

Legislative History for Connecticut Act

HB 5401 P.A. 124 1993

Sen: 2178-2182, 2215-2216 (7)

House: 1860-1863, 6633-6636 (8)

P + D: 70-72, 135-136, 137-139,
154-155 (10)

25 pages

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate
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CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1993

VOL. 36

PART 6

1849-2228

TUESDAY
May 18, 1993

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SENATOR MALONEY:

I would so move, Madam President.

THE CHAIR:

Thank you very much. Is there any objection to placing Senate Calendar 135, Substitute for Senate Bill 788, as amended by House Amendment "A", LCO6057, on the Consent Calendar? Any objection? Any objection? Hearing none, so ordered. Mr. Clerk.

THE CLERK:

Calendar 164, File No. 128 and 218, Substitute for House Bill 5401, AN ACT CONCERNING FEES FOR SUBDIVISION APPLICATIONS. (As amended by House Amendment Schedule "A").

Favorable Report of the Committee on Finance, Revenue and Bonding.

The committee recommends passage with House Amendment Schedule "A".

The Clerk is in possession of one additional amendment.

THE CHAIR:

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

SENATOR MILNER:

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

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the bill in concurrence with the action taken by the House.

THE CHAIR:

Thank you very much. Mr. Clerk.

THE CLERK:

LC05578, which will be designated Senate Amendment Schedule "A". It's offered by Senator Sullivan of the 5th District.

THE CHAIR:

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

SENATOR SULLIVAN:

Thank you. I move adoption of the amendment and request permission to summarize.

THE CHAIR:

Please proceed, Senator.

SENATOR SULLIVAN:

Yes, thank you, and I want to thank Senator Milner for the opportunity to offer the amendment which really clarifies three potential ambiguities that would have been created by the underlying bill and also restores a small measure of local authority that would have been eliminated by the underlying bill.

THE CHAIR:

Thank you very much. Would anybody else wish to

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remark on LCO No. 5578, the Clerk has designated Amendment "A"? Any further remarks? If not, then please let me know your mind. All those in favor of Senate Amendment "A", LCO No. 5578, please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Those opposed.

The ayes have it.

The amendment is adopted.

Senator Milner, you now have before you Substitute for House Bill 5401, House Amendment "A" and Senate Amendment "A".

SENATOR MILNER:

Thank you, Madam Clerk. I would like to just summarize. Because the fees currently charged by the municipalities do not accurately reflect the actual costs of processing and approving subdivision applications, this bill allows local planning commissions to set fees for processing subdivision applications and inspecting subdivision improvements. That basically summarizes the bill.

THE CHAIR:

Thank you very much, Senator Milner. Would anybody

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else wish to remark on Senate Calendar No. 164,
Substitute for House Bill 5401, as amended by House "A"
and Senate "A"? Any further remarks? If not, yes,
Senator Smith.

SENATOR SMITH:

Madam President, through you, to the proponent of
the bill.

THE CHAIR:

Certainly, sir.

SENATOR SMITH:

The present provisions of law provide for what
process and setting of the fees right now?

SENATOR MILNER:

The present provisions of the law sets a minimum
\$50 fee for application and a maximum \$25 fee for a lot
within a planned subdivision, but that does not
actually cover the costs of the application presently.

THE CHAIR:

Senator Smith.

SENATOR SMITH:

Thank you, Madam President, and this just gives
discretion to the municipalities to raise those fees
to whatever level they feel appropriate?

SENATOR MILNER:

To whatever fees are necessary, yes.

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SENATOR SMITH:

Thank you.

THE CHAIR: Madam President

Anybody else wish to remark or any comments on Senate Calendar 164? Are there any further remarks? If not, Senator Milner, would you like to move to place this on the Consent Calendar if there's no objection?

SENATOR MILNER:

Yes, Madam Clerk, if no objections.

