUTY SPEAKER POLINSKY:

Excuse me, Representative Mulready, we have to get the Clerk to call it first. He's a little slow tonight. We're not going to let him out next week.

REP. MULREADY: (20th)

I was on a roll, Madam Speaker.

CLERK:

LC05038, Senate "D", offered by Senator Larson.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked permission of the Chamber to summarize. Without objection, please proceed, Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, this amendment provides certain powers for the Comptroller to analyze various financial statements of the State bureaucracy. I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "D". Will you remark? Will you remark? If not, let us try your minds. All those in favor of Senate Amendment "D" please indicate by saying aye.

REPRESENTATIVES:

007785

223

tcc

House of Representatives

Thursday, May 28, 1992

Aye.

DEPUTY SPEAKER POLINSKY:

All those opposed, nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The nos clearly have it. Senate Amendment "D"
fails. Will you remark further? Representative
Mulready.

REP. MULREADY: (20th)

May I ask you a question, Madam Speaker. I didn't
hear your ruling. Did that one go or not?

DEPUTY SPEAKER POLINSKY:

I'm sorry, Representative.

REP. MULREADY: (20th)

I heard the vote, I didn't hear your ruling. Did
that one pass or --

DEPUTY SPEAKER POLINSKY:

I said it clearly fails.

REP. MULREADY: (20th)

Oh. I voted for it.

DEPUTY SPEAKER POLINSKY:

I'm sorry Representative Mulready, the roll was so
nice.

REP. MULREADY: (20th)

007786

tcc

224

House of Representatives

Thursday, May 28, 1992

Thank you, Madam Speaker. I would ask the Clerk to call LCO Number 5300.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5300 which has previously been designated Senate Amendment "E".

CLERK:

LC05300, Senate "E", offered by Senator Avallone.

DEPUTY SPEAKER POLINSKY:

The gentleman I assume wishes to summarize.

REP. MULREADY: (20th)

That's correct.

DEPUTY SPEAKER POLINSKY:

Without objection, please proceed, Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, this amendment clarifies who has to pay sales tax under certain conditions in the State of Connecticut and has to do with certain entertainment events. I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "E". Will you remark? Will you remark further on Senate "E". Representative Schlesinger of the 114th.

REP. SCHLESINGER: (114th)

Through you, Madam Speaker, a question to the

007787

225

tcc

House of Representatives

Thursday, May 28, 1992

proponent.

DEPUTY SPEAKER POLINSKY:

Of course, Sir.

REP. SCHLESINGER: (114th)

Thank you. Through you, Madam Speaker, to Representative Mulready, does this affect any other entity besides the Volvo Tennis Tournament, to your knowledge?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, I'm not aware that it does affect any other entity, although I can't say for certain that it would not, but I'm not aware of any other.

REP. SCHLESINGER: (114th)

Through you, Madam Speaker, as I understood the admissions were exempt anyway, is this now the sales tax exemptions on items sold at concessions, etc. Is that what this is about? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, it speaks about exemptions from the sales tax by any consumer who has

007788

226

tcc

House of Representatives

Thursday, May 28, 1992

been granted a tax exemption prior to 3/1/91, so I don't think that I'd read it as broadly as you have.

REP. SCHLESINGER: (114th)

Through you, Madam Speaker, as I understand the amendment, it's basically a rebate for taxes paid before a sales tax exemption permit was given to this particular entity, that's how I read the amendment and I was just wondering why this was necessary. Was it concessions or was it the admissions tax that we were dealing with and I assume it was sales tax that were paid at their concessions that they are now exempt from and they are now going to get a rebate for all the taxes they paid before their exempt certificate was granted. Through you, Madam Speaker.

REP. MULREADY: (20th)

Through you, Madam Speaker, it does talk about exempting such sales by any retailer, so I think you're probably right, Representative Schlesinger.

DEPUTY SPEAKER POLINSKY:

Representative Schlesinger.

REP. SCHLESINGER: (114th)

Thank you. I don't have any particular problem with this amendment except for the fact that I don't know exactly what we're exempting here and I just would hope that it's just the Volvo Tournament and for

007789
227

tcc

House of Representatives

Thursday, May 28, 1992

legislative intent I think back and forth on this we've determined that and hopefully it won't go any farther than that by DRS.

Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on Senate Amendment "E". Will you remark further? If not, let us try your minds one more time. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. Senate Amendment "E" is adopted. Will you remark further on this bill as amended?

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would ask the Clerk to call LCO Number 5210.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5210 which has previously been designated Senate Amendment "F".

007790

tcc

228

House of Representatives

Thursday, May 28, 1992

CLERK:

LC05210, Senate "F", offered by Senate Hale et al.

DEPUTY SPEAKER POLINSKY:

The gentleman, I assume, would want to summarize.

REP. MULREADY: (20th)

I do, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Is there objection? Without objection, please proceed, Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, this amendment permits the use of sales tax resale certificates for purchases associated with the delivery of landscaping or horticultural services provided that the total sales price of the services are taxable.

I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "F". Will you remark? Will you remark further on Senate "F". 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. Senate "F" is

007791

229

tcc

House of Representatives

Thursday, May 28, 1992

adopted. Will you remark further on this bill as amended?

REP. MULREADY: (20th)

Madam Speaker. As a final Senate amendment, I would call LCO5041 and ask that I be given permission to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5041 which previously has been designated Senate Amendment "G".

CLERK:

LCO5041, Senate "G" offered by Senator Freedman.

DEPUTY SPEAKER POLINSKY:

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

REP. MULREADY: (20th)

Madam Speaker, this amendment excludes aircraft built prior to January 1, 1946 from the personal property tax, so it essentially exempts antique aircraft, and I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate "G". Will you remark? Will you remark, Sir? Representative Farr.

REP. FARR: (19th)

Thank you, Madam Speaker, through you, a quick question to Representative Mulready.

007792
230

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Certainly.

REP. FARR: (19th)

Is this the same treatment we give to antique automobiles? Through you, Madam Speaker, to Representative Mulready? Or are they treating the property tax different for antique automobiles. Through you, Madam Speaker, to Representative Mulready.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I honestly don't recall what we do for antique autos. I just don't recall.

DEPUTY SPEAKER POLINSKY:

Representative Farr.

REP. FARR: (19th)

Okay, I'm told by somebody on our side that that is in fact the same, so it does make some sense. Thank you.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on Senate "G"? Will you remark further? If not, let's try your minds. All those in favor please indicate by saying aye.

tcc

007793
231

House of Representatives

Thursday, May 28, 1992

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. Senate "G" is
adopted. Will you remark further on this bill as
amended.

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

I was in error a moment ago, I said the final
Senate Amendment. There are a couple more.

DEPUTY SPEAKER POLINSKY:

I thought you were missing a couple.

REP. MULREADY: (20th)

I would ask the Clerk to call LCO Number 4776 and
that I be given permission to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4776 which
has previously been designated Senate Amendment "H".

CLERK:

LCO4776, Senate "H", offered by Senator Gunther.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked leave of the Chamber to

007794

232

tcc

House of Representatives

Thursday, May 28, 1992

summarize. Without objection, please proceed, Sir.

REP. MULREADY: (20th)

Madam Speaker, this amendment adds the sales tax exemption and a petroleum product gross receipts tax exemption for bunker fuel oil, intermediate fuel, marine diesel oil and marine gas oil for use in any vessel displacing more than 4,000 dead weight tons. I'm told that this applies to a specific vehicle in Senator Gunther's District. And I sort of reluctantly move adoption.

DEPUTY SPEAKER POLINSKY:

The gentleman has moved adoption of Senate Amendment "H". Will you remark? Will you remark on Senate "H". Representative Schlesinger.

REP. SCHLESINGER: (114th)

Thank you, Madam Speaker. I can imagine the reluctance by the distinguished Chairman of the Finance Committee on this amendment.

Through you, Madam Speaker, what is the fiscal note on this amendment?

REP. MULREADY: (20th)

Through you, Madam Speaker, I haven't heard of anybody who's been able to figure it out, yet, so we don't have one.

REP. SCHLESINGER: (114th)

007795

tcc

233

House of Representatives

Thursday, May 28, 1992

Is it bigger than a bread box? Shall we say more than \$5 million? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I think it's in, at worst, in the thousands of dollars and I would add, Madam Speaker, that if Representative Schlesinger tries very hard, he could probably talk me out of supporting this one in a hurry.

DEPUTY SPEAKER POLINSKY:

Representative Schlesinger, you still have the floor.

REP. SCHLESINGER: (114th)

Well, I really don't know. It just seems like a real special interest legislation to repeal this tax.

And a question, as I read it and let me see if I'm correct on this, this repeals all taxes on motor fuels related to boating?

REP. MULREADY: (20th)

Through you, Madam Speaker, no. It has a specific test in it. The test is, all of those categories, in any vessel displacing more than 4,000 dead weight tons, and he's done a wonderful job, Madam Speaker, I think that probably we should vote against this one.

007796
234

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Representative Schlesinger.

REP. SCHLESINGER: (114th)

I'm sorry, just to clarify again so I know what I'm voting on. Only those large vessels would be exempt, is that correct? Or the small vessels would be exempt.

REP. MULREADY: (20th)

Only, through you, Madam Speaker, the larger vessels.

REP. SCHLESINGER: (114th)

Okay, because, through you, Madam Speaker, I would recommend voting against this particular amendment.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further? We have takers. Representative Simmons of the 43rd.

REP. SIMMONS: (43rd)

Thank you, Madam Speaker. A question to the proponent of the amendment.

DEPUTY SPEAKER POLINSKY:

Please frame your question. I thought, Madam Speaker, that I heard him make a reference to a particular vessel in this case. I wonder if he might identify to the Chamber what that vessel might be.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

007797

tcc

235

House of Representatives

Thursday, May 28, 1992

REP. MULREADY: (20th)

It is my understanding, through you, Madam Speaker, it's my understanding this has something to do with the HMS Rose.

DEPUTY SPEAKER POLINSKY:

Representative Simmons, that's a long-cherished tradition. As a matter of fact, that boat, or the original of that boat, once fired upon your home district.

REP. SIMMONS: (43rd)

Yes, Madam Chairman, or Speaker, I'm painfully aware of that. I am also aware that the predecessor of this vessel, in firing on my district killed one of my citizens and this General Assembly in its wisdom back then voted a stipend to the widow and orphan created by the firing of the predecessor of this vessel on my district, so that was the basis for my question.

Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this amendment? Representative Emmons.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Just following up on this particular amendment, I can understand quote, the HMS Rose, but it seems to me we have other vessels with

007798

236

tcc

House of Representatives

Thursday, May 28, 1992

a displacement that I would think that would exceed 4,000 dead weight tons, either going out of New London or going out of Haddam. Some of the tankers that come in.

We've got the cruise ships that go down the Connecticut River. I mean, I would think that there's more than one boat in the State of Connecticut with that displacement weight.

Through you, Madam Speaker, does the fiscal note give any indication?

REP. MULREADY: (20th)

Through you, Madam Speaker, unfortunately it doesn't, but you're giving another good reason for killing this amendment.

DEPUTY SPEAKER POLINSKY:

Will you remark further on Senate "H"? Will you remark further on Senate "H"? Representative Chase.

REP. CHASE: (120th)

Thank you, Madam Speaker. Madam Speaker, I don't think we want to belabor this amendment. The fact of the matter is, this has nothing to do with the Rose.

What we're talking about here are tankers, oil tankers, banana boats, to make this clear. What is happening is, these large freighting vessels are piloted into, as an example, Bridgeport Harbor or New

007799

237

tcc

House of Representatives

Thursday, May 28, 1992

London Harbor and they're refueled in New York.

They don't buy the diesel fuel here in Connecticut. This would be another way for those cities, in particular Hartford, excuse me, Bridgeport and New Haven, to and New London, Groton, to further develop their Harbor industry.

I think it's a good idea. It helps foster that particular industry and I would support the amendment.

DEPUTY SPEAKER POLINSKY:

That's nice. Will you remark further on Senate "H". Will you remark further on Senate "H". If not, let us try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The ayes still have it. Senate "H" is adopted. Will you remark further on this bill as amended? And amended, and amended.

REP. MULREADY: (20th)

Madam Speaker.

007800

tcc

238

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

I believe this is the last one. I would ask the Clerk to call LCO4779.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4779 which has previously been designated Senate Amendment "I".

CLERK:

LCO4779, Senate "I", offered by Senator Larson.

DEPUTY SPEAKER POLINSKY:

Representative Mulready, did you wish to summarize, or did you wish to have this read. Representative Mulready, wait a minute. Did you wish to summarize it?

REP. MULREADY: (20th)

Yes.

DEPUTY SPEAKER POLINSKY:

The gentlemen has asked to summarize it. Without objection, please proceed, Sir.

REP. MULREADY: (20th)

This exempts golf services provided by municipally owned golf courses prior to 1/1/93 from the sales tax. The current date when it's supposed to be picked up is 7/1/92, so it moves it back six months.

I move adoption.

007801

tcc

239

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

The question is on adoption of Senate Amendment "I". Will you remark? Will you remark on Senate "I". Representative Schlesinger.

REP. SCHLESINGER: (114th)

Thank you, Madam Speaker. This amendment I am up on Representative Mulready and this is a very, very bad amendment.

This violates all the compromise that was put together through the regular session and the special session on how we would treat golf courses and the whole double tax question directly.

What this amendment says is that after the arrangements was made that all daily play, for both public and private owned courses, would pay the 6% sales tax agreed to so they'd be on a level playing field. This amendment does total disaster to that particular concept and says, well, we won't do it until January 1, 1993, and incidentally, all of those fees that were supposed to be paid by muni clubs for their 10% annual play, you don't have to collect those either. We're going to forgive them in the regular amendment for all the past years and now for another year, you don't have to pay them there.

But to all our private owned clubs, you have to

007802
240

tcc

House of Representatives

Thursday, May 28, 1992

continue to pay your 10% for your season play and by the way, you have to continue to pay your 6% for the daily fee.

And I do know what this one costs, Madam Speaker. This one costs about \$2 million. And this one was supposed to pay for a lot of those double taxation cuts that we were doing for a lot of legislators in this Hall, this was the part that was supposed to pay for it and put it on a level playing field.

I'm very antagonistic to this amendment and with your permission, Madam Speaker, I move for a roll call.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked for a roll call vote. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

When the vote is taken it shall be taken by roll. Will you remark further on this amendment. Will you remark further? If not, will all members please be seated. Staff and guests to the well of the House. The machine will be opened.

CLERK:

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

007803

tcc

241

House of Representatives

Thursday, May 28, 1992

Representatives is taking a roll call vote. Members to the Chamber, please.

DEPUTY SPEAKER POLINSKY:

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

CLERK:

Senate Amendment "I" to Senate Bill 2015.

Total number voting 136

Necessary for adoption 69

Those voting yea 83

Those voting nay 53

Those absent and not voting 15

DEPUTY SPEAKER POLINSKY:

Senate "I" is adopted.

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I'd like to offer the first House Amendment. I would ask the Clerk to call LCO4861.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4861 which

007804

242

tcc

House of Representatives

Thursday, May 28, 1992

shall be designated House Amendment "A".

CLERK:

LCO4861, House "A" offered by Representative
Mulready.

DEPUTY SPEAKER POLINSKY:

The gentleman would like to summarize. Without
objection, please proceed, Sir.

REP. MULREADY: (20th)

Madam Speaker, this removes Section 14-d(1) which
was written in error in the bill and corrects that
mistake and just deletes it by readopting the section
without what is currently 14-d(1).

Oh, wait a minute, did I call the right amendment?

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

I'm a little embarrassed. I may have called the
wrong amendment, here.

DEPUTY SPEAKER POLINSKY:

Are you asking for LCO4861, House "A" to be
withdrawn?

REP. MULREADY: (20th)

Madam Speaker, I didn't call the wrong amendment, I
called the right amendment, I just picked up the wrong

007805

243

tcc

House of Representatives

Thursday, May 28, 1992

amendment, so no, I'm not. I'm sorry.

DEPUTY SPEAKER POLINSKY:

You're back on track.

REP. MULREADY: (20th)

Back on track and my information was correct.

DEPUTY SPEAKER POLINSKY:

Would you like to move adoption.

REP. MULREADY: (20th)

I move adoption.

DEPUTY SPEAKER POLINSKY:

Motion is on adoption of House "A". Will you remark further? Will you remark further? Representative Emmons.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Thank you. I've read the back and it was the amendment he explained to me. Thank you.

DEPUTY SPEAKER POLINSKY:

This amendment must be like a cloud, hardly anybody can get their hands around it. Will you remark further on House "A". Will you remark further? If not, let us try your minds.

All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

007806
244

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. House "A" is adopted. Will you remark further? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I'd like to yield to Representative Rogg for a friendly amendment.

DEPUTY SPEAKER POLINSKY:

Representative Rogg, with the House's permission, do you accept the yield?

REP. ROGG: (67th)

I do, Madam Speaker. Would the Clerk please call LCO5338 and may I be permitted to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5338 which shall be designated House "B".

CLERK:

LCO5338, House "B", offered by Representative Rogg.

