

PA10-146

HB5529

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**JOINT
STANDING
COMMITTEE
HEARINGS**

**FINANCE
REVENUE
AND BONDING
PART 2
280 – 559**

2010

year additional revenue to the state pension funds. And we urge your consideration, favorable consideration of that bill.

The next one is Senate Bill 27, AN ACT LIMITING STATE BOND AUTHORIZATIONS. Just for the record, I have submitted more detailed written testimony on this bill and some substitute language, which we think will clarify the intent and make sure that the process of sunsetting bond authorizations is done consistent with principles of the process of our issuance of bonds.

Finally, House Bill 5535, which is AN ACT CONCERNING A MONTHLY REPORT FROM THE STATE TREASURER REGARDING THE STATE'S CASH BALANCE. Just for the record, the Treasurer does not have a problem with this bill at all. There is some concern about subsection 4 of the bill and because of what it asks us to submit and how we actually track the common cash pool. There's money that comes in and out on a daily basis. We think that what is implied in subsection 4 is probably too narrow. We have also -- I have attached this part of my written testimony, substitute language that we think will make the bill work and I ask for consideration of that.

Those are the other bills that I have to comment on. I'll turn it over to Secretary Cicchetti and then we'll come back and talk about securitization.

DEPUTY SECRETARY MICHAEL CICHETTI: Thank you, Howard. Representative Staples, Senator Daily, Representative Candelora, members of the committee, for the record, my name is Michael Cicchetti, Deputy Secretary of the Office of Policy and Management. I wanted to comment on a couple of bills, two of which are the

SB 25 SB 27
SB 431 SB 443
SB 477 SB 478
SB 484 SB 485
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HB 5534

the Treasurer's bill. We would be in favor of.

Senate Bill 443, we would also be in favor of.

Senate Bill 477, we would opposed to that bill at least at this point as there's a potential revenue loss.

Senate Bill 478 we would oppose. We're not really sure what the purpose of this is, but we're concerned about any major changes in our corporate tax structure at this point in time.

Senate Bill 484, I would note it's titled AN ACT CONCERNING THE GOVERNOR'S REVENUE PLAN. This is not really the Governor's revenue plan. There are some things in here that she has proposed, but there are other things in here she has not. Mainly, the Governor did not propose to utilize proceedings from Keno or the tobacco settlement funds to finance the 2010 deficit.

Senate Bill 485, which is AN ACT CONCERNING TAX FAIRNESS, which establishes a unitary tax, we would be opposed to at this time. Again, this is probably not the right time to be making major changes to corporate tax structure.

House Bill 5528, which is concerning the use of research and development tax credits probably is something we would want to work on. I just want -- I think we're a little concerned about the revenue loss. Just so everyone knows, we have about one billion dollars in unclaimed R&D credits outstanding right now. If we start to open the door for entities to sell or to claim them through this process, there could be a significant revenue loss to the state.

House Bill 5529, which would exempt Rentschler

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March 22, 2010 10:00 A.M.

Field from the admissions tax, we'd be opposed to at this time because of the revenue loss.

House Bill 5534, which establishes the revenue accountability commission. I just would note, obviously, the Finance Committee looks at revenues, but one thing that's noted in the bill is that the committee will recommend necessary taxes to balance the budget. That's assuming that we have the right budget on the expenditure side. I think any kind of tax study needs to understand that the expenditure side is also part of the problem right now. And we need to make sure that we're not just raising taxes to fund a runaway spending side of the budget.

And I think with that I will conclude my comments and will be happy to answer questions that the committee may have.

SENATOR DAILY: Thank you very much. Representative Staples.

REP. STAPLES: Thank you, Madam Chair. Thanks for your testimony, Mike. I want to ask you a little further about Senate Bill 484 and there maybe some items in there that are not crystal clear from the Governor's proposal because we didn't -- as you know -- we didn't have a bill from the Governor around securitization. We had some statements and we asked our staff to draft up as best they were able a legislative proposal based on statements from the Governor's office or from OPM about the securitization plan. So I think what would be helpful for me and for other committee members is if you could tell us if those elements are not part of the Governor's proposal, what is the Governor's proposal around securitization or what are the options the Governor suggests

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the wind energy development business?