THE CHAIR:

Thank you very much. Is there any objection to placing Senate Calendar 164, Substitute for House Bill 5401, as amended by Senate Amendment "A", LCO No. 5578, House Amendment "A" on the Consent Calendar? Any objection? Hearing none, so ordered. Mr. Clerk.

THE CLERK:

Calendar No. 183, File No. 257, Substitute for Senate bill 798, AN ACT MODIFYING THE CONNECTICUT HOUSING FINANCE AUTHORITY'S REQUIREMENT FOR ISSUING TAXABLE BONDS.

Favorable Report of the Committee on Planning and Development. The Clerk is in possession of one amendment.

THE CHAIR:

Thank you very much. The Chair would recognize

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Calendar Page 14, Calendar No. 388, House Bill
No. 7209.

Calendar Page 19, Calendar No. 418, Substitute for
Senate Bill 388 -- I'm sorry, 833.

Calendar Page 20, Calendar 423, Substitute for
Senate Bill 323. Calendar 427, Substitute for Senate
Bill 865.

Calendar Page 29, Calendar No. 80, Substitute for
Senate Bill 795.

Calendar Page 30, Calendar 107, Substitute for
House Bill 6820.

Calendar Page 31, Calendar 135, Substitute for
Senate Bill 788. Calendar 164, Substitute for House
Bill 5401. Calendar 183, Substitute for Senate Bill
798. Calendar 185, Substitute for Senate Bill 200.

Calendar Page 33, Calendar 261, Substitute for
Senate Bill 924.

Calendar Page 34, Calendar No. 300, Substitute for
Senate Bill 1030.

Calendar Page 36, Calendar No. 64, Substitute for
House Bill 6809.

Calendar Page 37, Calendar No. 200, Substitute for
Senate Bill 698.

And Calendar Page 40, Calendar No. 384, House Joint
Resolution No. 59. Madam President, that completes the

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second Consent Calendar.

THE CHAIR:

Thank you very much, Mr. Clerk. You've heard the items that have been placed on the Consent Calendar No. 2 for today, Tuesday, May 18, 1993. The machine is on. You may record your votes.

Have all Senators voted and have your votes been properly recorded? Have all Senators voted and have your votes been properly recorded? The machine is closed.

The result of the vote:

36 Yea

0 Nay

0 Nay

The Consent Calendar is adopted.

Thank you very much. Mr. Clerk.

THE CLERK:

Returning to Calendar Page 1, Judicial Nominations, Calendar No. 370, House Joint Resolution No. 96, RESOLUTION CONFIRMING THE NOMINATION OF THE HONORABLE ROBERT J. CALLAHAN OF NORWALK, TO BE AN ASSOCIATE JUDGE OF THE SUPREME COURT AND A JUDGE OF THE SUPERIOR COURT.

Favorable Report of the Committee on Judiciary.

THE CHAIR:

Thank you very much. The Chair would recognize

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House of Representatives

Monday, May 24, 1993

SENATOR CASEY:

Okay. Work on that.

SPEAKER RITTER:

Take care, friend.

SENATOR CASEY:

Take care.

SPEAKER RITTER:

I appreciate it all very much. He's a very dear friend and he's meant an awful lot to us in this Chamber.

CLERK:

Good afternoon, State of Connecticut, House of Representatives, Calendar May 24th. Please turn to Page 40, Calendar 136, Potential Disagreeing Actions, Substitute for House Bill 5401, AN ACT CONCERNING FEES FOR SUBDIVISION APPLICATIONS. (As amended by House Amendment Schedule "A" and Senate Amendment Schedule "A").

Favorable Report of the Committee on Finance.

The House adopted Senate "A" on May 18th.

SPEAKER RITTER:

The Honorable Representative Jeff Davis. You have the floor, sir.

REP. DAVIS: (50th)

Good afternoon, Mr. Speaker. I move acceptance of

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House of Representatives

Monday, May 24, 1993

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

SPEAKER RITTER:

The motion is on acceptance and passage. Please proceed, sir.