DEPUTY SPEAKER POLINSKY:

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

REP. ROGG: (67th)

Madam Speaker, this is a long amendment. However, my part of it is only a very teeny part, on the very

007807

tcc

245

House of Representatives

Thursday, May 28, 1992

end, Section, or lines 59, 60 and 61.

What this amendment will do, it will exempt from sales tax, special equipment required by parapalegics and quadriplegic in order to give them mobility or whatever, and the cost of it is relatively small. The estimate is roughly \$50,000.

But I will explain again, the reason for it is that invalids who need to purchase specially equipped vans or specially equipped transportation equipment, the equipment required will be exempt from the sales tax. That's all it will do.

Thank you, Madam Speaker. I move adoption of the amendment.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "B". Will you remark? 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.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

007808

246

tcc

House of Representatives

Thursday, May 28, 1992

The ayes have it. House "B" is adopted. Will you remark further? Will you remark further on this bill as amended?

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would ask the Clerk to call LCO Number 4866.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4866 which shall be designated House "C".

CLERK:

LCO4866, House "C", offered by Representative Taborsak.

DEPUTY SPEAKER POLINSKY:

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

REP. MULREADY: (20th)

Madam Speaker, this amendment exempts returnable dairy product containers from the sales tax. I has no fiscal note attached to it because there are none currently in the State, but it would tend to support some conservation measures and therefore I think it's a

007809

247

tcc

House of Representatives

Thursday, May 28, 1992

good idea and I move adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "C". Will you remark? Will you remark further on House "C". If not, let us -- Representative Ward.

REP. WARD: (86th)

Madam Speaker, I'm sorry, I'm trying to read it quickly and if I just might ask, through you to the Chairman of the Finance Committee, exactly what is the sales tax impact of this amendment?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, there is none because currently there are, I'll read you the explanation. There is no revenue loss from the current sales tax base because no dairies in the State are selling their products in returnable containers at the present time.

But we'd like to encourage that activity.

REP. WARD: (86th)

Through you, Madam Speaker. One additional question. If there are none now, why the necessity for this amendment?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

007810

248

tcc

House of Representatives

Thursday, May 28, 1992

REP. MULREADY: (20th)

Through you, Madam Speaker. It's my understanding there is one that would like to do that. At least one.

DEPUTY SPEAKER POLINSKY:

Representative Ward.

REP. WARD: (86th)

Through you, Madam Speaker, then I gather that some prospective revenue would be lost through this, through you, Madam Speaker to Representative Mulready.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Well, I guess on an opportunity cost basis, one might conclude that, Madam Speaker, but if there isn't any collected now and hasn't been any collected in, you know, in the near past, then I think we'd probably stretch it a little bit if we talk about what ifs.

DEPUTY SPEAKER POLINSKY:

Representative Ward.

REP. WARD: (86th)

Through you, Madam Speaker, I'm just trying to read, and I'm sorry, I hadn't looked at this amendment before, trying to read I guess, the new subsection 14a versus the existing subsection 14c. What's the difference between the returnable containers in

tcc

007811
249

House of Representatives

Thursday, May 28, 1992

subsection a and subsection c. Through you, Madam Speaker, to Representative Mulready.

REP. MULREADY: (20th)

May I yield to Representative Taborsak, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Taborsak, with the Chamber's permission, do you accept the yield?

REP. TABORSAK: (109th)

Yes, Madam Speaker. Through you, I believe one has no contents in it and contents will be put in it, and the other is sold with contents.

DEPUTY SPEAKER POLINSKY:

Representative Ward.

REP. WARD: (86th)

Through you, Madam Speaker, I understood the answer and I gather in a, it's when you sell the container with nothing in it and c is when you sell the returnable milk container with milk in it? Did I understand the answer correctly? Through you, Madam Speaker to Representative Taborsak.

DEPUTY SPEAKER POLINSKY:

Representative Taborsak.

REP. TABORSAK: (109th)

That is correct.

007812
250

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Representative Ward.

REP. WARD: (86th)

Thank you, Madam Speaker, I appreciate the information.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this amendment? Will you remark further on this amendment? If not, let's try your minds.

All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. House "C" is adopted.

Will you remark further? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would ask the Clerk to call LCO Number 4872 and I be given permission to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4872 which shall be designated House "E".

CLERK:

LCO4872, House "D", offered by Representative Mulready.

tcc

007813
251

House of Representatives

Thursday, May 28, 1992

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked leave of this Chamber to summarize. Seeing no objection, please proceed, Sir.

REP. MULREADY: (20th)

Madam Speaker, this repeals or removes Section 15 from 15b, at least, from Senate "A" which we adopted previously and what it removes is the lowering of the percentage of estimated tax that must be paid.

We essentially reduced it to 90% of the current levels before penalties incurred, and by way of explanation, Madam Speaker. Well, I move adoption. I'll remark on it in a moment.

DEPUTY SPEAKER POLINSKY:

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

REP. MULREADY: (20th)

Yes, Madam Speaker. There is a disagreement between OFA and OPM as to what this section, if not removed, may cost the State. OFA believes the revenue impact is minimal in the current fiscal year, the one that ends in another month. OPM believes that it could be between \$4 million and \$15 million and they are concerned about that loss of revenue in this fiscal

007814

252

tcc

House of Representatives

Thursday, May 28, 1992

year that that could be the amount that tips this fiscal year into balance and they believe it is better to be safe on this matter and remove this particular item.

Given that, I tend to agree, and therefore would urge that we support this amendment.

DEPUTY SPEAKER POLINSKY:

Will you remark further on House Amendment "D"?
Representative Emmons.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, I rise in opposition to this amendment. There is no fiscal note available at the moment.

But basically, and I will try and explain it to the people that are here, what is happening is that basically when you pay your estimated tax for the income tax, your payments, you can do 100% of the assumed tax, which was your tax of last year, same as the federal government does it.

But what the State of Connecticut has done in the past, which I suppose is okay when you're a sophisticated taxpayer, we do not collect it at 25% over the four quarters. It's 30% on one quarter, then it's 55% at the second quarter, 80% of the third quarter and 100% on the fourth quarter.

007815

tcc

253

House of Representatives

Thursday, May 28, 1992

What the bill that we have before us says that you as a taxpayer can pay it in four equal instalments of 25%. Now the question about the fiscal note, if this had been an amendment that was in the special session, or regular session, for which OFA had done a fiscal note that said minimal impact, I would like to suggest to you that the bill before us gives the taxpayer who's only doing 90% of his current year expected tax, the ability to pay it in four payments, and I think to be fair to the people of the State, if we follow as close as possible, the method of estimated payments that the federal government has, they will not get caught with penalties.

And, Madam Speaker, OFA has been generally the unit that we use for our fiscal notes and in a sense, I think it's nice of OPM to come and start butting in, but I believe we should stick with what have been the estimates from OFA and therefore I would urge rejection of this amendment.

DEPUTY SPEAKER POLINSKY:

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

REPRESENTATIVES:

007816

254

tcc

House of Representatives

Thursday, May 28, 1992

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

Let's try your minds one more time. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The ayes have it. House "D" is adopted. Will you remark further on this bill as amended? Representative Pete Smith.

REP. SMITH: (119th)

Thank you, Madam Speaker. The Clerk has LCO4864. Would he please call and may I be allowed to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 4864 which shall be designated House "E". We're running out of letters in the alphabet, that's the problem.

H-646

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1992

SPECIAL
SESSION
MAY

VOL. 35
PART 24
7817-8078
TRAILER
SESSION

007817
255

tcc

House of Representatives

Thursday, May 28, 1992

Will the Clerk please call House "E", LCO4864.

CLERK:

House "E", LCO4864, offered by Representative Smith
et al.

DEPUTY SPEAKER POLINSKY:

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

REP. SMITH: (119th)

Thank you, Madam Speaker. Very quickly, this is a bill that is intended to provide some relief to our State's Jai Alai frontons. I think we're all aware, we had much discussion and debate over slot machines this year earlier and that seems to have gone by the wayside.

But the problem on the economic viability of these frontons in our State has not gone by the wayside. Indeed, many of these frontons have lost money in the past year and they need something to at least hold their head above water for the next two years.

What this bill would do is, it would allow the frontons to increase the amount of winners' holdings that they take, from 18% to a maximum of 20%. The term maximum of 20% allows them to take up to 20% or any amount below, meaning they don't have to take 20% if

007818

tcc

256

House of Representatives

Thursday, May 28, 1992

indeed they were economically viable. They could remain at 18%, but it would just give them the option to go to 20%. Again, this would sunset after 2 years. I believe it is something that these, not only the frontons need, but the State of Connecticut needs, to continue to have viable Jai Alai in our State and I would move its adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption. Will you remark?
Will you remark, Sir?

REP. SMITH: (119th)

Madam Speaker, if the Chamber would allow, I would like to yield to Representative Anastasia.

DEPUTY SPEAKER POLINSKY:

With the Chamber's permission, Representative Anastasia, will you accept the yield?

REP. ANASTASIA: (138th)

Yes, I will, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Please proceed, Sir.

REP. ANASTASIA: (138th)

Thank you, Madam Speaker. Madam Speaker, members of the Chamber, the economic welfare of the Jai Alais has been one of the major concerns of the Public Safety Committee over the last year or two. There has been

007819

tcc

257

House of Representatives

Thursday, May 28, 1992

definitely a noticeably a decline in the business. Consequently, jobs are in jeopardy. Income that the State and the cities where the facilities are located, income is also in jeopardy and has been dropping over the last year or two.

We believe that the additional 2% will be an economic impact, that that will be taken by the Jai Alais consequently being able to offer many larger purses and with larger operating expenses, Madam Speaker, hopefully this will bring them through the additional two years that we feel is needed when our economy will come back much stronger and provide a great deal more activities for these facilities.

I urge support.

Madam Speaker, at this time, I'd like to yield to Representative Amann.

DEPUTY SPEAKER POLINSKY:

With the Chamber's permission, Representative Amann, will you accept the yield?

REP. AMANN: (118th)

Yes, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Please proceed, Sir.

REP. AMANN: (118th)

Madam Speaker, the issue is simple. Gaming

007820

258

tcc

House of Representatives

Thursday, May 28, 1992

industry is in trouble. You have to look at this as a big business. It's a \$200 million industry and there's no reason why this House shouldn't support this relief bill and treat this business like any other business such as Electric Boat, Sikorsky's, or Colt Industry, any industry that might be in trouble.

If we don't provide relief then what were going to do is, we're going to lose this industry. If we lose the industry, there's only one thing you have to remember, where are you going to make up the revenue you lose, and that's going to come in one form, and that's taxes.

So, Madam Speaker, please, I will support this amendment and I hope that the rest of the House will support it. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, Representative Amann. Will you remark further on House "E". Will you remark further?
Representative Fusscas.

REP. FUSSCAS: (55th)

Thank you, Madam Speaker. Over the years, the State of Connecticut in partnership with these facilities has milked those facilities for tens of millions of dollars in revenue to offset our cost of government.

007821

259

tcc

House of Representatives

Thursday, May 28, 1992

Unfortunately, the cow is sick and this is a way to make the cow well again so that in future years we can enjoy good milking. Thank you.

DEPUTY SPEAKER POLINSKY:

I've never met a really good sick cow. Will you remark further on this amendment? Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker, it certainly will be difficult to top that eloquence from Representative Fusscas. However, I rise in support of this amendment. As someone who represents a gaming facility, we have been experiencing a decline in the revenues in Plainfield for a couple of years now and received a similar allowance last year as the Chamber probably remembers, as a facility that competes directly with the Indian Casino, we know exactly how difficult it is for these people to stay in business.

It's a question of jobs. This will help preserve some jobs throughout Connecticut and I support it.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. 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.

007822

260

tcc

House of Representatives

Thursday, May 28, 1992

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The ayes clearly have it. The amendment is adopted. Will you remark further on this bill as amended by Senate "A", "B", "C", "D", "E", "F", "G", "H", "I", and House "A", "B", "C", "D", "E". Will you remark further? Representative Mushinsky.

REP. MUSHINSKY: (85th)

Thank you, Madam Speaker. The Clerk has an amendment, LCO5330. The Clerk would please call and may I summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5330 which shall be designated House Amendment "F".

CLERK:

LCO5330, House "F" offered by Representative Mary Mushinsky.

DEPUTY SPEAKER POLINSKY:

The lady has asked leave of the Chamber to summarize. Without objection, please proceed, Madam.

007823
261

tcc

House of Representatives

Thursday, May 28, 1992

REP. MUSHINSKY: (85th)

Thank you, Madam Speaker. This amendment expands our existing law which allows towns to abate up to 50% of a dairy farmer's property taxes to fruit growers. It's completely permissive on the towns. The town body would have to vote to grant this abatement.

I move adoption of the amendment.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "F". Will you remark? Will you remark further on House "F". If not, all those in favor please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

Opposed, nay. The ayes have it. House "F" is adopted. Will you remark further on this bill as amended? Representative Rennie.

REP. RENNIE: (14th)

Thank you, Madam Speaker. A bill such as this with now so many sections, often contains many surprises that a thorough, or I suppose, a cursory reading of the bill would not reveal. And some of those surprises are happy and some of them are not.

And one of these surprises in this amendment is what I would have to characterize as sort of an

007824
262

tcc

House of Representatives

Thursday, May 28, 1992

irrational display of public policy and the intent that it evidences in Section 34, for instances, of this bill as we have it before us.

In that section, which has gained some notoriety in the last two days, applies a sales tax to free car washes, but only if that free car wash is provided at a gasoline station to the customers of that gasoline station, who I guess have purchased gas there, and in essence, it taxes something that is free and requires that some reasonable value be imputed to that.

Now, for instance, just to sort of given an example from our everyday existence as to what this Section 34 does, if you were to go to your local Mobil station, for instance, and buy a full tank of gas and of course pay all the taxes on that gas that we have levied on gallons of gas, you might go in and pay and have a choice between getting a free car wash or perhaps a free New York Yankee or Boston Red Sox glass.

If you chose the car wash under this section, you have to pay a sales tax. If you chose the glass, you would not. Now, these last two years have been characterized by an awful lot of taxes here in Connecticut, but this may be the one that best summarizes attitude of those who seem to have more of an inclination toward taxes and some of the public

007825

tcc

263

House of Representatives

Thursday, May 28, 1992

policies that they are willing to pursue.

But I think we can remedy this pretty quickly, since this bill is going back to the Senate anyway. And the Clerk has an amendment, LCO5337.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO Number 5337 which shall be designated House "G".

CLERK:

LCO5337, House "G" offered by Representative Rennie.

DEPUTY SPEAKER POLINSKY:

Representative Rennie, did you wish this to be read or did you wish to summarize.

REP. RENNIE: (14th)

I think I'd like it to be read, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please read the House "G".

CLERK:

Strike section 34 in its entirety and renumber the remaining sections and cross references accordingly.

DEPUTY SPEAKER POLINSKY:

Representative Rennie, what is your pleasure?

REP. RENNIE: (14th)

I move adoption of the amendment, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

007826

264

tcc

House of Representatives

Thursday, May 28, 1992

The question is on adoption of House "G". Will you remark, Sir?

REP. RENNIE: (14th)

Yes, Madam Speaker, just to anticipate any questions, there is a fiscal note of \$300,000 on this amendment, which indicates to me not so much the loss of \$300,000, but there must be an awful lot of people who are benefitting from free car washes here in Connecticut and in the depths of this recession, is it such a terrible thing that a few people, or actually, a lot of people get a free car wash?

Have we sunk that low that we really have to tax a modest little gift like a free car wash? I hope not, and in fact, I think we need to find out, Madam Speaker, how we all feel, because this is one of those little fundamental issues that comes along once in a while that really, really states our whole philosophy of government and the role of the people in our democracy. So I think we need to have a roll call on this and I would ask that when the roll call be, when the vote is taken, that it be taken by roll call.

DEPUTY SPEAKER POLINSKY:

The gentleman has asked for a roll call vote. All those in favor please indicate by saying aye.

REPRESENTATIVES:

007827

tcc

265

House of Representatives

Thursday, May 28, 1992

Aye.

DEPUTY SPEAKER POLINSKY:

When the vote is taken, it shall be taken by roll.
Will you remark further on this amendment?

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker. First of all, I would like to know if I could borrow Representative Rennie's violin while I do my piece of it.

Second of all, Madam Speaker, I would like to explain, because I heard the word irrational in there, and I'd like to explain the logic of this bill, or of this section.

First of all, we all realize that nothing is really free, and we all realize that if somebody says they're giving something away for free which in fact costs them money, that in order to stay in business, they must be getting some money from some other portion of their business to afford the so-called free item. And where they get it, Madam Speaker, is in the price of the gas.

Now the reason for offering this amendment is as follows. We get a sales tax on car washes which

007828
266

tcc

House of Representatives

Thursday, May 28, 1992

charge. We get an excise tax on gasoline. To the extent, however, that somebody raises the price of their gasoline to subsidize their free car wash, we get no more tax on the gasoline than so many cents per gallon and we lose the tax on the so-called free car wash. So this was meant just to give us a level playing field for all car washes.