JOHN ROTE: Yes, sir.

SENATOR LEBEAU: How many folks do you employ?

JOHN ROTE: Two.

SENATOR LEBEAU: Two. And could you tell me in two sentences the nature of your business?

JOHN ROTE: We seek out locations that are regime active, meaning that there is a wind regime that can be used commercially and we try and exploit those, primarily for business at this point in time, commercial business.

SENATOR LEBEAU: Thank you very much.

SENATOR DAILY: Are there any other questions?
Thank you very much. Mayor Currey followed by Jamie Howland and Susan Giordano.

MAYOR MELODY CURREY: Thank you, Madam Chair.
Melody Currey, Mayor of East Hartford, here on two bills. The first bill is Raised Bill 5529, the exemption from admission tax to Rentschler Field, strongly support that for the high school football teams, do not support it for all not for profits because, frankly, we couldn't afford to see the stadium maintained the way that it is if that revenue stream was gone.

The next bill is House Bill 5528, AN ACT CONCERNING THE USE OF RESEARCH AND DEVELOPMENT TAX CREDITS FOR THE PROJECTS IN THE ENTERPRISE ZONE. And I yield my time to Representative Genga, but support it strongly.

REP. HENRY GENGA: Thank you, Madam Chair Daily and

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
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Bill Number 5529, AN ACT CONCERNING AN EXEMPTION FROM THE ADMISSIONS TAX AT RENTSCHLER FIELD, favorable report of the Committee on Finance, Revenue and Bonding.

SPEAKER ALTOBELLO:

Representative Aresimowicz of the 30th district of Berlin, you have the floor, sir.

REP. ARESIMOWICZ (30th):

Good afternoon, Mr. Speaker.

I ask that this item be placed on the Consent agenda please.

SPEAKER ALTOBELLO:

The question before the Chamber is a placement of this item on Consent.

Is there objection? Is there objection?

Seeing and hearing none, so ordered.

Will the Clerk please call Calendar 190?

THE CLERK:

On page 12, Calendar 190, Substitute for House Bill Number 5202, AN ACT CONCERNING TELECOMMUTING OPTIONS FOR STATE EMPLOYEES, favorable report of the Committee on Government Administration and Elections.

SPEAKER ALTOBELLO:

Representative Ryan of the 139th, you have the

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HOUSE OF REPRESENTATIVES

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April 20, 2010

Technology.

SPEAKER DONOVAN:

Deputy Majority Leader Olson, you have the floor,
madam.

REP. OLSON (46th):

Thank you, Mr. Speaker.

Mr. Speaker, we are about to vote on today's
Consent Calendar. We are going to be voting on items
that we moved previously to the Consent -- previously
in today's session to the Consent Calendar. They are
Calendar Numbers 130, 272, 317, 348 and 306.

HB5215 HB5635
HB5376 HB5281
HB5529

- Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Question before us is on passage of the bills on
today's Consent Calendar. Will you remark? Will you
remark?

If not, staff and guests please come to the well
of the House. Members take their seats. The machine
will be open.

THE CLERK:

The House of Representatives is voting by roll
call. Members to the chamber. The House is voting
today's Consent Calendar by roll call. Members to the
chamber.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Please check the role call board to make sure your vote has been properly cast.

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

THE CLERK:

On today's Consent Calendar.

Total Number voting	144
Necessary for adoption	73
Those voting Yea	144
Those voting Nay	0
Those absent and not voting	7

SPEAKER DONOVAN:

Consent Calendar passes.

Will the Clerk please call Calendar 259?

THE CLERK:

On page 17, Calendar 259, Substitute for House Bill Number 5442, AN ACT CONCERNING ABSENTEE VOTING BY MEMBERS OF THE MILITARY AND BY CITIZENS LIVING ABROAD, favorable report of the Committee on Government Administration and Elections.