REP. DAVIS: (50th)

Thank you, Mr. Speaker. The Clerk has LCO5578, which was designated Senate "A", Senate Amendment "A". Could he please call it and I be allowed to summarize.

SPEAKER RITTER:

The Clerk has LCO No. 5578, previously designated Senate "A". If he may call and Representative Davis has asked permission to summarize.

CLERK:

LCO5578, Senate "A", offered by Senator Sullivan.

SPEAKER RITTER:

Representative Davis.

REP. DAVIS: (50th)

Thank you, Mr. Speaker. Senate "A" deletes the word "reasonable" in describing the fees which can be charged and puts back in inspection of subdivision improvements.

I move the amendment.

SPEAKER RITTER:

The question is on adoption. Will you remark

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House of Representatives

Monday, May 24, 1993

further? I'll try your minds. All those in favor say aye.

REPRESENTATIVES:

Aye.

SPEAKER RITTER:

Opposed nay.

House "A" is adopted and ruled technical.

Anyone else care to comment on this bill as amended by Senate "A"? Staff and guests come 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. The House is taking its first roll call vote of the week. Members please report to the Chamber.

SPEAKER RITTER:

If all the members have voted, the machine will be locked. The Clerk please take the tally.

The Clerk please announce the tally.

CLERK:

House Bill 5401, as amended by House Amendment
Schedule "A" and Senate Amendment Schedule "A".

Total Number Voting	130
Necessary for Passage	66
Those voting Yea	130
Those voting Nay	0
Those absent and not Voting	21

SPEAKER RITTER:

The bill as amended passes.

Let me just say for the membership too that the roll call machine will be kept open less than usual. Usually I try to keep it open for a couple of minutes and let everybody come in here. I would just ask that everybody stay close to the Chamber because we can't get all the work done that we need to get done if people are coming in five minutes after the machine opens. So again, the machine will not be open for a long period of time and I would encourage everybody to stay close to the Chamber.

The Clerk please continue with the Call of the Calendar.

CLERK:

Page 41, Calendar 41, excuse me, Page 41, Calendar 303, Substitute for House Bill 6389, AN ACT CONCERNING CLARIFICATION OF THE AGRICULTURAL SALES TAX EXEMPTION

pat

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House of Representatives

Wednesday, March 31, 1993

DEPUTY SPEAKER LYONS:

The bill as amended passes.

Would the Clerk please return to the Call of the Calendar.

CLERK:

On page 6, at the top, Calendar 136. Substitute for House Bill No. 5401 AN ACT CONCERNING FEES FOR SUBDIVISION APPLICATIONS. Favorable Report of the Committee on Planning and Development.

DEPUTY SPEAKER LYONS:

Representative Davis.

REP. DAVIS: (50th)

Thank you Madam Speaker.

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

DEPUTY SPEAKER LYONS:

The question before us is on acceptance and passage.

Will you remark?

REP. DAVIS: (50th)

Yes. Thank you Madam Speaker.

The Clerk has Amendment LCO No. 6137. I ask that the Amendment be called and I be allowed to summarize.

DEPUTY SPEAKER LYONS:

The Clerk has in his possession LCO6137. Would

pat

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House of Representatives

Wednesday, March 31, 1993

the Clerk please call and the Representative has asked for summarization.

CLERK:

LCO No. 6137, designated House Amendment Schedule "A" offered by Representative Lyons, et al.

DEPUTY SPEAKER LYONS:

The question before us is on summarization. Is there objection? If not, please proceed Representative Davis.

REP. DAVIS: (50th)

Thank you Madam Speaker.

This Amendment provides a few technical changes. The first one provides that there shall be a schedule of reasonable fees. The second change is that registered and certified mailings can be used for notification. The third is that any fee schedule can be superseded by 8-1C and then in Section 2, it merely clarifies the changes that were made in Section 1 and I move adoption.

DEPUTY SPEAKER LYONS:

Thank you sir.

The question before the Chamber is on adoption.