And it's only 24 cents. I mean, they don't have to charge the \$4. And so therefore, Madam Speaker, I intend to vote to reject this amendment.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on House "G". Will you remark further? Representative Emmons.

REP. EMMONS: (101st)

Madam Speaker, just a question, because I'm not sure of the answer. Do we have, collect a sales tax from coin operated car washes?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, it is my understanding that we do not.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Well it seems to me if we're not collecting a sales tax from coin operated car

007829
267

tcc

House of Representatives

Thursday, May 28, 1992

washes, that it is a little bit impertinent to charge a sales tax on a free one.

I think the public has had a hard time understanding some of our tax policies, and while it's logical to say the gas could be more expensive and therefore we're not collecting a sales tax from it, I think to say to somebody, you owe 20 cents for your free car wash for State sales tax is not a real good election year idea.

REP. MULREADY: (20th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

I may have spoken in error. I'd like to make a phone call on that, because I'm not 100% certain we don't collect it.

May I yield to Representative Smoko.

DEPUTY SPEAKER POLINSKY:

You certainly may. Representative Smoko, with the permission of the Chamber, would you accept the yield?

REP. SMOKO: (91st)

Madam Speaker, yes, I do accept the yield. I can only lend to this discussion a practical life experience. I had washed my car the other day and it

007830

268

tcc

House of Representatives

Thursday, May 28, 1992

does clearly have it posted it is now subject to the sales tax. My understanding is car washes are indeed, of all variety, with the exception of what is enumerated in this amendment, indeed subject to the sales tax.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this amendment? Will you remark further on this amendment? Representative Caron.

REP. CARON: (44th)

Thank you, Madam Speaker. Madam Speaker, I support the amendment. I think in this recession if there is anything we can do to help us, a gas owner, get more people to buy gasoline, that's fine. The next thing we'll be taxing for an extra cup of coffee, buy a coffee, get one free, but you've got to pay a penny tax on it, or a half penny tax, whatever it is. I mean, where does this really stop?

This is a good amendment for people in tough times and I urge its passage.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this amendment? Representative Schlesinger.

REP. SCHLESINGER: (114th)

A question, through you, to the proponent.

007831

269

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Certainly. Please frame your question, Sir.

REP. SCHLESINGER: (114th)

Thank you very much for your tolerance, Madam Speaker. The question I have is, through you, Madam Speaker to Representative Mulready, how would they audit this?

DEPUTY SPEAKER POLINSKY:

Excuse me, Representative Schlesinger, did you want the proponent, or did you want Representative Mulready.

REP. SCHLESINGER: (114th)

The proponent of the legislation. I apologize. Through you, a question to Representative Mulready.

DEPUTY SPEAKER POLINSKY:

Of course, frame your question, Sir.

REP. SCHLESINGER: (114th)

The question would be, how would they be able to audit an imputed car wash tax, since I don't see any tracking whatsoever since there's no cost involved.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, I think it's just a function of deciding how many people go through the car wash.

007832
270

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Representative Schlesinger.

REP. MULREADY: (20th)

And multiplying that number by 24.

REP. SCHLESINGER: (114th)

Through you, Madam Speaker, if I'm a retailer who sells gasoline and I'm giving away car washes and I'm not charging anything, I don't think I'm keeping track in any specified way of how many people go through my car wash that I'm not charging for. So how would I know what kind of tax to return to the State of Connecticut?

Are we mandating now that every retailer count all his free car washes? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, I would challenge the assumption. I'd bet that virtually all of these dealers who offer so-called free car washes, I say so-called because as I explained earlier, nothing is free, I would challenge that they don't know to the car how many people go through those car washes. I'd be stunned.

DEPUTY SPEAKER POLINSKY:

007833

tcc

271

House of Representatives

Thursday, May 28, 1992

Representative Schlesinger.

REP. SCHLESINGER: (114th)

Well, Madam Speaker, I hate to be cynical, but, and I won't pick up the violin from either of these wonderful legislators. However, I think we are getting into something here, this type of taxation, that we really don't want to be getting into. And one of the legislators that's in front of me gave me a great idea, and he said, well, we'll still have the sales tax on chargeable car washes, so how about a nickel car wash? Then obviously if you want to charge a nickel for the car wash it's tax would be one cent, I guess. Couldn't you therefore get by this whole tax question? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, the imputed value of the car wash is \$4. The tax would be 24 cents whether you charge zero, five cents, ten cents or \$4. If you charge more than \$4, it's going to be higher, it's 6% of that.

DEPUTY SPEAKER POLINSKY:

Representative Schlesinger.

REP. MULREADY: (20th)

007834

272

tcc

House of Representatives

Thursday, May 28, 1992

Well, Madam Speaker, I appreciate that response from Representative Mulready and I hope he realizes what he just said.

We have now come full circle in government to say that if someone wants to charge our consumers a lower price for some item, we're going to charge a tax based on what that value should have been. You never should have charged \$2 for that car wash. We're going to tax it as if it's \$4. How dare you give the consumers a good deal? We're going to hit you for a much higher tax than you want to even charge your consumers.

I mean, isn't this rather ridiculous? Maybe I've been in this Chamber too long, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Decorum. Decorum. Will you remark further on House Amendment "G". Will you remark further? Representative Rennie.

REP. RENNIE: (14th)

Thank you, Madam Speaker. On this issue of imputing a value of \$4, I think that that really may be overreaching on the value of that service. Overreaching is something that is often done here, but I think there is evidence that \$4 is simply too high a value to impute because some of these service stations do offer these car washes for sale if you don't buy

007835
273

tcc

House of Representatives

Thursday, May 28, 1992

gasoline. You can go in and buy the service of a car wash and it is usually a lot less than \$4.

And so in fact, we are in some way penalizing them an extra amount for offering this service because we're just imputing too high a rate to it.

And finally, I would note that there are some people who still believe that we should let businesses make some decisions on their own and encourage a free enterprise competitive atmosphere here in Connecticut and one way to do that is to allow businesses to make decisions such as giving away car washes and not really penalizing them from that and maybe one of these days, Governor Weicker's wish of leaving our neighboring states in the dust instead of, well, instead of life as it currently exists will actually come true if we harness some of the Yankee spirit that still exists some places in Connecticut.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further?

Representative Mintz.

REP. MINTZ: (140th)

Thank you, Madam Speaker. I rise in opposition to the amendment. I just want the Chamber to recognize that my friend from across the aisle has done a good job of twisting this issue. This is not an issue of

007836
274

tcc

House of Representatives

Thursday, May 28, 1992

allowing free car washes without tax. This is an issue of fair competition and government subsidies.

I don't think the government should be subsidizing Mobil Oil Company in their giving free car washes. I don't think that we should be hurting the mom and pop car washes out there, of the small businesses in the State of Connecticut by allowing Mobil and Texaco to give out free car washes without having to pay a tax.

So I think that while my friends on the other side of the aisle have very cleverly stated the issue to make it look like a consumer issue, we on this side of the aisle, I think, should be concerned about the small businesses in the State and not drive the car washes, the small businesses that are exclusively car washes out of business. Thank you.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this amendment? Will you remark further? Representative Jones.

REP. JONES: (141st)

Thank you, Madam Speaker. Obviously in the free markets in commerce and industry, many manufacturers, suppliers, and service delivery firms give away premiums. I don't believe any of them are taxed by the State of Connecticut. In fact, I have a question,

007837

275

tcc

House of Representatives

Thursday, May 28, 1992

through you, Madam Speaker, for Representative Mulready or Representative Mintz.

Q If in fact I operate a car wash and I'm not a gasoline dealer, (something wrong with mike)

A I will start over. If in fact I operate a car wash independently and I do not sell gasoline, and I choose to give away three quarts of oil to anyone who will come to have their car washed in my facility, would it be your view that we should impose a tax on the three quarts of oil? Through you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

In response to your question, I would draw the following distinction. In that particular case, the party that gave away the three quarts of oil, at some point, would have to recover that cost from the price of its car wash. I think that everybody would agree to that point.

When they did that, they would therefore have to get more for the price of that car wash. We therefore would pick up the 6% sales tax on that higher price of that car wash and therefore we would get our fair tax. I draw that distinction between the oil retailers who now give free car washes, who may in fact be charging

007838
276

tcc

House of Representatives

Thursday, May 28, 1992

more for the price of their gas while allegedly giving away a free car wash on which we don't pick up any additional tax because the excise tax is fixed at so many cents per gallon. So, that distinction I would draw. In the short term perhaps not, in the long term they couldn't afford to do it so therefore we would, the State would in effect be held harmless because it would get the sales tax on the higher price of the car wash.

DEPUTY SPEAKER POLINSKY:

Representative Jones.

REP. JONES: (141st)

Yes, I would just respectfully take issue with that answer. There's no economic support for it. There's no factual evidence that all businesses earn the same return on investment or in sales, profits are not equal across all business, premiums in no way necessarily require me to raise a price. I may accept a lower profit margin, so in fact, the assertion that any premium is ultimately recovered in revenue to achieve the same return or profit that every other business would earn or expect to earn is in my view, not sound and I would go back to the basic question, which I believe was, would you propose a tax on the three cans of oil that I give away? Through you, Madam Speaker.

007839
277

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, through you, I would say that a simple answer to that question would be misleading. The simple answer would probably be no, but the longer term answer would be that they wouldn't last in business very long, so ultimately the person who took over their business would know enough not to give away free cans of oil and we'd collect a tax as they sell it.

DEPUTY SPEAKER POLINSKY:

Representative Jones.

REP. JONES: (141st)

Perhaps three cans of oil is too generous and I'll just give away one can, but I think it's not good public policy to tax premiums given away, and therefore I would propose to support the amendment. Thank you.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further? Will you remark further? Representative Ward.

REP. WARD: (86th)

Thank you, Madam Speaker. Listening to some of the arguments, I guess I'd just ask you to think about the sign that's going to be put out there now in a place

007840
278

tcc

House of Representatives

Thursday, May 28, 1992

that wants to give a car wash as a promotion. It's going to say, car wash free, Legislature says pay 24 cent tax. When we give it away, tax it. Or car wash, \$1, taxed 24%. That's what's the Legislature's done for you.

It simply doesn't make sense. If it is to protect one kind of industry, part of an industry versus competition from another part of the industry, at least maybe we ought to be honest about it. If you want to ban certain kinds of companies from giving car washes, do a bill to ban it.

If somebody's going to charge 4 bucks for a car wash and the guy across the street's going to be free, because you get a fill-up and then he's going to charge you a 24 cent sales tax, do you think everybody's suddenly going to go to the buy that charges you 4 bucks? No.

If they're shopping for price, they're going to shop for price. If they're shopping for quality and the kinds of services they get, they're going to examine that. We ought not be in the business through our sales tax code of minutely managing competition in one kind of service industry. It's simply wrong. It's silly and we look like fools.

I frankly don't want to be responsible for telling

007841

tcc

279

House of Representatives

Thursday, May 28, 1992

my constituents that when there's a free premium they have to pay a sales tax on it. There's been no sale on that item. I paid sales tax on whatever it is that I bought, not on the extra that they gave me. It's just not an appropriate use of the sales tax code, to start to argue with some kind of mom and pop store versus one maybe that's run by a big corporation.

I thought we should be concerned about the consumer. You're raising the consumer price for some kinds of services. I don't know why, and it seems to be coming into a partisan debate. I don't know why it should. I guess it doesn't entirely surprise me, though, that we've now come to on top of all of the taxes, that that side of the aisle is saying, we want a sales tax even on give-aways. That's how you want to end this session, I guess you have the votes to do it. I think it's a bad error.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further?
Representative Wilber of the 133rd.

REP. WILBER: (133rd)

Thank you, Madam Speaker. Madam Speaker, I also have a question for Representative Mulready.

DEPUTY SPEAKER POLINSKY:

Please frame your question, Madam.

007842

tcc

280

House of Representatives

Thursday, May 28, 1992

REP. WILBER: (133rd)

Representative Mulready, I'll preface it by explaining that I go to a car wash, a mom and pop car wash which for every six car washes, I get one free car wash and they have a little ticket and they punch it. Am I going to have to pay a tax on my one free one which has nothing to do with gasoline, absolutely nothing to do with the sale of gasoline? Am I going to have to pay an additional sales tax on my free car wash?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, no.

DEPUTY SPEAKER POLINSKY:

Representative Wilber. He said no.

REP. WILBER: (133rd)

Madam Speaker, I don't understand? Why don't I have to pay it for my free car wash because it's given as a bonus on the number of car washes I have, when the person who buys gasoline does have to pay it?

DEPUTY SPEAKER POLINSKY:

Representative Mulready. Representative Mulready, did you wish to respond?

REP. MULREADY: (20th)

007843

281

tcc

House of Representatives

Thursday, May 28, 1992

Madam Speaker, I apologize. I was getting some technical information from Representative Smoko and I wonder if she might repeat the question.

DEPUTY SPEAKER POLINSKY:

Representative Wilber, will you repeat the question.

REP. WILBER: (133rd)

Yes. I really want to know what the difference is between my free car wash which I get for other car washes, and a car wash which is given as a premium for purchase of gasoline?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

First of all, this is tied to the sale of petroleum products. That's one distinction. Second is that, again, I would argue that the cost of that particular car wash is built into the package deal that you get when you buy the preceding number that allows you to get the free one, therefore, we're getting a full sales tax on what you actually did purchase.

DEPUTY SPEAKER POLINSKY:

Representative Wilber.

REP. WILBER: (133rd)

Thank you, Madam Speaker. Madam Speaker, the way I

007844
282

tcc

House of Representatives

Thursday, May 28, 1992

read that section, that would not be true. It specifically refers to premium car washes and does not really discuss exactly how those premiums are developed. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, Madam. Will you remark further on this amendment? Representative Farr.

REP. FARR: (19th)

Yes, Madam Speaker. I wish the members of the Chamber would think for a second where the logic of Representative Mulready's argument is taking us. You drive into the service station. You have a choice. You go to the self-service or you go to the full service. You pull into the full service and guess what? You pay 10 cents more a gallon on the gas, but you haven't paid a sales tax on it. So they come out and they do your windshield and they pump the gas and they say, okay, here's the price of the gas and then here's the sales tax on the service of cleaning your windshield, checking your oil and filling your gas.

And then you say to them, well, I need some air in the tire, and they say to you, well, the Legislature has said it's free. I understand Representative Mulready says nothing's free, but we already decided air is free. But if you want the air, there's a cost.

007845

tcc

283

House of Representatives

Thursday, May 28, 1992

And we've got it in the gas, but we haven't charged you.

Now he says next year we'll charge you for the air. Free air next year, we're going to charge you for it. Come on folks, this is ridiculous. I understand the logic, but you're being led down a primrose path. This makes no sense at all. The public will have no way of understanding this. It just doesn't work. It doesn't function in the real world.

We're not going to, we shouldn't be charging the sales tax in something you're not paying for. It's a free car wash. In any event, I would urge passage of the amendment.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this very momentous amendment. Representative Fusscas.

REP. FUSSCAS: (55th)

Thank you. Madam Speaker, I think the hour is late. It's 10:45 at night and we're beginning to take leave of our senses here. Listen, we don't tax advertising and sales promotion in any other company, why do we start now? It's as simple as that. Thank you.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further on this

007846

284

tcc

House of Representatives

Thursday, May 28, 1992

amendment? Will you remark further? If not, will all members please take their seats. Staff and guests to the well of the House. The machine will be opened.

CLERK:

The House of Representatives is voting by roll.

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

DEPUTY SPEAKER POLINSKY:

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

CLERK:

House Amendment "G" to Senate Bill 2015.

Total number voting 136

Necessary for adoption 69

Those voting yea 115

Those voting nay 21

Those absent and not voting 15

DEPUTY SPEAKER POLINSKY:

House "G" is adopted. Who said a woman couldn't break glass? Will you remark further on this bill as amended? Representative Smoko.

REP. SMOKO: (91st)

Madam Speaker, the Clerk has an amendment,

007847

285

tcc

House of Representatives

Thursday, May 28, 1992

hopefully it won't be quite as time consuming as the last amendment, LCO4870. I would ask the Clerk to call and I would ask leave of the Chamber to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO4870 which shall be designated House Amendment "H".

CLERK:

LCO4870, House "H", offered by Representative Smoko et al.

DEPUTY SPEAKER POLINSKY:

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

REP. SMOKO: (91st)

Thank you, Madam Speaker, my timing is terrible, but my coffee just arrived. The amendment very briefly will re-establish the playing field in the area of simulcasting to the existing facilities as they exist today.

One of the provisions of the bill before us would allow a simulcasting facility to be located at the Bridgeport Jai Alai fronton soon to be converted to a Greyhound racing track. I don't have a real problem with Bridgeport having that type of facility. The problem I have is pitting one distressed municipality

007848
286

tcc

House of Representatives

Thursday, May 28, 1992

against another.

Clearly, the fiscal note indicates, in reality would indicate that the opening of such a facility in Bridgeport would have a negative impact on the City of New Haven and the existing facility there. To be fair, the fiscal note indicates they cannot really determine what that impact is because of the state of flux at the New Haven facility is in.