SPEAKER DONOVAN:

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SENATE**

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SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 9, Calendar 445, House Bill 5202, move
to place on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 9, Calendar 447, House Bill 5392, move
to place on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar -- calendar page 9, Calendar 450, House
Bill 5529, move to place the item on the consent
calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar 451, House Bill 5535, move to place the
item on the consent calendar.

THE CHAIR:

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Calling from Agenda Number 4, Substitute for Senate Bill 201.

Senate Agenda Number 8, Substitute for House Bill 5398, Substitute for House -- Senate Bill 175, Substitute for Senate Bill 302.

Returning to the calendar -- beginning on calendar page 5, Calendar Number 315, House Bill 5264.

Calendar page 6, Calendar 378, Substitute for or -- correction -- House Bill 5197.

Calendar page 8, Calendar -- correction, returning back to page 5, Calendar 295, Substitute for House Bill 5114 -- correction, not Calendar 295, it's Calendar 294, House Bill 5391.

Returning to calendar page 6, Calendar Number 378, House Bill 5197.

Calendar page 8, Calendar Number 440, Substitute for House Bill 5113. Calendar page 441 -- Calendar 441, Substitute for House Bill 5109.

Calendar page 9, Calendar 444, House Bill 5500.
Calendar 5 -- 41 --

Calendar page 9, Calendar 444, House Bill 5500;
Calendar 4555, House Bill 5202; Calendar 445, House Bill 5392; Calendar 450, House Bill 5529.

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Calendar page 10, Calendar 461, House Bill 5207;
Calendar 483, House Bill 5244.

Calendar 484, on page 11, House Bill 5383; Calendar
487, House Bill 5220; Calendar 488, House Bill 5297;
Calendar 490, 5425 -- House; Calendar 496, House Bill
5497; Calendar 509, House Bill 5126.

Calendar page 14, Calendar 511, House Bill 5527;
Calendar 514, House Bill 5426; Calendar 516, House Bill
5393.

Calendar page 15, Calendar 520, House Bill 5336;
Calendar 521, House Bill 5424; Calendar 523, House Bill
5223; Calendar 525, House Bill 5255.

Calendar page 16, Calendar 531, House Bill 5004.

Calendar page 17, Calendar 533, House Bill 5436;
Calendar 540, House Bill 5494; Calendar 543, House Bill
5399.

Calendar page 18, Calendar 544, House Bill 5434;
Calendar 547, House Bill 5196; Calendar 548, House Bill
5533; Calendar 549, House Bill 5387; Calendar 550, House
Bill 5471; Calendar 551, House Bill 5413; Calendar 552,
House Bill 5163; Calendar 553, House Bill 5159.

Calendar page 19, Calendar 554, House Bill 5164.

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Calendar page 20, Calendar 556, House Bill 5498;
Calendar 557, House Bill 5270; 559, House Bill 5407; 562,
House Bill 5253; and House Bill -- Calendar 563, House
Bill 5340; Calendar 567, House Bill 5371; and Calendar
573, House Bill 5371.

Mr. President, I believe that completes the items

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THE CHAIR:

Mr. Clerk, could you please give me on Calendar 567,
do you have 5516, sir?

THE CLERK:

What -- what calendar?

THE CHAIR:

567 on page 22.

THE CLERK:

It's 5516.

THE CHAIR:

Yes, sir. Okay.

Machine's open.

THE CLERK:

An immediate roll call vote has been ordered in the
Senate on the consent calendar. Will all Senators please
return to the chamber. Immediate roll call has been ordered in the Senate on the
consent calendar. Will all Senators please return to the chamber.

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THE CHAIR:

Have all Senators voted? Please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Consent Calendar Number 2.

Total number voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

THE CHAIR:

Consent Calendar Number 2 passes.

Senator Looney.

SENATOR LOONEY:

Yes, Mr. President.

Mr. President -- Mr. President, before moving to adjourn, I would like to ensure the entire chamber will wish Laura Stefon, Senator McDonald's aide, my former intern, a happy birthday.

And with that -- and with that, Mr. President, I would move the Senate stand adjourn