Will you remark?

REP. DAVIS: (50th)

Just briefly, Madam Speaker.

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House of Representatives

Wednesday, March 31, 1993

DEPUTY SPEAKER LYONS:

Please proceed.

REP. DAVIS: (50th)

This bill provides local planning commissions the ability to set fees for processing sub-division applications and inspecting sub-division improvements.

Thank you.

DEPUTY SPEAKER LYONS:

Thank you sir.

Will you remark? Will you remark further on the Amendment that is before us?

If not, let me test your minds. All those in favor please signify by saying aye. Those opposed nay. The Amendment is adopted and ruled technical.

Will you remark further on the bill that is before us? If not, will members please take their seats. Staff and guests to the well. The machine will be opened.

CLERK:

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

DEPUTY SPEAKER LYONS:

Have all the members voted? Will members please check the board and make sure that your vote is

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House of Representatives

Wednesday, March 31, 1993

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

The Clerk will announce the tally.

CLERK:

House Bill 5401 as amended by House Amendment Schedule "A".

Total Number Voting	144
Necessary for Passage	73
Those voting Yea	128
Those voting Nay	16
Those absent and not voting	7

DEPUTY SPEAKER LYONS:

The bill, as amended passes.

Would the Clerk please return to the Call of the Calendar.

CLERK:

Bottom of page 7, Calendar 145. House Bill No. 5940 AN ACT CONCERNING FILING OF SUBDIVISION PLANS.

Favorable Report of the Committee on Planning and Development.

DEPUTY SPEAKER LYONS:

Representative Davis. Good to see you again sir.

REP. DAVIS: (50th)

Thank you Madam Speaker.

I move acceptance of the Joint Committee's

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at the disposal of the community in which they exist is now making it difficult as a matter of quality of life services and other benefits to keep these institutions strong.

And the reality is that we don't like to talk about it, it is harder to attract the top people to institutions in distressed cities, not just New Haven, but a Chicago or a Baltimore, institutions that are going through the same kind of dilemma as Johns Hopkins or University of Chicago has to compete with the University of Michigan or Ohio State or University of Texas at Austin, whatever.

Clearly, people coming out of graduate school have the pick of the best schools. We think it's important from a standpoint of quality of life that they be able to continue to go to New Haven for the benefit of our economy.

REP. DAVIS: It's an interesting twist on it. Thank you for that. Any questions? Thank you very much. Ginny Shaw, an assessor. Did I maybe not get the name correct? Mike Lauzier, followed by, is it Pat McGarry still here?

MICHAEL LAUZIER: Good afternoon, Mr. Chairman, members of the Committee, my name is Michael Lauzier. I'm the executive vice-president for the Homebuilders Association and we come here before you today on three important bills that we believe would have a devastating impact on the housing industry in Connecticut.

The first one being Proposed HB5401, AN ACT CONCERNING FEES FOR SUBDIVISION APPLICATIONS. We believe that this proposal will open the doors to increase fees which will unnecessarily add to the cost of housing in Connecticut. These fees are currently being charged by municipalities through the building process.

What has happened during the boom times of the mid-1980s, we've had building departments which had increased surpluses through the application process going to the municipality's general fund. But now since the State has faced its lowest housing permits since 1945, the building process has slowed down and municipalities have a huge overhead in

order to maintain those staff positions. We believe that these increased fees will hurt the process of adding to the cost of housing for first-time home buyers coming into the home ownership market in Connecticut.

The second proposal that has great concern to us is Proposed HB6199, AN ACT DENYING LOCAL PERMITS TO DELINQUENT PROPERTY TAXPAYERS. There is a need to protect cities and towns. However, the proposal before the Committee does a great service to municipalities.

Currently the law allows municipalities to lien properties and at a time of transfer of real estate, taxes are paid to the municipality. By denying building permits, this will not allow to improve the overall property tax base to the municipalities.