I think logic would dictate that we not pit one distressed municipality against the other, that we maintain a relatively level playing field, and frankly, last year we provided Bridgeport and the facility there with the opportunity to convert to a year-round operation as a fully operational dog track. New Haven is left with nothing but a simulcasting facility that again, is in a state of transition.

So, Madam Speaker, I think the amendment is fair, reasonable to the City of New Haven, does not pit one municipality against another and Madam, I would move adoption of the amendment.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House Amendment "H". Will you remark? Will you remark further on this amendment? Representative Thorp.

REP. THORP: (89th)

007849
287

tcc

House of Representatives

Thursday, May 28, 1992

Madam Speaker. It's been a long time since I've been on the Public Safety Committee, but I still have some fond memories of my service on that Committee and some understanding of the way the gambling industry operates here in the State of Connecticut.

As has been pointed out to us over and over and over again, by the Department of Special Revenue, there is basically a fixed amount of discretionary income available in the State of Connecticut for the pursuit of legalized gambling.

The State of Connecticut has invited the various and sundry gambling industries into the State and provided them with methods by which they can make sort of an ROI almost analogue to the way a public utility works, whereby their percentages are fixed, and so forth and so on.

Now, when we come to the bill before us, I think the bill has, rather than pitting one area against another, has actually gone a long way toward balancing what the situation is pointed out by the Department of Special Revenue exists, and what exists is that fixed amount of income which has to be distributed. The only extra income that you can possibly generate is by having some sort of a facility which will attract business from some place else, from outside of the

007850

288

tcc

House of Representatives

Thursday, May 28, 1992

borders of this State.

And that is precisely what this amendment is doing. At the present time we have the Plainfield access up there which is attempting to attract people from Rhode Island and Massachusetts and to a certain extent, both Massachusetts and Rhode Island have launched counter-attacks providing facilities to compete against Plainfield.

Nevertheless, the Pequots have now established their operation and they are obviously siphoning off business from the central part of the State, including New Haven. What we have to do for this income which is being siphoned off to the east of the State is to provide some sort of an incentive for income to be siphoned into the State from the west and this is precisely what the bill as stated, does.

It provides another kind of gambling, closer to the New York metropolitan area, to get some people to come over the border and do some business in our gambling facilities in Bridgeport and add to the pie rather than simply just shift the pie around.

As I said, as I started to make the remarks, the amount of money available in the State of Connecticut is just about fixed, and that pie can be divvied up any way you want to do it by providing more or less

007851

289

tcc

House of Representatives

Thursday, May 28, 1992

facilities. However, when you do get a facility closer to a metropolitan area that does not offer that kind of a facility, then you are luring people from out of state to come in and generate revenue within the State and increase the size of the pie.

I therefore think the bill as presented is excellently crafted, and the amendment is misguided, that is, opposed to pitting one city against another. What we are attempting to do with the main bill is to pit Connecticut against New York and lure money in from New York rather than pitting New Haven against Bridgeport. We are trying to create some sort of a level playing field for the whole State, not necessarily balance one area against another, but to get some extra income into the State by the new additional activity in Bridgeport.

I would urge you very sincerely to reject the amendment and leave the main bill as it is.

DEPUTY SPEAKER POLINSKY:

Thank you, Sir. Will you remark further?

Representative Newton.

REP. NEWTON: (124th)

Yes, Madam Speaker. I rise in opposition of this amendment and one of the reasons that I rise in opposition of this amendment, because once again we

007852
290

tcc

House of Representatives

Thursday, May 28, 1992

try to confuse the issue of pitting one distressed city against another distressed city when really that has nothing to do with what we're trying to do if we're really trying to help the frontons in the State of Connecticut.

Bridgeport stands to lose because they're getting reading to close down the fronton, the Jai Alai, and convert it into a dog track. Now I can understand Milford and Hartford's situation to where they want to create two percent to help offset the problems that are going on, but you all need to know the history on how this came about.

No one just dreamed up of putting a screen, a simulcasting screen in Bridgeport because they thought that was something good to do for Bridgeport. That was done because of the convention tourism bill where again Bridgeport screwed in the process. How did they get screwed in the process, and I see Ron smiling? How did they get screwed in the process again? They did. Ron, you were one of the good people because you voted against the whole process, but this was a way of helping Bridgeport offset some of its loss with that bill.

Now to say that New Haven or Hartford or Bridgeport would lose, we've got to be committed to helping so

007853

291

tcc

House of Representatives

Thursday, May 28, 1992

that these places don't go under. If Bridgeport goes under, then so does the rest of them because it's not fair. So I don't think it's fair to penalize Bridgeport. We didn't penalize Milford or Hartford by giving them two percent to help them offset their problems. We didn't hurt Plainfield Dog Track when we put together a good deal to help them in the bad economy. We have to be equal and create an equal playing field and I just think it's unfair, Ron, for you to state that we're going to hurt one distressed city against another distressed city when Senator Avallone who saw and helped shepherd this thing from the Senate to come down, I just don't think that's fair to have the General Assembly think that we're going to hurt New Haven and put New Haven against Bridgeport. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further?

Representative Gambardella.

REP. GAMBARDELLA: (87th)

Thank you, Madam Speaker. Madam Speaker, I rise to support the amendment and I rise to support the amendment on a number of issues. I think I'd like to make clear to the Chamber as the newest prospective member of the New Haven Delegation I feel I have to

007854
292

tcc

House of Representatives

Thursday, May 28, 1992

rise and support the amendment to protect my future city that I'd be representing.

Now We have to understand here that Bridgeport last year, although they will be hurt, there isn't any question I think they'll be hurt by the passage of this amendment. Last year they got a major benefit by the passage of a bill which allowed them to have a full year round facility in the auspices of a dog track. That was the big benefit for Bridgeport. New Haven got its teletheater. They've had that teletheater for a number of years. They need to maintain that teletheater. If they do not, there's a major revenue loss to the City of New Haven. This puts in jeopardy that teletheater.

Now Representative Thorp made a very good argument for putting a new teletheater in the City of Stamford and I'll willing to support that today if that is something that we want propose and if Stamford wants something like that, but we should maintain the 35 mile radius between these facilities so that we do not hurt one facility by creating another. That is something we should not be doing and that is something this amendment will prevent. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on this

007855

293

tcc

House of Representatives

Thursday, May 28, 1992

amendment? Will you remark further on this amendment?
Representative Cocco.

REP. COCCO: (127th)

Thank you, Madam Speaker. I'm sure it's no surprise that I'm rising in opposition to this amendment. It's very interesting to hear people talk about mileage now and that we shouldn't have these two facilities so close together. Well, for years Bridgeport has lived with a Jai Alai with Milford having a Jai Alai only 15 miles away and that was perfectly all right. We lived with it. They played for six months. We played for six months. We cut in half what we might have realized from that facility because of that arrangement that was made by this legislature for reasons unknown to me, but I'm sure known to some people.

Another thing I think we have to think about is I don't hear anyone from Milford getting up objecting to this and they're going to be hurt more than anyone else. They need that two percent relief for their facility just as Hartford needs the two percent relief for their Jai Alai.

In order for Bridgeport to realize something out of this, Bridgeport has to have the simulcasting. Madam Speaker, I think this is a very important issue. It's

007856

294

tcc

House of Representatives

Thursday, May 28, 1992

important to Bridgeport. It's important to Hartford. It's important to Milford. I ask, Madam Speaker, that when the roll is taken that it be taken by roll. Thank you.

DEPUTY SPEAKER POLINSKY:

The lady has asked for a roll call vote. All those in favor please indicate by saying aye.

REPRESENTATIVES:

AYE.

DEPUTY SPEAKER POLINSKY:

Just about. When the vote is taken, it shall be taken by roll. Will you remark further on this amendment.

REP. SMOKO: (91st)

Madam Speaker. Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Smoko, I'm sorry. I always miss you because you're way over there. I would think you'd be sensitive to that, Madam Speaker, since you occasionally sit over here as well. Madam Speaker, I don't want to get into a protracted debate on this, but I did just want to comment very briefly on some of the comments from Representative Cocco and Representative Newton. Last year we went a long way toward resolving the problem down there on the shoreline as far as

007857
295

tcc

House of Representatives

Thursday, May 28, 1992

gaming facilities are concerned. Representative Cocco points out that for years and years well before most of our tenures here in the legislature, Bridgeport and Milford, the frontons therein, were run on a part-time basis.

Last year we changed that. We are now in a structure that is going to accomplish from Milford and Bridgeport's standpoint full annual operations, one being a dog track, one being a fronton. In addition to that on the shoreline we will have New Haven with a teletrack. That seems to me to be fair, three facilities operating on an annual basis deriving some revenue for their municipalities and jobs for their municipalities.

With the addition of a teletheater in the Bridgeport fronton, you are eliminating that balance. You are putting Bridgeport in direct competition with that which only exists currently in New Haven. To me, it's not fair. If you vote for the amendment, what you're going to have is some type of rational approach to the industry. You'll have a dog track in Bridgeport, a fronton in Milford and a teletrack in New Haven. To me, that makes sense. To me, that's fair and I think we ought to pass the amendment.

DEPUTY SPEAKER POLINSKY:

007858

296

tcc

House of Representatives

Thursday, May 28, 1992

Thank you, sir. Will you remark further on this bill? Representative DePino.

REP. DEPINO: (97th)

Thank you, Madam Speaker. I rise in support of the amendment and I'd like to give the breadth of my experience as a city alderman to my colleagues. I think I can give you an unique perspective on New Haven's revenue loss this year.

I think the jury is out on where the money being lost at our new facility is going. I am not exactly sure that it's -- and I disagree with my colleague from Cheshire that it's going to the indians, but I will assure you that on Tuesday of this week, as a city alderman, I was involved in a budget deliberation that raised taxes in the City of New Haven 40 percent, 40 -- 4-0 percent. And to put that in real terms, on my personal property, my single family home in New Haven this year, my taxes will rise, under a phase-in, \$1,500.

This year the City of New Haven is projecting to reap about \$250,000 from wagering of their new teletheater. It's a \$500,000 decrease from last year. It's very, very unfortunate that we have now a situation where we are pitting one distressed municipality against the other, but if the playing

007859
297

tcc

House of Representatives

Thursday, May 28, 1992

field is to be fair, then maybe New Haven should have a dog track and that is not something I would propose.

What I am proposing tonight is support for this amendment. This amendment will give people a choice. If people come in from New York City and they want to go to the dog track, they'll go to Bridgeport. If they come in from New York City and they want to go to Jai Alai, they'll go to Milford and if they want to go and have some pari-mutuel horse racing, they'll come to New Haven. All three facilities are accessible by mass transit. All three facilities are distinctly unique and should be kept that way and I urge for your support on behalf of the 97th District in New Haven and the taxpayers who are facing 40 percent tax increase this year for this amendment. Thank you.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment?

Representative Stolberg of the 93rd.

REP. STOLBERG: (93rd)

Madam Speaker, I do not intend to contribute to a Bridgeport versus New Haven debate. That's almost as sad as a debate between the trial lawyers and the insurance industry at the expense of the consumers. I think it's unfortunate that the debate becomes one of New Haven versus Bridgeport because our peoples and our

007860

298

tcc

House of Representatives

Thursday, May 28, 1992

problems and our interests are the same and it's tragic when two great cities of this state find themselves pitting against each other.

I do speak against an expansion of gambling. I do speak for this amendment, not for New Haven and not against Bridgeport, but against trying to solve our urban problems every time they come up by nickel and diming an expansion of further special revenue. We have done a lot for Bridgeport. We have done a lot for New Haven. We've done a lot for Hartford. We probably have not done enough for our cities as the cores of regions, but this is not the way to do it and I do support the amendment.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment?

Representative Looney.

REP. LOONEY: (96th)

Yes, thank you, Madam Speaker. Madam Speaker, I rise also in support of the amendment and would like to underscore the equity arguments here. I think it's apparent that what we have done in the last couple of years is that Bridgeport has seen an expansion of its gaming facilities and revenues resulting from that and access to it and all of the ancillary spinoff effects that it may in benefit to that city and what New Haven

007861

tcc

299

House of Representatives

Thursday, May 28, 1992

has seen within the last year is a substantial decline in its revenues because of the relocation of our teletrack facility into a less desirable location and projections that will increase that rate of decline.

This is something -- the money from this, Madam Speaker, over the years has become a significant source of revenue for New Haven. At one time the revenues from offtrack betting and teletrack were limited to one fourth of one percent of the handle. It was then increased to four-tens of a percent, finally a full percent, becoming significant, but I would point out that it is important that we view this in terms of the equities as to which town in recent years has been helped or hindered by this and I think that this amendment will restore some level of fairness and it is unfortunate that it's framed as a debate between two cities, both of which have many needs and are struggling, but this amendment is one that is necessary in order to prevent further damage to New Haven at a time when, as Representative DePino has pointed out, there will be a massive, crushing tax increase this year.

DEPUTY SPEAKER POLINSKY:

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

007862

tcc

300

House of Representatives

Thursday, May 28, 1992

REP. DILLON: (92nd)

Thank you very much, Madam Speaker. I rise in support of the amendment. Raising money from gambling is not my favorite way to spend money. I voted against the casino last year. I watched with interest and ended up supporting the Bridgeport Delegation and their bid to expand their facilities in Bridgeport even though philosophically I was opposed to it, but I attended that Board of Alderman meeting on Tuesday night and I watched my constituents sit and listen to the Board of Aldermen deliberate.

The property owners in my district are the people who have to pay higher taxes when this Chamber reimburses the reimbursement to towns for General Assistance. I'm looking at the middle class in my town struggling to stay in my city and what I'm asking you is I don't like to whine up here about cities. I don't want to ask you for charity, but don't do us any further damage.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment?

Representative Caruso.

REP. CARUSO: (126th)

Thank you, Madam Speaker. I think it's extremely, extremely sad that tonight I must rise to speak on an

007863
301

tcc

House of Representatives

Thursday, May 28, 1992

issue that affects urban areas and, ladies and gentlemen, what we are doing tonight is exactly what we should not be doing in the State of Connecticut, and as Representative Stolberg stated so eloquently, is putting urban area against urban area because, quite frankly, it does one thing, and maybe some out there by design want it to happen is to camouflage the fact that the State of Connecticut, in regard to its largest urban areas, has absolutely, positively no urban agenda to correct the problems that our urban areas are going through and so what we do so cleverly by some is to throw out the proverbial bone and allow the urban areas to fight over this in the form of gambling.

The amount of money that the City of Bridgeport would raise has not even been document. It has not been studied, and as a matter of fact, there is absolutely no information that would show that.

I would submit to you if there was, it was show that very little income would be generated by simulcasting because, as a matter of fact, in the City of New Haven that program is dying because gambling in general, as I stated when we got into the debate over the dog track, is a glitzy attraction that is short-lived. There is no long term development to gambling. We have seen that with our Jai Alai frontons

007864
302

tcc

House of Representatives

Thursday, May 28, 1992

and that's why today we're constantly in the position of trying to bail them out for one reason or another.

We just approved this legislature last year, the dog track for Bridgeport and the first thing out of the developer's mouth is that the dog track will not survive and he needs video slot machines. That is not long term development.

If this legislature is serious as a state about its urban agenda and so that the cities do not turn into another South LA, you would be funding money to develop the harbors of our communities. You would be funding money so that we could provide adequate housing and building stock. You would be doing all of those necessary things instead of pitting urban area against urban area, ladies and gentlemen, and sooner or later, whether we want to admit to it or not, whether we want to bury our heads deeper in the sand, those urban problems are not going to be resolved by an expansion of gambling.

Those social problems that occur because of the rise of gambling will still be there. As a matter of fact, it will spread into our suburban communities and while you sleep resting at night thinking it will not exist, you will be up here some day bumping into each other, trying to come up with legislation to argue the

007865

303

tcc

House of Representatives

Thursday, May 28, 1992

same points that the urban areas are arguing today because a cancer does not stop because you build borders around it or because you build fences around. It only is corrected when you seriously look at the problem and try to address it.

Gambling, I underscore to you and I submit to you, is not the way to do it and so I rise in objection to the point of camouflaging the serious problems that our urban communities are having and I do not rise to support those who think this is a great thing to speak on urban agendas who have gotten up and made this amendment tonight. I understand the cleverness involved in it and so I do not support their gestures.

I didn't support when we took the City of Bridgeport and separated Trumbull from the tourist district. I got up sincerely to speak for a city that needs help and it's not in the form of gambling. So those who applaud me standing up and speaking thinking I'm against the City of Bridgeport, please do not applaud too loudly because I assure you I am not against the city. I'm here to speak in favor of it.

I'm here to ask once again let's get serious about the urban areas. Let's do a distressed municipalities bill that should have been done. For two years so far we have not come up with one. Does it have to get to

007866

304

tcc

House of Representatives

Thursday, May 28, 1992

the stage that we need another South LA in the State of Connecticut before we begin to address those concerns? I would hope and pray that not be the case. Thank you.

DEPUTY SPEAKER POLINSKY:

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

REP. THORP: (89th)

Madam Speaker, for the second time. I think Representative Caruso has very much hit the nail on the head as far as gambling being a panacea for either the state or for the cities. We do, however, have a responsibility, apparently, to businesses that we invite into the state and then proceed to one way or the other fix it up so they can no longer succeed.

I cannot help but see that there is a fairly decent parallel between this and the whole business of the woodburning in Torrington and down in the southeastern part of the state. By virtue of the laws that were on the book, we invited those kinds of businesses in. We finally decided tonight that they weren't the kind of businesses we wanted to have in and so at some sort of a handsome price, we will buy them out. By the same token, knowing full well that gambling is a business where there is a fixed amount of discretionary income,

007867

tcc

305

House of Representatives

Thursday, May 28, 1992

we invited the gambling industry, an employer into the state. We have proceeded to add one piece of competition after another piece of competition to the point where the industry isn't really very viable any longer.

As far as that dog track in Bridgeport is concerned, the dog track in Bridgeport is sort of a gleam in some promoter's eye at the moment. It simply doesn't exist. I don't think we can tonight either solve the problems which Representative Caruso so well delineated and which I am pretty much in agreement, nor do I think that we can solve this situation as to whether we really want to have gambling within our state borders or not tonight.

The one thing that I would repeat to you, though, is again, we have a fixed amount of discretionary income within the state. If we want to have these facilities operate and continue to provide the jobs and so forth and so on, you've got to figure out some way to make the darn things profitable and I think the main bill which has added a here and now capability to the Bridgeport facility to keep it going until such time as we get our gambling act together, our urban renewal act together and so forth and so on. As a temporary measure, it's not a bad idea. I personally think that

007868

306

tcc

House of Representatives

Thursday, May 28, 1992

the gambling industry should be re-examined and perhaps bought out very much along the way we did the tree burning thing this evening, but that's something that we should discuss at some later date.

In the meantime, the only way to expand the pie, fix the thing, is to try to attract a little bit more business out of the urban area and I still think that the addition of the pari-mutuel feature of the horses in Bridgeport while we're waiting for them to get their act together on the dogs couldn't hurt.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on this amendment? Will you remark further? Representative Duffy of the 77th.

REP. DUFFY: (77th)

Thank you, Madam Speaker. This amendment attempts to preserve equity and fairness among the three gambling facilities that exist in a very narrow range of the state. It attempts to preserve an equity situation that we attempted to develop last year where we gave each facility a sort of unique monopoly on the type of gambling that they are to have.

We are long past the debate in the state whether gambling is allowable or not. What we need to preserve in the state is that each facility be able to remain in

007869

307

tcc

House of Representatives

Thursday, May 28, 1992

operation and that we not attempt to give any leverage or favoritism for one facility at the expense of another within a very narrow stretch of the state.

This amendment attempts to correct an inequity that will have the ultimate effect of giving success to one facility at the expense of two other facilities in the immediate vicinity.

I urge adoption of the amendment.

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment? Will you remark further? If not, will all members please take their seats. Staff and guests to the well of the House. The machine will be opened.

CLERK:

The House of Representatives is voting by roll call. Members to the Chamber please. Members kindly report to the Chamber as the House is taking a roll call vote.

The House is voting by roll. Members to the Chamber please. Members please report to the Chamber.

DEPUTY SPEAKER POLINSKY:

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

007870
308

tcc

House of Representatives

Thursday, May 28, 1992

take a tally.

The Clerk will announce the tally.

CLERK:

House Amendment Schedule "H" to Senate
Bill 2015.

Total Number Voting	136
Necessary for Passage	69
Those voting Yea	65
Those voting Nay	71
Those absent and not Voting	15

DEPUTY SPEAKER POLINSKY:

House "H" fails.

Will you remark further on this bill as amended?

Representative Beamon.

REP. BEAMON: (72nd)

Thank you, Madam Speaker. I would like to echo some of the comments of my colleague from New Haven, Representative Stolberg, and my colleague from Bridgeport, Representative Caruso, on the last amendment, Amendment "H".

We have to come up with a new city agenda. In some way we have to address the problems of our inner cities. Therefore, the Clerk has an amendment, LCO5333. Will the Clerk please call and may I be allowed to summarize.

007871
309

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 5333, which shall be designated House Amendment "I".

CLERK:

LC05333, House "I", offered by 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. House Amendment "I" hopefully stand for innovation. I would -- first of all, I'd like to say that nothing comes that easy when you're looking for solutions, solutions to address the problems in our municipalities. Sometimes I think we have to think outside of the circle or outside of the square.

So speaking to the amendment, what this amendment basically does is sets up a state city investment zone. This zone is based on central business districts in a few communities and what we would do in this zone is to impose a sales tax to retailers of one percent in the city and towns of Bridgeport, Hartford, New Haven, Waterbury and West Haven.

Now I know many downtown areas are currently

007872

tcc

310

House of Representatives

Thursday, May 28, 1992

abandoned and we're losing traffic customers left and right and I also know that there's a commitment --.

DEPUTY SPEAKER POLINSKY:

Excuse me, Representative Beamon, would you like to move for adoption now that you have summarized?

REP. BEAMON: (72nd)

I would move for adoption. I move adoption, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Good thinking. The question is on adoption. Will you remark, sir?

REP. BEAMON: (72nd)

Yes, Madam Speaker. There is a commitment on the part of our state to spend a "billion dollars" on loan guarantees and there's also a very snazzy marketing program going on with Connecticut, the new Connecticut.

I know it's very hard to imagine the plight of the downtown areas which were at one point very vibrant, but I do think there's a dual standard. We allow some people who are fortunate enough to go to the shopping malls and shop and have free parking.

On the other hand, when you go into the downtown areas you have to pay for parking in ramp garages on the street and you have to pay taxes on parking, but that's only one of many reasons.

007873

311

tcc

House of Representatives

Thursday, May 28, 1992

Now I do know that these areas need specific relief. Our fiscal note is troubling if you look at it just as what OFA has written. Basically they say in the first year this program would cost our state \$27 million. In business, I don't think you can equate an OFA fiscal analysis note the same way as you do when you plan to market and to advertise and to make a profit in some way.

I think we'd have to break that down in some way into quarters. It would come down to \$6.7 million in a quarter and that's only if those Downtown Councils, along with the Chamber of Commerce, along with the Department of Economic Development did not market the downtown areas and the advantages of shopping in downtown areas.

Right now we subsidize many things. We subsidize parking garages in our bond funds. It costs us millions of dollars to do. We will lose a little money in the beginning, but if this program worked, if it was a pilot, it could be extended into the municipalities of probably Norwalk and New London and really give relief, specific relief to our downtown areas. It's a part of a new city agenda, Madam Speaker, and I would hope that my colleagues, although the idea may seem far-fetched, look favorably on this amendment.

007874

312

tcc

House of Representatives

Thursday, May 28, 1992

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on House "I"? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I would rise to oppose the amendment. We cannot afford and that's one good reason why we should vote against this amendment. It loses \$20 million in the next fiscal year and I think it's an idea whose time has not yet come.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on this amendment? Will you remark further? If not -- Representative Beamon, I'm sorry.

REP. BEAMON: (72nd)

For the second time, Madam Speaker. This amendment is thought out actually after the Enterprise Zone which we hear so much about today, which in some instances really are not working and working -- not working at all.

In the State of New Jersey, a competitor, in Enterprise Zones, their sales tax is one-half of the rate of the sales tax in the state. In order to bring people into that area to look to invest, to look to clean up the areas, which are usually in very blighted areas, in order to bring some type of relief and as an

007875

313

tcc

House of Representatives

Thursday, May 28, 1992

incentive to develop an economy in an underutilized area.

You know, this week it reminds me of what we're doing right now on a national level. We're looking in our Congress for ways to bail out Eastern Europe and the new Russia, but our downtown areas are dying. I don't feel that's right.

We have the technology to videotape a beating on one hand, but where is our vision? Where is our direction? Where is our conscience?

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:

All those opposed nay.

REPRESENTATIVES:

The nays seem to have it.

The amendment fails.

Will you remark further on this bill as amended by Senate "A", "B", "C", "D", "E", "F", "G", "H", "I" and House "A", "B", "C", "D", "E", "F", "G", "H", "I". We have equalled our brethren in the Senate and it would be nice if we could put a stop to any further amendments. We don't have to break any more records.

007876

tcc

314

House of Representatives

Thursday, May 28, 1992

However, I can see a hand raised. Representative Simmons of the 43rd is indicating he wants to do something.

REP. SIMMONS: (43rd)

Thank you, Madam Speaker. I do not have an amendment. I have a couple of questions I'd like to address to the proponent of the bill, if I could.

DEPUTY SPEAKER POLINSKY:

Representative Simmons.

REP. SIMMONS: (43rd)

Thank you, Madam Speaker. To the proponent of the bill, I have three questions. First of all, Sections 18 and 19 of the bill make reference and I will point out in lines 940 to 943, make reference or make the statement that without any additional charge which are included in any admissions charge, dues or initiation fees paid to any retailer, which charge, dues or fees are subject to a tax imposed under Section 12-541 or 12-543.

Since those two sections of the statutes deal with the admissions tax, it's my understanding that this language means that if you pay ten percent, under these sections you will not pay the six percent sales tax. Is that correct, through you, Madam Speaker?

DEPUTY SPEAKER POLINSKY:

007877

315

tcc

House of Representatives

Thursday, May 28, 1992

Representative Mulready.

REP. MULREADY: (20th)

Through you, Madam Speaker, that is correct.

REP. SIMMONS: (43rd)

My second question, Madam Speaker, there's a second reference to this language in Section 19. Is there any particular reason why this language is contained in the bill on two occasions, through you, Madam Speaker?

DEPUTY SPEAKER POLINSKY:

Representative Mulready.

REP. MULREADY: (20th)

Actually, Madam Speaker, I think it's on three occasions, 17, 18 and 19, and they refer to different sections of the law, just trying to make different sections of the law conform.

REP. SIMMONS: (43rd)

Thank you, Madam Speaker. And a third question, through you, with regard to the effective date, it's my understanding from the very last section of the bill that the effective date of Section 18 would be July 1, 1992. However, the effective date of Section 19 would be 1993.

Is it my understanding that in fact the effective date for eliminating this double taxation would be July 1, 1992 in all cases, through you, Madam Speaker?

007878

316

tcc

House of Representatives

Thursday, May 28, 1992

REP. MULREADY: (20th)

Through you, Madam Speaker, that is correct.

DEPUTY SPEAKER POLINSKY:

Representative Simmons.

REP. SIMMONS: (43rd)

Thank you, Madam Speaker. I'm pleased to receive these answers and I look forward to supporting the bill.

DEPUTY SPEAKER POLINSKY:

I'm please to see it wasn't another amendment.

REP. MULREADY: (20th)

Madam Speaker.

One moment. I would like to correct the record. When I was reading off the House Amendments, I indicated that "A", "B", "C", "D", "E", "F", "G", "H" and "I", had been House Amendments that were passed. "H" and "I", Amendments "H" and "I" failed. That's just to correct the record. Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I'd like to make just a couple of brief comments for the record on a couple of provisions of this bill that are important to some of the affected parties. With regard to the aircraft exemption section of the bill, these exemptions make clear that those goods and services relating to the aircraft industry

007879
317

tcc

House of Representatives

Thursday, May 28, 1992

are exempt on or after July 1, 1993. They are not intended to suggested activities that already meet the current manufacturing definition are not exempt. An example would be the extensive remanufacturing of aircraft engine components in an industrial plant in Connecticut.

Similarly, with respect to new Section 12-412-75, a provision exempting from the sales and use tax any gross receipts from the sale of, storage, use or other consumption in the state of aircraft repair replacement parts. I'd like to clarify that this provision serves largely to expand the exemption for such parts to overhauls of aircraft parts on a factory basis.

It should be understood that the exemption for such parts, for certificated air carriers has existed since 1981 through the exemption for aircraft presently contained in the current Section 12-410-4b for the sales tax and Section 12-411-12b for the use tax and that new Section 12-412-75 provides a clearer codification of this existing parts exemption for certificated air carriers. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on this bill as amended? Representative Schlesinger.

REP. SCHLESINGER: (114th)

007880

318

tcc

House of Representatives

Thursday, May 28, 1992

Thank you, Madam Speaker. I did have a couple of amendments, but I'm going to choose not to call them at this time because I believe --.

DEPUTY SPEAKER POLINSKY:

I thank you, sir.

REP. SCHLESINGER: (114th)

Because I believe the destiny of this legislation is probably in an area of conference anyway, but I want to make the point hopefully for the members of the future Conference Committee on two points actually.

The first one is in this main amendment on Senate "A", we repeal the tax on interstate buses, which clearly violates the interstate commerce clause, but we do leave it on livery services and I think that should be repealed also. If you people up in Connecticut and you drop them off in another state, it would just clearly avoid litigation if we exempt them also and that should be taken care of.

Secondly and more importantly, trust income. This amendment says that if you're not a resident of the State of Connecticut, you're exempt, basically on a pro rata basis if you're a beneficiary of a trust, but, and I hope Representative Mulready hears me, I really hope you'll consider if this goes to conference exempting trust income. We are going to lose all that

007881

319

tcc

House of Representatives

Thursday, May 28, 1992

trust business in the State of Connecticut if we continue to want to tax the beneficiary of trust and I really hope that will be considered. Other states have taxed this particular revenue vessel. They've found out that they've lost the trust business in their state, and again, I know this amendment takes out the tax on out-of-state beneficiaries, but it doesn't go far enough. I'm afraid we're going to lose too many trusts. We already are losing them now according to people that I've talked to in the brokerage businesses. It doesn't help us. It doesn't give us much revenue in the state and the end result will be not only will we not have tax revenue, we'll lose a lot of business to other states. Thank you, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Thank you, sir. Will you remark further on this bill as amended? Representative Bogue.

REP. BOGUE: (8th)

Madam Speaker, I'd like to first make a comment and then I'd like to call a simple amendment. In our haste in the 1991 session to raise revenues, when we implemented the income tax, reduced the sales tax and expanded it, I believe perhaps we did that in haste and encompassed some issues that perhaps a sales tax should not have been implemented.

007882

tcc

320

House of Representatives

Thursday, May 28, 1992

Therefore, I'd like to call, if I may, LCO No. 4791 and may I have leave to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 4791, which shall be designated House "J".

CLERK:

LCO4791, House "J", offered by Representative Bogue.

DEPUTY SPEAKER POLINSKY:

Representative Bogue has asked leave of Chamber to summarize. Without objection, please proceed, sir.

REP. BOGUE: (8th)

A very, very simple amendment. I believe, or at least unbeknownst to me, there are no services of this nature that are being taxed in the State of Connecticut, with the exemption of a sales tax on dance lessons. If I have a child and he goes and takes music lessons, violin, drum, banjo, guitar, whatever, he is not taxed. If he goes and takes swimming lessons, he's not taxed, but if I have a child that goes and takes dance lessons, they are taxed.

I want to advise the Chamber that when a child goes to take dance lessons, he is going for the instruction in the art of dance, whether it be tap, jazz or whatever, ballet. There should not be a tax charged

007883
321

tcc

House of Representatives

Thursday, May 28, 1992

for these services or lessons, if you will, and I believe the tax is unjust. Therefore I recommend that we change it and we eliminate the erroneous service tax on dance lessons. Thank you.

I move its adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "J"? Will you remark? Will you remark further on House "J"? If not, Representative Mulready.

REP. MULREADY: (20th)

What a swell idea, Madam Speaker.

LAUGHTER AND APPLAUSE

DEPUTY SPEAKER POLINSKY:

Would you remark further on House "J"? If not, let us try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

All those opposed.

REPRESENTATIVES:

No.

DEPUTY SPEAKER POLINSKY:

The ayes have it.

Bogue, you have a winner.

007884
322

tcc

House of Representatives

Thursday, May 28, 1992

House "J" is adopted.

Will you remark further on this bill as amended?
Representative Emmons of the 101st.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, the Clerk has an amendment, LCO4873. May the Clerk call it and I be allowed to summarize.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 4873, which shall be designated House "K".

CLERK:

LCO4873, House "K", offered by Representative
Emmons.

DEPUTY SPEAKER POLINSKY:

Representative Emmons has asked permission to summarize. Is there objection? Seeing none, please proceed, madam.

REP. EMMONS: (101st)

Thank you, Madam Speaker. I think the operative words are on line 23, which requires the Commissioner by regulations to define the term "derived from or connected with sources within the state" as used in the sections relative to the recently passed income tax.

I move its adoption.

DEPUTY SPEAKER POLINSKY:

007885

323

tcc

House of Representatives

Thursday, May 28, 1992

The question is on adoption. Will you remark, madam?

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, earlier today, I don't remember what time, but anyway earlier today we had some discussions as to what was income included in Connecticut adjusted gross income for non-residents, for part-year residents, whether it was retirement income from Connecticut, interest income from Connecticut banks and I mentioned at the time that it seemed to me we ought to have the Commissioner define this by regulation as no one really seemed to know what should be in and what shouldn't be in.

So therefore, Madam Speaker, I did draft this amendment. Madam Speaker, I would urge its adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "K". Will you remark? Representative Mulready.