The statute specifically addresses three particular areas. A town may place a tax lien on a property, and that's Connecticut General Statute 11-177 and foreclose on a lien if the owner does not pay the tax, that's Connecticut General Statute 12-181. But currently, the law also states it may withhold or revoke a license or permit to operate a business conducted on the property if the taxes are over one year overdue, and that is currently on the books as 12-146a.

The third issue that we believe will have truly a devastating impact on the overall economy and future economic growth of our State is authorizing municipalities to impose impact fees for infrastructure improvements. The industry strongly believes that infrastructures should be broadly shared and who really pays this fee is not the builder and developer, and we want to make that clear to the Committee here. It's those who are purchasing homes in the State. It is passed on to them. HB 6205

We believe that the State and municipalities, along with all aspects of the industry, and all aspects of those involved in the infrastructure development should come up with a plan that is broadly shared

and not assessed to a future homeowner and home buyer in our State, which reflects the cost of housing in our State.

It goes back to many of the premises of why companies are leaving our State. They're leaving because our costs are too high and people cannot afford to house their employees in Connecticut. Housing costs too much in Connecticut and we must do everything to bring those housing prices down and keep the quality of life that's so important in our State.

REP. DAVIS: Could you summarize, please.

MICHAEL LAUZIER: We've submitted a statement on three of those bills to the Committee.

REP. DAVIS: I seem to be able to find, oh, okay, here we go. My standing on the subdivision application fees is that, what is it, I believe \$50 for a subdivision or \$25 a lot? HB 5401

MICHAEL LAUZIER: Correct. Currently, and also through the building permit fees that are also being paid as well. This is, the proposal before the Committee is so wide open right now, not specifically stating what those fees are, and that is a grave concern to us and what that cost will actually be and where those costs and those expenses should be outlined thereof. And that's why the position from our organization is taken that we would be opposed to that provision.

REP. DAVIS: Are there any other questions? Thank you very much.

MICHAEL LAUZIER: Thank you.

REP. DAVIS: Next up is Mr. Setaro from the City of Danbury. Followed by Russ St. John.

DOMINIC SETARO: Thank you, Mr. Chairman and Committee members. I'm here today, and my name is Dominic Setaro. I'm the director of finance from the City of Danbury and I am here today to talk about, in support of HB6197, AN ACT AUTHORIZING



TOWN PLAN AND ZONING COMMISSION
/ TOWN OF WOODBRIDGE
WOODBRIDGE, CONNECTICUT

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H35401

February 8, 1993

The Hon. Jefferson Davis, Chairman
Planning and Development Committee
Legislative Office Building
Hartford, Conn 06106

Re: The proposed amendment of language in Section 8-26 of the General Statutes - Fees
JTB-5402

Dear Mr. Davis:

It is my understanding that above amendment to Section 8-26 of the General Statutes is under consideration by your Committee. I regret that I will not be able to personally appear before your Committee and I am therefore faxing my comments for your consideration.

The purpose of the proposed amendment is to permit Planning Commissions to charge fees which reflect current costs of processing subdivision applications. The fees adopted by the General Statutes mandated many years ago are out-of-date. Specifically Section 8-26 provides:

"The Commission may charge fees for the processing of subdivision applications and inspection of subdivision improvements, the minimum fee to be fifty dollars for each application and the maximum to be twenty-five dollars for each lot within the planned subdivision".

Above language was adopted by the Legislature in 1978 under P. A. 78-243. Since then due to inflation and increased attention to health codes and land development standards subdivision processing costs have risen considerably. Application fees mandated by the State in Section 8-26 are totally inadequate to defray the costs of a subdivision application. This adds to the already heavy tax burden facing the citizens of many communities in the State.