REP. MULREADY: (20th)

Another good idea, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Mulready, I didn't hear you.

REP. MULREADY: (20th)

I said it was another good idea, Madam Speaker.

DEPUTY SPEAKER POLINSKY:

007886
324

tcc

House of Representatives

Thursday, May 28, 1992

Okay. Will you remark further on this amendment?
Will you remark further? You may be ahead,
Representative Emmons, don't try to knock it off.

LAUGHTER

If not, all those in favor please indicate by
saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER POLINSKY:

All those opposed nay.

The ayes have it.

House "K" is adopted.

Will you remark further on this bill as amended by
almost everything? Representative Emmons.

REP. EMMONS: (101st)

Thank you, Madam Speaker. I do have one more
amendment and it's really a very simple one. Madam
Speaker, will the Clerk please call LCO4874.

DEPUTY SPEAKER POLINSKY:

Will the Clerk please call LCO No. 4874, which
shall be designated House "L".

CLERK:

LCO4874, House "L", offered by Representative Linda
Emmons.

DEPUTY SPEAKER POLINSKY:

007887

325

tcc

House of Representatives

Thursday, May 28, 1992

The lady has asked leave of the Chamber to summarize. Without objection, please proceed, madam.

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, earlier in tonight's discussion of I think it was Senate "A", the question was raised in one part of that amendment as to the ability for changes to be made to the estimates of revenue after we have adjourned and there may be changes and conditions or receipt of new information.

Through you, Madam Speaker, this amendment would set up a procedure whereby the changes that are being proposed and the new information would be presented to the Committee on Finance, Revenue and Bonding, who would agree that this in fact was correct and then the Co-Chairmen would take it and pass it onwards through the regular process.

I move its adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "L". Will you remark? Will you remark further?

REP. EMMONS: (101st)

Thank you, Madam Speaker. Madam Speaker, this is really a change from what we've ever had before where the legislature adopts the revenue estimates and then

007888
326

tcc

House of Representatives

Thursday, May 28, 1992

we adjourn. Then we allowed it for the co-chairs at one time to make some adjustments because we hadn't had all our information. I think right now the new change is very broad and it does not allow the legislative process to be involved. So this is, in some sense, trying to pattern it after the block grant process for the Appropriations Committee. It's really intended to have any changes to be quite done in the open.

Madam Speaker, I move its adoption.

DEPUTY SPEAKER POLINSKY:

The question is on adoption of House "L". Will you remark? Representative Mulready.

REP. MULREADY: (20th)

Madam Speaker, I have a remark and a question for the proponent.

DEPUTY SPEAKER POLINSKY:

Please proceed, sir.

REP. MULREADY: (20th)

The remark is that this seems to show a decided lack of trust in my Senate co-chair.

LAUGHTER

Which, of course, is a great disappointment to me. And my question is, is this a reflection of -- well, it's a two-part question. The first part is this a reflection of their confidence in the upcoming

007889
327

tcc

House of Representatives

Thursday, May 28, 1992

legislative elections and if it is not, are they sure, if they think they may come back in the majority, that they really don't want they think we are going to have anyhow? In other words, do they really want to do this, if they think they're coming back in the majority? Thank you, Madam Speaker. And that was rhetorical, Madam Speaker.

REP. EMMONS: (101st)

Thank you, Madam Speaker, but may I respond about his co-chair?

LAUGHTER

DEPUTY SPEAKER POLINSKY:

Will you remark further on this amendment?

REP. BELDEN: (113th)

Madam Speaker.

DEPUTY SPEAKER POLINSKY:

Representative Belden, you want to get into it?

REP. BELDEN: (113th)

Well, Madam Speaker, I would just like to add that I think no matter who's in charge, even though we have high hopes, that the process should be well-served and I believe that this amendment which allows the committee process to work, will serve this Chamber over future years regardless of who is in power.

DEPUTY SPEAKER POLINSKY:

007890

328

tcc

House of Representatives

Thursday, May 28, 1992

Will you remark further on this amendment? Will you remark further? Then let us try your minds. All those in favor indicate by saying aye.

REPRESENTATIVES:

All 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?

Will you remark further? If not, will all members please take their seats. Staff and guests to the well of the House. The machine will be opened.

CLERK:

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

DEPUTY SPEAKER POLINSKY:

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

007891
329

tcc

House of Representatives

Thursday, May 28, 1992

take a tally.

The Clerk will announce the tally.

CLERK:

Senate Bill 2015, as amended by Senate Amendment Schedules "A", "B", "C", "E", "F", "G", "H" and "I" and House Amendment Schedules "A", "B", "C", "D", "E", "F", "G", "J", "K" and "L".

Total Number Voting	135
Necessary for Passage	68
Those voting Yea	130
Those voting Nay	5
Those absent and not Voting	16

DEPUTY SPEAKER POLINSKY:

The bill as amended as amended as amended as amended as amended is passed.

REP. FRANKEL: (121st)

Mr. Speaker.

SPEAKER BALDUCCI:

Representative Frankel.

REP. FRANKEL: (121st)

Mr. Speaker, the Clerk has in his possession a HJ 104 House Joint Resolution, LCO No. 4869. At this time I'd move for the suspension of the rules for immediate consideration of this resolution, entitled RESOLUTION EXPRESSING SYMPATHY ON THE DEATH OF GIOIVANNI FALCONE.

S-341

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1992

SPECIAL SESSION
MAY

VOL. 35
PART 13
4350-4600

WEDNESDAY
May 27, 1992

004350

190
tcc

SENATOR O'LEARY:

Madam President.

THE CHAIR:

Senator O'Leary.

SENATOR O'LEARY:

Thank you, Madam President. We are now awaiting either fiscal notes or amendments and I'm told they're due momentarily and we all know what that means. So we're going to ask that we stand at ease for what might be more extended than our normal at ease moments. I don't want to declare recess.

THE CHAIR:

But at ease is such a teaser, isn't it, Senator?

SENATOR O'LEARY:

Yes, ma'am. We should stay nearby.

THE CHAIR:

The Senate will stand at ease. The Senate please come to order. The Chair would recognize Senator O'Leary. Will you excuse me, I'm sorry. Mr. Clerk, do you have items on the Calendar? Do you know where you're going? All right.

THE CLERK:

Yes, Madam President, we're ready to proceed.

Calendar Page 3, Calendar No. 532, Senate Bill
No. 2015, AN ACT MAKING CERTAIN AMENDMENTS AND

WEDNESDAY
May 27, 1992

004351

191
tcc

CORRECTIONS TO THE PERSONAL INCOME, GIFT, SALES AND AND
USE AND MOTOR VEHICLE FUELS TAXES AND THE ECONOMIC
RECOVERY FUND ENACTED OR AMENDED IN THE 1991 JUNE
SPECIAL SESSION.

The Clerk is in possession of amendments.

THE CHAIR:

Thank you very much. Senator, do you want to move
the bill first? The Chair would recognize Senator
DiBella.

SENATOR DIBELLA:

Thank you, Madam President. I move adoption of the
Emergency Certified Bill and urge passage.

THE CHAIR:

Thank you very much. Mr. Clerk.

THE CLERK:

LC05209, which will be designated Senate Amendment
Schedule "A". It's offered by Senator DiBella of the
1st District.

THE CHAIR:

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

SENATOR DIBELLA:

Thank you, Madam President. What the amendment is,
the amendment is the substitute for 2015. What it does
is it provides several changes and I will try to

WEDNESDAY
May 27, 1992

004352

192
tcc

outline. The amendment strikes the language of the bill and substitutes the following.

Section 1 is a Class C annual bingo permit of \$50.

Sections 2 through 8 establishes a Class 7 raffle permit with a top prize of \$50,000 in order to commemorate the celebration of the 100th anniversary or any multiples thereof of a municipality's founding.

A permit fee of \$100 is establishing all which is remitted to the state. Section 9 changes the information requirements in the report from the Department of Revenue Services and the Office of Fiscal Analysis.

Section 10 clarifies that lodging houses are not subject to local property tax surcharges which certain municipalities are permitted to levy on commercial, industrial, public utility properties.

Section 11 changes the treatment of the Inter Vivos Trust under the personal income tax. Such taxable trust is apportioned to Connecticut based upon the number of beneficiaries living in the state effective within the income years beginning on 1/1/93.

Section 12 requires non-residents, married couples who file jointly for federal tax purposes to file jointly for state tax purposes effective with income years beginning on or after 1/1/92.

WEDNESDAY
May 27, 1992

004353

193
tcc

The joint filing requirement for residents, married couples was passed in Public Act 91-3 and is currently applied by the Department of Revenue Services to non-resident couples as well as in light of the 1991 New York Appellate Court decision, Brady vs. New York.

Section 13 specifies that non-residents who engage only in purchasing and selling of intangible property of stock option contracts of the state are not considered to have taxable income in Connecticut for the purposes of the personal income tax effective with income years beginning on or after 1/1/92.

Section 14 requires estimate payments for personal income tax if the tax on income or other than wages subject to withholding is expected to exceed \$200 instead of the current requirement that income exceeds \$100,000 effective with income years beginning on or after 1/1/92.

It does not require estates or trusts to make estimated payments for two years after a person's death which matches the federal treatment of these entities.

Section 15 of the bill changes the amount of estimated payments as follows. First, 415, 25 percent of current year or 30 percent of last year, 22.5 of current or 25 percent of last year. Second, would be on 615, 50 percent of current year or 55 percent of

WEDNESDAY
May 27, 1992

004354
194
tcc

last year, 45 percent of current year or 50 percent of last year.

It goes on, proceeds down to 190 percent of current to 100 percent of last year.

Section 16 removes the minimum \$50 penalty for underpayment of an installment payment or personal income tax and changes the penalty for failure to file a personal income tax return from 10 percent of the tax to a 10 percent of the tax or 50 percent of the penalty, whichever is greater, effective 1/1/92 income years.

Section 17 through 19 affect from the sales -- exempt from the sales tax, one, land surveyors, two, parking lot owners or leased by employers for the exclusive use of their employees effective 7/1/92.

The length of the parking lot lease must be at least ten years. Facilities owned by federal, state and municipal governments are exempt from the sales tax on amusements and recreation service effective 10/1/91.

The sales tax is applied to athletic or sporting activities, except swimming, in which patrons over age 19 participate when such services are provided by federal, state or municipal governments, nonprofit charitable hospitals or charitable or religious organizations.

WEDNESDAY
May 27, 1992

004355

195
tcc

Admissions and dues which are subject to the admissions or dues tax are exempt from the sales tax. Massage therapists' services are exempt from the sales on miscellaneous personal services effective 7/1/92.

Finally, technical corrections are made by deleting reference to landscape architects and media advertising.

Section 20 through 23 clarifies the definition of taxable sales on gross receipts for property management services under the sales tax to exclude 95 percent of the amount separately stated. There will be an amendment that will follow that will change this section to 100 percent.

Section 24, which results out of a case which was adjudicated out of the State of Connecticut, which I believe was Air Kaman which had an impact on this service contract situation.

Section 24 changes the definition of transportation services for the purpose of the sales and use tax to include services provided by firms licensed by the U.S. -- United States Interstate Commerce Commission effective 7/1/92.

Currently the tax only applies to firms licensed by the Connecticut Department of Transportation. It also exempts commercial vehicles carrying more than 16

WEDNESDAY
May 27, 1992

004356

196
tcc

people from the sales tax on transportation services.

Section 25 through 27 required both retailers to obtain an affidavit from out-of-state purchasers regarding their state of residence for the purpose of the sales tax effective 7/1/92.

Under current law vessels purchased in the state -- in-state, but immediately transported out of state, are taxed at the lower of Connecticut's or the destination state's rate. To obtain the lower rate, out-of-state purchasers are required to furnish proof that the boat has been registered out of state within 10 days of sale.

Section 27 imposes the use tax based on the price of raw materials purchased and assembled outside of Connecticut which are made into building components that are subsequently brought into and used in Connecticut, effective 7/1/92.

Sections 25, 27 and 29 exempt aviation fuel from the sales and use tax at the 2.5 percent rate effective 7/1/92 and exempt aircraft replacement parts and repair services effective 7/1/93.

Section 28 makes a technical change to the sales tax exemption for commercial fishing boats and equipment.

Section 30 imposes a permanent moratorium on

WEDNESDAY
May 27, 1992

004357

197
tcc

authorizing the operation of additional OTB facilities. It also authorizes one additional simulcasting facility in the Bridgeport Dog Track.

Section 31 permits the Division of Special Revenue, with the approval of the Gaming Policy Board to combine OTB pari-mutuel wagers with similar out-of-state wagering pools.

Section 32 imposes a permanent moratorium on authorizing the operation of additional and relocation of current existing Jai Alai or dog track facilities.

Section 33 reduces the re-examination fee for a professional engineer or land surveyor from \$450 to \$150 and from \$75 to \$38 for an engineer in training or a land surveyor in training.

Section 34 requires retailers of petroleum products who provide car wash services free or at a price less than \$4 to impute a reasonable value to the service and pay the sales tax of the imputed value. If the retailer provides the car wash services for less than ten days per year, there is no tax due.

Section 35 through 39 permits the Department of Revenue Services to require electronic transfer of funds.

Section 40 allows for individuals standing in close
-- Section 40 allows an individual standing in close

WEDNESDAY
May 27, 1992

004358

198
tcc

personal or business relationship with a taxpayer who is unable to sign a request for filing for extensions of state tax filing deadlines because of illness, absence or other good causes to sign on the taxpayer's behalf.

Section 41 makes technical changes with regard to the refinancing of the Economic Recovery Notes, ERN.

Section 42 through 45 validate various municipal actions. I believe it's in the towns of Franklin, Newington -- there's four of them, Lyme, and there's one other.

Section 46 and 47 authorize the feasibility study of casino gaming in the state. It established an 18 member task force to examine the economic social impacts of casino gambling on residential or business and the revenue impact.

The task force must submit a report of its findings and recommendations to the General Assembly by December 1992. The study is funded by an appropriation of \$25,000 made by the Legislative Management Committee.

That's the bill, that's the amendment "A".

THE CHAIR:

Thank you very much, Senator. Senator Nickerson.

SENATOR DIBELLA:

It's Christmas Tree "A".

WEDNESDAY
May 27, 1992

004359
199
tcc

LAUGHTER

SENATOR NICKERSON:

Rarely do I so wholeheartedly agree with Senator DiBella. If ever there was a Christmas Tree, this is it. It's 47 sections high. It considers literally four dozen ideas which have been around the Finance Committee and this Chamber over the last two years.

I think what I'd like to do for the benefit of the Chamber, if I may, is place the sections into three different categories.

Category 1, I would rate, frankly, as low level technical changes, which I will not discuss.

Category 2, I see Jim Fleming agrees that I shouldn't discuss this. Category 2 would be more important technical changes which I think are worthy of discussion. There are significant dollars involved and Category 3 is gambling.

So with that introduction, if I may, as I say, Category 1, low level technical stuff and I don't want to take a lot of time doing that.

Category 2, there are important valuable and interesting changes. The changes with regard to trusts are such as to permit in-state banks to continue as trusts whereas there's a great concern throughout the state that the present income tax law may prevent that

WEDNESDAY
May 27, 1992

004360
200
tcc

from happening.

Flexibility with regard to easing the requirements for estimated payments, valuable and important. Removing the \$50 penalty. Many of us received letters indicating that taxpayers have received a penalty for \$50, greater than the tax. It makes no sense. This deletes that.

It uncouples the double taxation now present in many instances when the ten percent admissions and dues tax is applicable to something as to which the six percent sales tax is also applicable. 16 percent, this uncouples those and gets them back to ten percent.

Transportation services are exempt from the sales tax, particularly out of state ones. Aviation fuel has been a great concern to many members. It's aviation fuel replacement parts and services are under this amendment no longer subject to the 2.5 percent tax. Obviously airplanes can fly around the country and fuel and maintain themselves, so we were at a non-competitive situation.

Electronic transfer is not that important. So the second category that I've mentioned is important, reasonable and appropriate changes, some financial implications, but those that realign are, to my way of thinking, are tax and sales tax laws in a fair and more

WEDNESDAY
May 27, 1992

004361

201
tcc

reasonable way.

The third category is a totally different animal and that is there are three important changes in the gaming. Change number one is this bill, this amendment, rather, authorizes an additional simulcasting facility. As you know, a simulcasting facility is a teletrack, a facility which broadcasts the operation out of the facility into a telecast screen in the facility. This bill would authorize an additional simulcast facility in the Bridgeport Dog Track.

The significance of that is that gambling facilities do a considerably greater handle when they have simulcasting. It wouldn't directly affect the operation of the facility, but experience has proved that it would draw a significantly additional handle.

Secondly, you will recall we've had before this Chamber a bill to provide for what's known as a combined pari-mutuel pool. This would permit OTB wagers made on site in Connecticut to be combined with the wagers made at the track for a larger pool, larger handle.

And thirdly, we have the reappearance of a fellow who's been around this Chamber for most of this session, which is a feasibility study for casino

WEDNESDAY
May 27, 1992

004362

202
tcc

gambling, different from the study that was adopted in this session which would have authorized the Finance Committee and the Public Safety Committee to conduct an in-house, if you will, study of casino gambling.