In a similar instance a more realistic approach was adopted by the Legislature in 1987 by P. A. 87-533 for Inland Wetland Agencies which in Sec. 22a-42a sub-section (e) adopted the following language:

"The inland wetlands agency may require a filing fee to be deposited with the agency. The amount of such fee shall be sufficient to cover the reasonable cost of reviewing and acting on applications and petitions, including, but not limited to, the costs of certified mailings, publications of notices and decisions and monitoring compliance with permit conditions or agency orders"

Inland Wetlands Agencies functioned successfully under this language by the adoption of reasonable fees by the local community. The same policy for the processing of subdivision

FROM : P&Z

TO :

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applications would be desirable in the light of continued reduction of financial assistance from the state for local government and the rising local real estate taxes. It would also relieve the State Legislature from the loud and often repeated accusation that "the State mandates services and local obligations without providing the money therefor."

I would therefore urge that the relevant language contained in Section 8-26 be repealed and be replaced by language previously adopted by the Legislature in Section 22a-42a, sub-section (e) above quoted.

Thank you for the opportunity for your committee to consider the proposed amendment and I hope you will give it favorable recommendation. If I can be of any further assistance please call me at 389-3407 or fax 389-3480.

Sincerely yours,

S. Spielvogel

S. Spielvogel
Planning Consultant

cc: Rep. Ellen Scalettar
Nan Birdwhistell, First Selectwoman



Testimony of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
PLANNING AND DEVELOPMENT COMMITTEE

February 8, 1993

This written testimony supplements CCM's oral testimony presented on this date.

State Mandates

CCM supports proposed S.B.'s 46 and 47, and proposed H.B. 5402.

Proposed S.B. 46 and proposed H.B. 5402 would enact a long-standing legislative priority of cities and towns: a statutory prohibition against the passage of new or expanded state mandates on cities and towns unless the state fully funds all resulting costs.

(See Attachment 1 for more detail on this issue of critical importance to cities and towns.)

In addition, CCM supports proposed S.B. 47 which calls for an annual review by the General Assembly of state mandates on cities and towns. Enactment of this proposal would enable the State to eliminate or modify any state mandates on municipalities that no longer satisfy appropriate public policy concerns.

CCM urges you, in the strongest possible terms, to protect the interests of residential and business property taxpayers by supporting proposed S.B.'s 46 and 47, and proposed H.B. 5402.

Local Property Taxation

As you know, many municipalities are having a very difficult time during this recessionary period in collecting property taxes on time from businesses and residents. In addition, the flat, and in some cases negative, growth in local grand lists place even greater pressure on the local property tax base.

CCM opposes four bills before you today that could, if enacted, further hobble the ability of hard-pressed cities and towns to raise revenue.

Proposed S.B. 392 would enable cities and towns, at local option, to reduce the interest rate charged on delinquent property taxes. This rate is currently set by state statute at 18% per annum.

CCM opposes proposed S.B. 392 because it would make cities and towns subject to intense political pressures, would penalize those property taxpayers who pay on time, would jeopardize the ability of cities and towns to collect back taxes, and would establish differential interest penalties throughout the State.

Proposed S.B. 522 would enable cities and towns to eliminate the property tax on aircraft and replace the tax with a registration fee.

CCM opposes proposed S.B. 522 because it would result in the loss of much needed property tax revenue to cities and towns. This tax currently raises about \$3 million per year. It is not clear that a registration fee as contemplated by this proposal would (1) be revenue neutral to cities and towns in the first year and (2) grow in future years to reflect the overall value of aircraft.

(See Attachment II for more detail on this issue. A similar proposal is being heard today in the Transportation Committee.)

Proposed H.B. 6036 is an attempt to clarify state law regarding the ability of cities and towns to assign to private agencies the collection of municipal property taxes.

CCM opposes proposed H.B. 6036 because it is unnecessary. The Attorney General of Connecticut has ruled that cities and towns already have such authority. In fact, almost 40 communities have retained the services of vendors to collect delinquent taxes.

(See Attachment III for more detailed on this issue.)

Proposed H.B. 6197 would enable municipalities to implement a one-time, thirty days tax amnesty program in calendar year 1993.

CCM opposes proposed H.B. 6197 as drafted. It should be modified to make it clear that the tax amnesty applies only to the interest penalty on the tax owed, not the principal itself.

CCM supports a number of proposals before you today that would assist municipal revenue collection efforts.

Proposed H.B. 6311 would authorize municipalities to use social security or federal tax identification numbers to identify taxpayers within their jurisdictions.

CCM supports proposed H.B. 6311 because it would help curb the ability of property tax scofflaws from illegally sheltering taxable assets.

Proposed S.B. 548 would require back-taxes on personal property to be paid to a municipality prior to payments to other creditors.

CCM supports proposed S.B. 548 because it would place back-taxes on personal property on the same legal footing as back-taxes on real property. Under current state law, back-taxes on real property must be paid to municipalities prior to payments to other creditors.

Proposed H.B. 6199 would authorize municipalities to deny permits to delinquent taxpayers who, at the time of permit application, either refuse to (1) pay back-taxes in full or (2) agree and adhere to a payment schedule.

CCM supports proposed H.B. 6199 because it will increase the ability of cities and towns to collect taxes owed them.

CCM also supports proposed H.B.s 5185, 6312, 6313 and 6330.

Payments In Lieu Of Taxes (PILOTs)

Cities and towns have long sought to get 100% state reimbursement for state-mandated property tax losses. These exemptions cost cities and towns hundreds of millions of dollars in lost revenue each year. The current state PILOT program for the real property of colleges and hospitals reimburses cities and towns for 56% of lost taxes. The state PILOT program for state-owed real property reimburses cities and towns for 19% of lost taxes, 95% for prison property. Municipalities receive no reimbursement for the costly personal property tax exemption enjoyed by these entities.

(See Attachment IV for more detail on this issue.)

CCM supports H.B. 6300 which would provide for 100% state reimbursement to municipalities for the lost revenue due to state-mandated property tax exemption on the real and personal property owed by the State, and colleges and hospitals.

Related to this proposal, CCM also supports proposed H.B.s 5590, 5591, and 6765.

Miscellaneous Proposals

CCM also supports proposed H.B.s 5192 (fines for hawkers and peddlers), 5401 (subdivision fees), 6053 (fixing assessments of vacant buildings), 6205 (impact fees), 6304 (relocation expenses) and 6319 (police protection at railroad crossings).

x x x

Thank you.

Attachments (4)



February 8, 1993

Senator Thirman Milner, Co-Chairman
Representative Jeff Davis, Co-Chairman

Members of the Planning and Development Committee

H.B. 5401: "AAC Fees For Subdivision Applications"

Industry Position: OPPOSED

The proposal before you today opens the door for increased fees which will add to the cost of housing unnecessarily. These fees are currently being charged through the building process. The proposal before the Committee protects local municipal staff positions by shifting the burden to increased fees for new housing construction and all future home owners of Connecticut. Connecticut has faced the lowest level of housing permits since 1945. The building and construction related activities within local building and planning departments has significantly decreased during the current economic depression of the housing industry. Therefore, the actual result of this proposal is to increase fees to cover existing overhead by the existing municipalities on those least able to afford it (i.e. first - time home buyers).

H.B. 6199: "AAC Denying Local Permits To Delinquent Property Taxpayers"

Industry Position: OPPOSED

There is a need to protect cities and towns however the proposal before the Committee does a great disservice to the municipalities.

Currently, the laws allow municipalities to lien properties and at the time of transfer of real estate, taxes are paid to the municipality.

By denying building permits, this will not allow to improve the overall property tax base of municipalities.

CONCLUSION:

The statute specifies the way towns must levy and collect property taxes. A town may place a tax lien on property (CGS Sec. 12-177) and foreclose on the lien if the owner does not pay the tax (CGS Sec. 12-181). It may also withhold or revoke a license or permit to operate a business conducted on the property if the taxes are a year overdue (CGS Sec. 12-146a).

For more information regarding the HBA position, please contact Michael Lauzier or Dan Bradfield at 232-1905.