This authorizes a separate task force, funded with the \$25,000 appropriation to study casino gambling.

So take it for what you will, low level, say, small limbs on this Christmas Tree, significant changes, most of which I think we would agree are salutary in Category 2 and Category 3 are three significant changes in the gambling area. Thank you, Madam President.

THE CHAIR:

Thank you very much, Senator Nickerson. Would anybody else wish to remark on this amendment? Yes, Senator Fleming.

SENATOR FLEMING:

Yes, thank you, Madam President. If I might, some questions to the proponent of the amendment please.

THE CHAIR:

Certain, sir. Senator DiBella.

SENATOR FLEMING:

Yes, Madam President, through you, to Senator DiBella. In lines 937 through 943, where there's additional language, can you explain to me exactly what it is that we're applying the sales tax to in this

WEDNESDAY
May 27, 1992

004363

203
tcc

section? Lines --.

SENATOR DIBELLA:

937?

SENATOR FLEMING:

Starting at line -- yes, 937. There is a --.

SENATOR DIBELLA:

Page 27, yes.

SENATOR FLEMING:

I believe, Senator, in the fiscal note, it's in the description of Sections 17 through 19, in particular, my interest is on what appears to be the application of the sales tax to athletic or sporting activities.

My question is what are we applying it to and what is exempt from the sales tax in that section?

SENATOR DIBELLA:

I think you'd have to go all the way down to line 54, 954, because I think that facilities known to be are managed from persons who exempt from taxation under Chapter -- is exempt when the service entails a patrol, athletic or sport activity which is not organized exclusively for the patrons under the age of 19 and without any additional charges which are included in any additional charges, dues, initiation fees paid.

That, to me, I would assume would be anything that is a public golf course, a public tennis run by a

004364

WEDNESDAY
May 27, 1992

204
tcc

municipality would be subject to the six percent tax
except swimming facilities.

SENATOR FLEMING:

Through you, Madam President, would the exception
of swimming apply to all swimming?

SENATOR DIBELLA:

It would apply to all swimming under the category
run by municipal -- I believe a municipally run
corporation or a nonprofit the way it looks to me in
here.

SENATOR FLEMING:

Well, Madam President, through you, the fiscal note
says that the sales tax is applied to athletic or
sporting activities in which patrons are over the age
of 19.

SENATOR DIBELLA:

Right.

SENATOR FLEMING:

When such services are provided by federal, state
or municipal government, nonprofit charitable hospitals
or religious organizations. I guess my question would
be would we be taxing a YMCA program under this
section? Would the sales tax apply to services,
athletic or sporting activities offered by a YMCA?

SENATOR DIBELLA:

WEDNESDAY
May 27, 1992

004365

205
tcc

I would assume they would fall under the category of a tax exempt or a 501-C-3 and be excluded. Is not a YMCA a nonprofit?

SENATOR FLEMING:

Well, I guess, Madam President, through you, what I'm trying to determine is whether or not the exemption is on all swimming activities or only swimming activities -- the way the fiscal note reads and the way the bill reads, they're saying other than swimming and I'm wondering if it is the general exclusion of swimming offered by facilities in Connecticut or does it only apply to swimming offered by nonprofit --?

SENATOR DIBELLA:

I would assume it would say nonprofit or by municipally-run corporations or federal corporations.

SENATOR FLEMING:

Thank you, Madam President. The other question I have relates to Sections 47 and 46 and I was wondering, Madam President, through you, what has changed since May 6th or so to require that we now spend \$25,000 on a casino gambling study, through you, Madam President?

THE CHAIR:

Senator DiBella.

SENATOR DIBELLA:

What's changed is we've expanded the study. We've

WEDNESDAY
May 27, 1992

004366
206
tcc

placed a state's attorney on that. Provided additional individuals and allowed for a broader, more in depth organization rather than the Committees of Cognizance to provide an assessment of casino gambling and the effects thereof.

SENATOR FLEMING:

And, Madam President, through you, we had passed some legislation in the last days of the Regular Session concerning a study of gambling. Did that legislation not make it through the House? Is that why it's here or --?

SENATOR DIBELLA:

No, I think I answered the question that this is a more expanded version. What passed through the House only allowed for the existing Committees of Cognizance, which is Public Safety and Finance, Revenue and Bonding. This would expand it to have a board of people appointed by the Governor and the legislature and also placing on there the state's attorney to look at the criminal aspects and the fiscal aspects and a whole lot of other things that I think makes more sense and does a better, more in depth evaluation and more objective.

SENATOR FLEMING:

Thank you. My interpretation of what this does is

WEDNESDAY
May 27, 1992

004367

207
tcc

it just moves us one step closer to having casino gambling in the State of Connecticut. I think that the legislation that we passed the end of the last session would have provided an opportunity for the legislature certainly to review the pros and cons of gambling, and for that reason, I would move to divide the question in accordance with our rules. I believe it is Rule 23 of the Senate Rules, to divide out Sections 46 and 47 so that we might have an independent vote on this independent issue, Madam President.

THE CHAIR:

Thank you very much. You have before you a motion by Senator Fleming to divide the question and to separate out Section 46 and 47 of the amendment that's been designated as Senate Amendment "A".

SENATOR DIBELLA:

Could we have this by roll call, Madam President?

THE CHAIR:

Certainly you may. Would anyone like to speak to the issue? If not then, Mr. Clerk, would you 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

004368

WEDNESDAY
May 27, 1992

208
tcc

the Senate. Will all Senators please return to the Chamber.

THE CHAIR:

Thank you very much, Mr. Clerk. The issue before the Chamber is a motion by Senator Fleming to divide the amendment, LC05209, and to separate out sections 46 and 47 of that amendment. A vote yes would be a vote in favor of separating out those two sections from the LC05209. The machine is on. You may record your vote.

Is Senator Casey here? Senator Casey? 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:

10	Yea
25	Nay
1	Absent

The motion fails.

The amendment stands in its entirety.

Would anybody else wish to discuss this amendment, Senate Amendment "A", LCO No. 5209? Yes, Senator Fleming.

SENATOR FLEMING:

Madam President, I do have one question. I'm still not clear, Senator DiBella, about this sales tax on

WEDNESDAY
May 27, 1992

004369

209
tcc

sports activities and perhaps you could just explain a little bit further.

In the fiscal note, on Page 5 of the fiscal note, it says that the sales tax applies to sports except swimming provided by government, nonprofit hospitals, charitable or religious organizations and there's a revenue gain of \$1.5 million to the state. So the fiscal note indicates that we're going to be applying the sales tax to nonprofit hospitals, charitable or religious organizations. Is that correct, through you, Madam President?

THE CHAIR:

Thank you. Senator DiBella.

SENATOR DIBELLA:

Yes, Madam President, why don't we get a clarification on that from the people that wrote it and we can continue on?

THE CHAIR:

I'm sorry, the Chair just could not hear what it is that you wanted to do.

SENATOR DIBELLA:

I said that we can continue on and he can get the information clarified.

THE CHAIR:

Okay, fine. Are there any other remarks or any

WEDNESDAY
May 27, 1992

004370

210
tcc

other questions then? I think we'll have to stand at ease until this gets resolved. Are we all set? Okay.

Does anyone else wish to remark on LCO No. 5209? Are there any further remarks? If not then, please let me know your mind. All those in favor of Senate Amendment "A", LCO No. 5209, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Those opposed.

The ayes have it.

The amendment is adopted.

Mr. Clerk.

THE CLERK:

LCO5040, which will be designated Senate Amendment Schedule "B". It's offered by Senator DiBella of the 1st District.

THE CHAIR:

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

SENATOR DIBELLA:

I move adoption of the amendment, Madam President.

THE CHAIR:

Thank you very much, Senator. Do you wish to speak

WEDNESDAY
May 27, 1992

004371

211
tcc

further?

SENATOR DIBELLA:

Yes. What this bill does is it exempts from the sales tax -- it exempts from the sales tax services that are being provided -- are being provided other than those supervised -- hold on one second. Could you P-T this one second?

THE CHAIR:

Is there any objection to P-T'ing this for a moment? (Gavel) The Senate please come to order. Yes, Senator DiBella.

SENATOR DIBELLA:

Yes, what this amendment does is it cleans up an existing problem that we have tried to clean up for the last year or so, the last two years, and that is that on personal services for the pass through salaries that a company may have that are strictly pass through salaries of employees, the six percent sales tax would not be charged and it would be retroactive to 1986 and prospectively going forward.

For those personal services that are managed on site and done for profit, similar to a Kelly girl, that would be considered a taxable incident and the six percent would be applied to that personal service that was being rendered. It's a clarification of the

WEDNESDAY
May 27, 1992

004372
212
tcc

statute as a result of the Air Kaman case that was argued and I guess rendered -- a decision rendered about six months ago or three months ago.

THE CHAIR:

Thank you very much, Senator. Senator Nickerson.

SENATOR NICKERSON:

SENATOR Yes, just to add that the Finance Committee, the Department of Revenue Services and the courts have been having a kind of triangular track meet on the taxation of so-called pass through salaries, that is to say, salaries of an agency which is engaged for purposes of say, operating a hotel, passes through the salaries to the customer and the intent of this bill is to move forward with the notion that those kind of pass through salaries should not be taxable under the sales tax, a very grave burden if they were to be, but that Kelly girls who are brought on site and are managed on site are subject to taxation, so I have no objection to this.

THE CHAIR:

Thank you very much, Senator. Would anybody else wish to remark on LC05040, Senate Amendment "B"?
Senator DiBella.

SENATOR DIBELLA:

Yes, the purpose is for clarification to ensure

004373

WEDNESDAY
May 27, 1992

213
tcc

that those personal services such as Kelly girl,
engineering services and things like that do not become
non-taxable by virtue of the Air Kaman case.

THE CHAIR: my wife

Thank you very much. Would anybody else wish to
remark? If not -- Senator Allen.

SENATOR ALLEN:

Yes, Madam President. I was going to wait until
generally the bill, but since the subject has come up,
I'll ask the question on that provision to the Chairman
of the Committee. Several years ago a company in my --
a very large company in my district, United
Illuminating, entered into an agreement with four other
utilities to operate a fossil fuel plant in New Haven
and this plant is operated by United Illuminating as a
service to the other groups and themselves,
constituting a board of joint owners.

United Illuminated is reimbursed the cost of these
employees who give services to the plant. Now I'm
advised, Madam President, through you, to the Chair,
I'm advised that this activity was not meant by the
drafters at LCO to be covered and that the Office of
Fiscal Analysis did not anticipate income from this
type of service or activity, but I wanted to be sure of
the intent of the maker of this amendment that the cost

WEDNESDAY
May 27, 1992

004374

214
tcc

of these employees or services would not be taxable under this provision. Is that your understanding?

SENATOR DIBELLA:

That's my understanding, as long as they were not selling it for profit.

SENATOR ALLEN:

So in the case that I described, they are not selling it for profit, so that it should be covered?

SENATOR DIBELLA:

If it's strictly a pass through of salaries, it more than likely, under that scenario, in fact be the case. Again, it depends on how they organize, but it sounds to me --.

SENATOR ALLEN:

Thank you very much.

THE CHAIR:

Thank you very much. Would anybody else wish to remark on Senate Amendment "B", LCO No. 5040? If not, then please let me know your mind. All those in favor of Senate Amendment "B", LCO No. 5040, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

WEDNESDAY
May 27, 1992

004375

215
tcc

The ayes have it.

The amendment is adopted.

Mr. Clerk.

THE CLERK:

LC05211, which will be designated Senate Amendment
Schedule "C". It's offered by Senator DiBella of the
1st District.

THE CHAIR:

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

SENATOR DIBELLA:

I move adoption of the amendment, Madam President.
Madam President, what this does is this amendment
allows for a change in the statute that would allow for
the purpose of the Chairpeople of the Finance, Revenue
and Bonding Committee and the Committee to Change
Estimates of Revenue based on conditions or receipt of
new information since the original estimate was
supplied.

It's an amendment to Sections 2-35 and the present
statutes. 2-35 are sections of, I believe, a biennial
budget that would be adopted.

THE CHAIR:

Thank you very much. Would anybody else wish to
remark? Yes, Senator Nickerson.

WEDNESDAY
May 27, 1992

004376
216
tcc

SENATOR NICKERSON:

Thank you, if I may, a question, through you, to the proponent.

THE CHAIR:

Certainly, sir.

SENATOR NICKERSON:

You indicated that the change in revenue estimates would be made through the co-chairmen, but I would assume that the vote on making those changes would be held by the committee itself. Would that be correct, through you?

SENATOR DIBELLA:

Through you, Madam President, yes, I think if you read up on lines 58 or so on or before July 1st, through its fiscal year, said committee, through its chairpersons, the committee would meet. The revenue estimates would be changed on a change of information and the chairpeople would communicate that to the comptroller.

THE CHAIR:

Thank you very much, Senator. Senator Nickerson.

SENATOR NICKERSON:

Thank you very much.

SENATOR DIBELLA:

If there were changes.

WEDNESDAY
May 27, 1992

004377
217
tcc

THE CHAIR:

Does anybody else wish to remark on Senate Amendment "C"? Are there any further remarks on Senate Amendment "C"? If not, then please let me know your mind. All those in favor of LCO No. 5211, Senate Amendment "C", please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

The ayes have it.

The amendment is adopted.

THE CLERK:

LCO5038, which will be designated Senate Amendment Schedule "D". It's offered by Senator DiBella of the 1st District, et al.

THE CHAIR:

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

SENATOR DIBELLA:

Thank you, Madam President. I move adoption of the amendment.

THE CHAIR:

Thank you. Do you wish to remark further, Senator?

SENATOR DIBELLA:

WEDNESDAY
May 27, 1992

004378

218
tcc

Yes, Madam President. What this would do is restore the powers of the comptroller to assess and evaluate the Budget Act. A statement of appropriate requirement of the General Assembly in fiscal year. This would allow the comptroller to do analysis on budget estimates.

THE CHAIR:

Thank you very much. Would anybody else wish to remark on Senate Amendment "D", LCO No. 5038? Are there any further remarks? Senator Nickerson.

SENATOR NICKERSON:

If I may just have one moment please.

THE CHAIR:

The Senate will stand at ease for a minute. Would anybody else wish to remark on Senate Amendment "D"?

SENATOR NICKERSON:

No, I do not.

THE CHAIR:

Would anybody else wish to remark on Senate Amendment "D", LCO No. 5038? Are there further remarks? If not then, please let me know your mind. All those in favor of LCO No. 5038, Senate Amendment "D", please signify by saying aye.

SENATORS:

WEDNESDAY
May 27, 1992

004379
219
tcc

Aye.

THE CHAIR:

Those opposed.

SENATORS:

No.

THE CHAIR:

The ayes have it.

The amendment is adopted.

THE CLERK:

LC05300, which will be designated Senate Amendment
Schedule "E". It's offered by Senator Avallone of the
11 District.

THE CHAIR:

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

SENATOR DIBELLA:

Madam President, I move adoption of the amendment.

THE CHAIR:

Thank you very much. Do you wish to remark
further?

SENATOR DIBELLA:

Yes, what this amendment does is exclude the Volvo
Tournament from state taxation. Unfortunately, due to
a mixup, their tax exempt status was either not
approved or there was a delay in acquiring that. As a

WEDNESDAY
May 27, 1992

004380

220
tcc

result, they've applied for the tax exempt status and unfortunately this would -- or fortunately what we would be able to do here is to retrospectively eliminate their obligation to that tax.

you. The fiscal note, again, from what I understand in the fiscal note, that this was not an anticipated revenue and consequently would not have an impact on the revenue stream because they were tax exempt in the beginning and had not filed.

THE CHAIR:

Thank you very much, Senator. Would anyone else wish to remark on LCO No. 5300? Are there any further remarks? If not then, please -- yes, Senator DeLuca.

SENATOR DELUCA:

Madam President, just a question, a point of information. The LCO No. 5300 doesn't seem to match the explanation that was just given. This seems to refer to retailers, unless I'm misunderstanding it.

SENATOR DIBELLA:

Madam President, the Volvo is a retailer. It's selling services. It exempts the retailer from the taxes because they should have been a non-taxable entity, being a nonprofit. They are 501-C-3. They had not filed for the 501-C-3. The law refers to them as a retailer, which they are, they are a retailer. It's

WEDNESDAY
May 27, 1992

004381
221
tcc

Volvo Tennis Tournament, not Volvo automobile.

SENATOR DELUCA:

I understand the difference, Senator. I just didn't want us to vote on the wrong one. I was helping you, I thought.

SENATOR DIBELLA:

Not that we've ever done that, Senator.

LAUGHTER

THE CHAIR:

We could use all the help we can get. Would anyone else wish to remark on LCO No. 5300, Senate Amendment "E"? If not then, please let me know your mind. All those in favor of LCO No. 5300, Senate Amendment "E", please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

The ayes have it.

The amendment is adopted.

THE CLERK:

LC05210, which will be designated Senate Amendment Schedule "F". It's offered by Senator Hale, et al. Is Senator Hale here? Senator DiBella. Sorry, sir. Senator DiBella.

004382

WEDNESDAY
May 27, 1992

222
tcc

SENATOR DIBELLA:

Thank you, Madam President, in the absence of the two proponents, I'll take the bill out. What -- I move adoption of the amendment, Madam President.

THE CHAIR:

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

SENATOR DIBELLA:

Yes, what this does is, Madam President, presently under existing law there is a requirement that when there's a purchase of horticultural materials or landscaping materials, the sales tax is paid on that. When the service is provided and the horticultural or the landscaping materials are put into place, there is a charge for the total service, including the product. There has to be a deduction of the existing law of the sales tax paid for the product, the service of implementing the product, with the product, is then deducted and a full sales tax is charged to whomever the service is provided for.

This would eliminate that step and just have the tax be placed on the total service contract, thereby eliminating a step.

THE CHAIR:

Thank you very much, Senator DiBella. Would

WEDNESDAY
May 27, 1992

004383

223
tcc

anybody else wish to remark on Senate Amendment "F",
LCO No. 5210? 5210, Senate Amendment "F"? Any other
comments? If not then, please let me know your mind.
All those in favor of Senate Amendment "F", LCO5210,
please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

The ayes have it.

The amendment is adopted.

THE CLERK:

LCO5041, which will be designated Senate Amendment
Schedule "G", offered by Senator Freedman of the 28th
District.

THE CHAIR:

Thank you very much, Mr. Clerk. The Chair would
recognize Senator Freedman.

SENATOR FREEDMAN:

Thank you, Madam President. I move the amendment,
waive its reading and seek leave of the Chamber to
summarize.

THE CHAIR:

Please proceed, Senator.

SENATOR FREEDMAN:

WEDNESDAY
May 27, 1992

004384

224
tcc

~~Sub:~~ This too was an amendment we did at the end of the session, Regular Session, and this places antique airplanes in the same category as antique automobiles and I would ask that this body approve it the way it had three weeks ago.

THE CHAIR:

Thank you. Would anybody else wish to remark?

Senator DiBella.

SENATOR DIBELLA:

I would concur with the proponent of the amendment and support the passage of the amendment.

THE CHAIR:

Thank you very much. Would anybody else wish to remark on Senate Amendment "G", LCO5041? Any further remarks? If not, please let me know your mind. All those in favor please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Those opposed.

The ayes have it.

The amendment is adopted.

Mr. Clerk.

THE CLERK:

LCO4776, which will be designated Senate Amendment

WEDNESDAY
May 27, 1992

004385
225
tcc

Schedule "H". It's offered by Senator Gunther of the
21st District.

THE CHAIR:

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

SENATOR GUNTHER:

Madam President, I move adoption of the amendment
and waive the reading. I'll explain it.

THE CHAIR:

Please proceed, Senator.

SENATOR GUNTHER:

What this particular amendment will do, it will
actually waive the -- or exempt the sales tax and the
Connecticut gross receipts tax from bunker fuel oil,
intermediate fuel, marine diesel oil and marine gas oil
from the use in any vessel having a displacement
exceeding 4,000 dead weight tons.

Now what that would do, Madam President, a vessel
that is 4,000 dead weight tons is a vessel
approximately 275 feet long and 50 feet wide. Now
these are the ones that are actually in our
intercontinental and even transcontinental shipping,
the large shipping vessels that we have coming into the
State of Connecticut and right now I think you will all
have to admit that the marine trades in the State of

WEDNESDAY
May 27, 1992

004386

226
tcc

Connecticut in our three major ports are down to a minimum and one of the things that discourages much of the shipping is the fact that these huge liners come in here, they off-load and then they will take off and go to another port, such as New York where there is no taxes on the their fuels and consequently fill up and then go back to, oh, for instance, Colombia, Panama and these other countries.

Now this, in my book, it would be a great economic move to encourage the development of our ports and we're all taking and trying to do that now, so that as far as I'm concerned, this would be just another incentive, an economic boost to take and get these vessels into our ports.

THE CHAIR:

Thank you very much, Senator. Would anybody else wish to remark on Senate Amendment "H", LCO No. 4776? Senator DiBella.

SENATOR DIBELLA:

Madam President, would the previous speaker, the proponent, yield to question?

THE CHAIR:

Senator Gunther.

SENATOR GUNTHER:

No.

WEDNESDAY
May 27, 1992

004387

227
tcc

LAUGHTER

SENATOR DIBELLA:

THE Well, I'm going to ask the question anyway. Madam President, through you, I understand what they bring up from Colombia. What do they bring back to Colombia?

SENATOR GUNTHER:

Well, they try to -- it's what they might try to bring up, and as you've seen in the news, why, they've been bringing some of the products that don't off-load is bananas and so that what they bring back is zero and they actually -- you were talking about Urbana. Incidentally, that is one of the good illustrations for you where the banana companies from Central America come up here to Bridgeport, they off-load. They then take on a New York pilot to bring them into the New York port to load up with fuel and then go back to Colombia and Panama usually empty, so that and in fact, if we find all that other stuff in there, we'll take it off.

THE CHAIR:

Thank you very much. Would anybody else wish to remark on Senate Amendment "H"? Are there any further remarks? If not then, please let me know your mind. All those in favor of LCO No. 4776, Senate Amendment "H", please signify by saying aye.

WEDNESDAY
May 27, 1992

004388
228
tcc

SENATORS:

~~SEN~~ Aye.

THE CHAIR:

~~SEN~~ Opposed.

~~THE~~ The ayes have it.

~~THE~~ The amendment is adopted.

~~SEN~~ Mr. Clerk.

THE CLERK:

~~THE~~ Madam President, the Clerk is in possession of one last amendment filed by Senator Gunther. I'm not sure that it needs to be called. It's my understanding it is to be withdrawn.

SENATOR GUNTHER:

Madam President, I believe that it was corrected with the last amendment. That's withdrawn.

THE CHAIR:

Thank you very much, Senator.

THE CLERK:

No further amendments, Madam President. Senator DiBella, you now have before you Senate Bill No. 2015 as amended.

I move that we take a brief --.

THE CHAIR:

Stand at ease.

SENATOR DIBELLA:

WEDNESDAY
May 27, 1992

004389
229
tcc

Yes, we're just waiting for the last amendment to appear. It's just been filed in the Clerk's office. If you want to P-T the whole bill and we can go on to something else, that's --.

THE CHAIR:

Is there anything else that's ready? I don't know.

SENATOR DIBELLA:

Is there anything else?

THE CLERK:

One last amendment. It shall be designated Senate Amendment Schedule "I". It's LCO4779. It's offered by Senator Larson of the 3rd District, et al.

THE CHAIR:

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

SENATOR DIBELLA:

Thank you, Madam President. I move adoption of the amendment.

THE CHAIR:

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

SENATOR DIBELLA:

Yes, what this amendment would do is in the body of Senate "A" is an amendment that would make taxable municipal golf courses a tax of six percent. This

WEDNESDAY
May 27, 1992

004390

230
tcc

would delay that effective tax to January 1, 1993.

THE CHAIR:

Thank you very much, Senator. Would anybody else wish to remark on Senate Amendment "I", LCO No. 4779? Are there any further remarks? If not then, please let me know your mind. All those in favor of Senate Amendment "I", LCO No. 4779, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed.

The ayes have it.

The amendment is adopted.

Senator DiBella, you now have before you Senate Bill No. 2015 as amended.

SENATOR DIBELLA:

Thank you, Madam President. I think that we have thoroughly debated the amendments which have become the main bill. I think that if we continue to talk, the Christmas Tree will continue to grow, so I would move adoption and ask for a roll call vote.

THE CHAIR:

Thank you very much. Would anyone wish to remark on Senate Bill 2015 as amended? Are there any further

WEDNESDAY
May 27, 1992

004391
231
tcc

remarks? 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 Senate. Would 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 Bill 2015, Senate Calendar No. 532. The bill has been amended. The machine is on. You may record your vote:

Have all Senators voted? Have all Senators voted?
The machine is closed.

The result of the vote:

34	Yea
2	Nay
0	Absent

The bill passes.

Senator O'Leary. Senator O'Leary.

SENATOR O'LEARY:

Thank you, Madam President. Madam President, I move that the item be transmitted immediately to the House.

004392

WEDNESDAY
May 27, 1992

232
tcc

THE CHAIR:

Thank you very much. You have before you Senator O'Leary's motion for the immediate transmittal of item number, Calendar No. 532 to the House. Is there any objection? Any objection? Hearing none, so ordered.

Senator O'Leary.

SENATOR O'LEARY:

Madam President, we are once again awaiting amendments and fiscal notes and we're going to ask that we stand at ease.

THE CHAIR:

All right. The Senate will stand at ease.

THE CLERK:

The Senate will reconvene immediately. The Senate will reconvene immediately.

THE CHAIR:

The Senate will please come to order. Senator O'Leary.

SENATOR O'LEARY:

Thank you, Madam President. We are ready to call Calendar No. 518.

THE CHAIR:

Thank you very much, Senator. Mr. Clerk.

THE CLERK:

Calendar Page 1, Calendar No. 518, Senate Bill No.

FRIDAY
May 29, 1992

004514

18
tcc

Have all Senators voted that wish to vote? 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 O'Leary.

SENATOR O'LEARY:

Thank you, Madam President. Madam President, we're
ready to take action on Senate Bill 2015 on Senate
Agenda #1.

THE CHAIR:

Thank you very much, Senator. Mr. Clerk.

THE CLERK:

Senate Bill 2015, 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 THE 1991 JUNE
SPECIAL SESSION.

The Senate passed with Senate Amendment Schedules
"A", "B", "C", "D", "E", "F", "G", "H" and "I".

The House rejected Senate Amendment Schedule "D"
and passed with the remaining Senate Amendments and

004515

FRIDAY
May 29, 1992

19
tcc

House Amendment Schedules "A", "B", "C", "D", "E", "F",
"G", "J", "K" and "L".

THE CHAIR:

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

SENATOR DIBELLA:

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

THE CHAIR:

Thank you very much. Would you wish to remark any
further?

SENATOR DIBELLA:

Thank you, Madam President. This basically -- the
House Amendments are several, basically many technical,
House "A" is a technical issue that deals with the
contradicting language. House "B" is for exemption of
sales tax on installation of motor vehicle products
that are specifically for handicapped people.

"C" is returnable containers will be exempted from
the sales tax to be consistent with unreturnables and
dairy products.

House "D" removes deduction levels and assumed tax
levels back to the position that was in existing law.

House "E" provides two percent for Jai Alai
facilities to come out of the bettor's take.

FRIDAY
May 29, 1992

004516

20
tcc

House "F" allows towns to abate up to 50 percent of their property tax on a local option on fruit orchards.

House "G" takes out car washes from the existing exemption and the exemption would not exist.

House "J" exempts dance lessons from the sales tax and House "K" would require the Department of Revenue Services to establish rules and regulations with respect to derived from and in connection with in the income tax -- language in the income tax, and House "L" clarifies the definition of the Finance Committee's right to change revenue estimates in conjunction with the Chairman.

THE CHAIR:

Thank you very much, Senator. Senator Hale.

SENATOR HALE:

Thank you, Madam President. Through you, a question to Senator DiBella for purposes of clarification. Senator, it's my understanding that a provision exempting from the sales and use tax any gross receipts from the sale, storage, use or other consumption in this state of aircraft repair or replacement parts. It is in fact has existed since 1981 for certified air carriers through the exemption for aircraft presently contained in the sections and that this new section could provide a clear

004517

FRIDAY
May 29, 1992

21
tcc

codification of this to the existing parts exemption for certified aircraft carriers. Is that correct?

SENATOR DIBELLA:

Through you, Madam President, that is my understanding.

THE CHAIR:

Thank you very much. Any further remarks? Senator Fleming.

SENATOR FLEMING:

Thank you, Madam President. Could the Chairman of the -- or the proponent of the bill just explain a little bit more what House "E" does?

THE CHAIR:

Senator DiBella.

SENATOR DIBELLA:

Yes, House "E" presently there is an 18 percent takeout, the rest going to the bettors. This would allow for a 20 percent takeout. It would not take -- would not affect the amount of money that the state would receive in terms of the legislation other than a possibility of because of the churn on the re-bet, it would have a very minimal effect. It basically is a two percent would be going to the Jai Alai owners instead of to the bettor.

SENATOR FLEMING:

FRIDAY
May 29, 1992

004518

22
tcc

Yes, thank you, Madam President. I don't know if this is the appropriate time to do it, but you're moving now for us to accept the House Amendments. Is that correct, through you, Madam President?

THE CHAIR:

Senator DiBella.

SENATOR FLEMING:

Through you, Madam President.

THE CHAIR:

Senator DiBella. Are you asking him or --?

SENATOR FLEMING:

Either one. The motion was to accept all of these House Amendments? Is that correct?

THE CHAIR:

That's correct.

SENATOR FLEMING:

And would it be appropriate, since I certainly don't agree with House "E", to move to reject or to have a separate vote on that so that I might record it.

THE CHAIR:

You're moving to reject?

SENATOR FLEMING:

Yes, and I would ask for a roll call vote on that as well.

THE CHAIR:

FRIDAY
May 29, 1992

004519
23
tcc

All right, you have before you now on Senate Bill 2015 a motion by Senator Fleming to reject House Amendment "E". Is that correct, Senator?

SENATOR FLEMING:

That's correct, Madam President.

THE CHAIR:

"E" as in "Eunice", right? Would anybody else wish to remark on this, on the motion? If not, Mr. Clerk -- or Senator Fleming, I don't mean to cut you off.

SENATOR FLEMING:

No, only to say the reason I would move to reject it is that what you're doing here is as bad as the situation seems to be coming in Connecticut with gambling. What we're doing here is we're taking even more money away from those people who might be fortunate enough to win, so as much as I'm opposed to gambling, at least I think it ought to be fair. I think this makes it even more difficult for somebody to get a fair shake.

THE CHAIR:

Senator DiBella.

SENATOR DIBELLA:

I think as usual, that's a rather exaggerated situation. In other states, quite frankly, the take is up to 21 percent. The Jai Alai, quite frankly, or the

FRIDAY
May 29, 1992

004520

24
tcc

lottery is almost 50 percent, so it's an issue that that House felt strongly and felt that there had to be some mitigation for the existence of the casino in Connecticut that is having a major effect on the pari-mutuel.

THE CHAIR:

Thank you very much. If there are no further remarks, any further remarks? If not, Mr. Clerk, would you make the necessary announcement for the roll call vote requested by Senator Fleming.

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 requested by Senator Fleming. Will all Senators please return to the Chamber.

THE CHAIR:

Thank you very much, Mr. Clerk. The issue before the Chamber is Senate Bill 2015. Senator Fleming has made a motion to reject House Amendment "E". 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:

004521

FRIDAY
May 29, 1992

25
tcc

9 Yea
25 Nay
2 Absent

The motion fails.

Senator DiBella, anything further? Senator Hale.

SENATOR HALE:

Thank you, Madam President. I have one more brief, very brief question, through you, to Senator DiBella.

THE CHAIR:

Senator DiBella, for a brief answer.

SENATOR DIBELLA:

DiBella Day?

SENATOR HALE:

Senator, to clarify the earlier clarification, it is my understanding that the exemptions in the bill relative to aircraft exemptions make clear that those goods and services relating to the aircraft industry that are exempt on and after July 1, 1993 and they are not intended to suggest that activities that already meet the current manufacturing definition are not exempt.

An example would be the extent of remanufacturing of aircraft engine components in an industrial plant in Connecticut. Is that correct?

SENATOR DIBELLA:

FRIDAY
May 29, 1992

004522

26
tcc

Through you, Madam President, what answer do you want? No, that is my understanding. That is my understanding as you have articulated.

THE CHAIR:

Thank you very much. Senator Hale.

SENATOR HALE:

Thank you, Madam President. Any further remarks? Any further remarks? If not, Mr. Clerk, would you 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 Chamber.

THE CHAIR:

Thank you very much, Mr. Clerk. The issue before the Chamber is Senate Bill 2015 as amended. 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

FRIDAY
May 29, 1992

004523
27
tcc

2 Absent

The bill passes.

Senator O'Leary.

SENATOR O'LEARY:

Madam President, on Page 2 of today's --.

THE CHAIR:

Just a minute. (Gavel) Would you please keep your voices down. If you can't, would you please take them out of the Chamber. Thank you. Senator O'Leary.

SENATOR O'LEARY:

Senate Bill 2019 is ready for action.

THE CHAIR:

Thank you very much. Mr. Clerk.

THE CLERK:

Senate Agenda Page 2, Senate Bill 2019, AN ACT CONCERNING TRANSPORTATION MANAGEMENT PROGRAMS REQUIRED UNDER THE CLEAN AIR ACT.

The Senate passed with Senate Amendments "A" and "B".

The House rejected Senate Amendment Schedule "B" and passed with Senate "A" and House "A".

THE CHAIR:

Thank you very much, Mr. Clerk. The Chair would recognize Senator Meotti.

SENATOR MEOTTI: