

PA13-276

SB0965

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to move any of the other things?

REP. MORIN (28th):

They just said that one.

THE CLERK:

Okay.

REP. MORIN (28th):

That's all I was told to do.

THE CLERK:

Okay. I'm all -- I'm all set for 605.

A VOICE:

And so we're skipping; it's all right.

DEPUTY SPEAKER RYAN:

Will the, will the Clerk please call Calendar
Number 605?

THE CLERK:

Mr. Speaker, on Page 24, House Calendar 605,
report of, Favorable Report of the joint standing
Committee on Finance, Revenue and Bonding, Substitute
Senate Bill 965, AN ACT CONCERNING CHANGES TO
MUNICIPAL REVENUE COLLECTION STATUTES.

DEPUTY SPEAKER RYAN:

The venerable Chairman of the Planning and
Development Committee, Representative Rojas, you have
the floor, sir.

REP. ROJAS (9th):

Thank you, Mr. Speaker. Good afternoon.

I move for acceptance of the joint committee's Favorable Report and passage of the bill, in concurrence with the Senate.

DEPUTY SPEAKER RYAN:

The question is acceptance of the joint committee's Favorable Report and passage of the bill.

Representative Rojas, you have the floor.

REP. ROJAS (9th):

Thank you, Mr. Speaker.

The Clerk is in possession of an amendment, LCO 6631. I ask that it be called and I be given leave of the Chamber to summarize.

DEPUTY SPEAKER RYAN:

Will the Clerk please call LCO 6631, which will be designated Senate Amendment "A."

THE CLERK:

Senate Amendment "A," LCO -- where -- 6631,
introduced by Representative Rojas and Senator,
Cassano.

DEPUTY SPEAKER RYAN:

The Representative seeks leave of the Chamber to summarize the amendment.

Is there objection to summarization? Is there objection?

Hearing none, Representative Rojas, you may summarize the amendment.

REP. ROJAS (9th):

Thank you, Mr. Speaker.

The amendment makes one change to Lines 257 and 258; that is in, included in Section 10, which deals with the extension of deadlines to apply for a refund when a tax is paid in error. The way the language reads now, it -- it includes three different time lines by which a refund can be made to a taxpayer.

It -- it reads as not later than or not later than one, not later than one of the three dates, which is impossible to do. Instead, we changed the language to read by the later of one of the three dates.

I move adoption.

DEPUTY SPEAKER RYAN:

The question before the Chamber is adoption of Senate Amendment Schedule "A."

Will you remark on the amendment?

Representative Aman, of the 14th, you have the floor, sir.

REP. AMAN (14th):

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Yes, Mr. Speaker.

The amendment is, as the Chairman says; however, I will have probably a considerable number of questions on the bill as a whole.

DEPUTY SPEAKER RYAN:

Will you remark further? Will you remark further on the amendment before us?

If not, I would try your minds. All those in favor, please signify by saying Aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER RYAN:

Opposed, Nay.

The Ayes have it. The amendment is adopted.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Rojas.

REP. ROJAS (9th):

Thank you, Mr. Speaker.

Mr. Speaker, what we have before us is a product that is 18-month of works, work by the Connecticut Tax Collectors Association. They reviewed Chapter 204 of the Connecticut General Statutes and essentially revised and updated all of the provisions and statutes

around municipal tax collection. Most of these proposals are all for streamlining the work that they do. For example, Sections 21 and 36 would make it easier for tax collectors to waive tiny, leftover balances and -- and suspend enforcement of uncollectible amounts.

Section 17 would eliminate most fixed charges against debtors, such as a 20-cents levy for each levy and 25 cents for each mailing, in lieu of reimbursable of actually out of a, out-of-pocket expenses.

Sections 9 and 10 would extend deadlines for overpayment refund requests and confirm, as the State Treasurer's Office has advised us, that unfunded, unrefunded overpayments should not (inaudible).

Section 29 would clarify that two municipalities owed past-due taxes on the same property, most often because the property is located when within a district and a town can undertake collection efforts involving that property jointly.

Sections 14 and 43 repeal obsolete provisions such as those referring to carbon copies of records, DRS forms which have not existed in decades and the right of a diseased collector's executor to continue performing his duties.

Mr. Speaker, as I mentioned previously, these are really cleaning-up statutes. I really applaud the efforts of the tax collectors for undertaking these efforts.

I would urge all of my colleagues to vote favorably, in favor of the bill and/or risk running afoul of their local tax collector.

I urge passage.

DEPUTY SPEAKER RYAN:

Thank you, Representative; thank you for the warning.

Will you remark further on the bill as amended?
Will you remark further on the bill as amended?

Representative Aman, of the 14th District.

REP. AMAN (14th):

Thank you, Mr. Speaker.

I will agree that the tax collectors did spend a tremendous amount of time working on this bill and coming up with many, many pages of corrections that are fairly difficult to read, but they do make some real changes in the way things are -- are done. A lot of them is modernization, and for one of the modernization questions, I do have to the proponent of the bill.

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DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. AMAN (14th):

Yes, through you, Mr. Speaker.

As I read the bill, prior to the passage of this, all tax notices are required to be put up on a post outside of town hall. Through you, Mr. Speaker, do you know how many towns are currently putting all their tax bills on posts, and if so, how large are these posts?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

That is a very good question. I -- I would venture that this is one of those obsolete provisions in which tax collectors no longer do that. I think they simply place it on a bulletin board adjacent to their office.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

I'm, I am sure some of our attorneys may follow up on the next question I'm going to ask, but since the law says that the notice must be posted on the -- the notice must be posted on the post outside town hall, if it was not done that way, how could the tax collector who have previously collect and as, are all those people due refunds and say we're not properly noticed?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

And given the lack of clarity about what a sign post is, I think most tax collectors have defined a -- a post to be a bulletin board as well.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. But going on to some of the more questions about it, in Sections 6 and 8 of the bill -- and I'm looking at the OLR summary, just so that the good Chairman knows where I'm referring to -- it talks

about a town having a standing abatement committee, and if it doesn't have such a committee, the Office of Policy and Management must be notified and approve the waiver of taxes or an interest on people who are poor and cannot pay.

And I know in our own municipality, our -- I don't believe that we have a standing abatement committee, but I do remember from serving on the town council that tax abatements, on a regular basis, even though I don't remember one in particular for someone who was poor came through that group for approval. And I'm wondering if a town has to formally set up this committee or they can designate the legislative body or how is this being handled?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Currently the law is silent on whether a tax abatement committee can be established. This change in the statutes simply recognizes communities that do have them and also for those communities that don't have them, it allows OPM to have a say in the process

when taxes are being abated so that we can prevent perceived or actual favoritism when abatements are given out.

Through you.

REP. AMAN (14th):

Yeah. I'm also very glad to see this section now covers if in case a municipality wants to give a tax abatement to a railroad company that's operating in bankruptcy; I'm sure that's become a major discussion for many of our municipalities over the past year.

The Section 7 talks about the deferral of taxes exceeding 8 percent of homeowners' income and the fact that it's allowed. And there is the current law, prohibits this liens from taking precedence over any previously recorded mortgage. And this bill gives the deferred taxes the same rights as taxes due normally, even though they've been deferred.

And a very serious question regarding that is: Many of our seniors, especially, are using reverse mortgages. And this changes the order of precedent for how these mortgages are recorded, how the -- who gets paid upon the death of a, of an individual that's been taking advantage of both these programs.

And through you, Mr. Speaker, if the Chairman can

address is this going to cause any problems in the reverse mortgage market, both for those people who have current reverse mortgages and could it dry up the future of reverse mortgages being issued within the State of Connecticut?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

No, I don't believe that it will; we didn't receive any testimony to that effect. What this change in law simply wants to do is enable municipalities to work with certain low-income individuals on trying to keep them in their home.

Currently there's no incentive for tax collectors to work with low-income individuals who are behind, because the payment to the mortgage would take precedent over the tax lien so simply just places a tax lien ahead of the mortgage so we can try to keep particularly elderly individuals in their homes longer.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

I -- I agree that the intent of the program is good and I -- I like the idea of the intent. I am a little surprised that as the two of us, as both Chair and Ranking Member, did not get any complaints or talk from the banking industry about it. I'm hoping that we receive none because this has no effect, and not that it's a long, complicated bill and the banking industry did not pick up the fact that this could be a -- a potential problem.

One of the sections on it refers to if you have joint property, the return of funds and how they're going to be allocated. And I understand that if one person owns several pieces of property, a bill comes in, that the tax collector would be able to assign it the way he saw fit.

My question is how is effect with joint property, and again, I'm looking at Sections 9 through 10. And the situation I'm looking at, if the refund or in the later part of the bill I think it's the same thing as far as charges and how they're allocated. If there's a dispute between joint owners or if there's a question on a payoff of a mortgage, how does that, the

tax collector allocate the money or is there an appeal's process or a way for the owner to very much define where the money goes?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

I just want to make sure that I'm understanding, he's asking a question from the right section. Is he referring, were you referring to Section 9 and 10 or just 10; if he could reframe the question, through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

No. In Section 9 or 10, the bill allows the tax collector to deny a refund application if the taxpayer is delinquent on other taxes or debts. And my question revolves around property which is joint, how that would be able to be handled.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

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REP. ROJAS (9th):

Through you, Mr. Speaker.

The tax collectors don't really discriminate between whether it's a singly owned or a joint-owned property. All they really care about is that the tax get paid, if it gets paid by whoever is responsible for paying it.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

The bill eliminates a lot of small fees for real property; they're like 20 cents, 25 cents, 20 cents, \$4, \$2, and anybody that's worked in municipal government knows it probably costs more than that to collect the fee, than the amount of the fee, so I'm sure the tax collectors are more than happy to eliminate those fees.

However, if -- and through you, Mr. Speaker -- is there anywhere in this bill or other bills that we've been discussing where these fees would be increased to a level that would make it appropriate to collect them?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

The way that we're structuring the fees in the bill with the, with new changes are simply at their face value, whether it's something to file something with the Town Clerk, whatever the cost is to file a particular document with the Town Clerk is the fee that would be passed on.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

The Section 19 that deals with credit card fees, et cetera, I'm just wondering if the way this is now structured, it kind of encourages municipalities to take credit cards, take debit cards, because they can mark up and charge a fee higher than what their costs are of using the credit and debit card. And now it seems like they cannot exceed the issuer's charge.

And through you, Mr. Speaker, to the proponent, did we get any testimony from anyone regarding how this might affect towns in actually accepting credit

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and debit cards since they've become the way many more and more are paying their bills?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

No, we didn't receive any testimony to that effect. This simply wants to clarify it that if a service charge is going to be charged because of the use of the credit card, that that charge can then be passed on to the taxpayer as well.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

And does -- through you, Mr. Speaker -- and does the municipality have to distinguish between credit cards and debit cards because they have different fees as to how they charge for them or are they allowed to just charge an average fee for that type of expense to the municipality?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Usually those relationships are made between the tax collector of the municipality and the credit card provider; whatever the fee is under that agreement is the charge that would be passed on.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. Section 21 talks about waiving fee, fees under \$25 and for delinquent taxes. And I -- I can understand, again, the cost of trying to collect the small amounts of money that's due.

And through you, Mr. Speaker, \$25, why not a higher number that probably more relates to what the cost to the municipality of sending out and trying to collect a small fee would be?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

The \$25 amount was, is what was in existing statute. In that particular section, they weren't trying to increase that amount. I guess the tax collectors see fit as that being the floor for which they would like to waive taxes under that amount.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

And so the, well, the \$25 fee stays the same; this section basically works with the difference between whether they're waiving the fee before or after the due date?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Exactly; that's exactly right. They just wanted to make the change that they could waive it before it's due or after it's due.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. The next one is or the famous one about posting the notices. Delinquent tax payments kind of tie into the same thing as refunds, on how they're done, but the -- the delinquent tax can be a much bigger problem. It's one thing to have two people arguing over who gets the money. It's something else to be sitting at a closing and saying here's my past-due taxes and the tax collector says no, I'm going to put that on a different property than the one you want.

And I'm wondering, through you, Mr. Speaker, if the proponent could address that particular situation.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

If he could just reference what section he's referring his question to.

Through you.

REP. AMAN (14th):

Section 23 allows tax collectors to accept partial payment for delinquent taxes. It also eliminates a specification how interest accrues or

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delinquent taxes are made partial payments, et cetera.

So I, I'm wondering if the, that section of delinquent taxes makes it clear that the taxpayer decides whether that money goes or the tax collector decides as to which account.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

The account that would be collected would essentially go to the property for which it's being collected on.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

So to follow up, an individual walks into the tax collector's office; he's past-due on his automobile and also on his home. He needs to reregister his car, which is not able to be done unless it's current and wants to pay the automobile taxes or the amount due on the automobile. Can the tax collector say I'm going to allocate that to the home not to the automobile?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

This section, it -- it seems to see that that, that's something that would be worked out between the tax collector and the individual.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. Going on to Section 24, which deals with withholding or revoking license or permits for delinquent taxes, and this I can very much understand why the tax collectors want this; much of this is covered in current law. The problem that can happen with this is by withholding the permits to operate a business or operate your occupation, you're telling someone who's behind on their taxes that you may be taking away their source of income. And so I guess my -- my question through that is: How much flexibility does the tax collector have when it comes to withholding a license or permits to businesses that

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are behind on their taxes?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Thank you, Mr. Speaker, through you.

The amendment simply allows a municipality to do so; it doesn't require them to. So I think that's another situation that would be worked out on an individual basis.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. And had, again, did we receive any testimony from people that had been caught in that situation?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

All the testimony that we received on this piece of legislation was all in support of it; no one

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testified in opposition.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Yes. The -- the bill continues through -- through many sections, and after more of the debate, I may well be coming back for a second time to discuss it. But I think the overall thing that the bill shows and the questioning I've been showing is that questions that were presented and the bill that was presented really are technical. If you noticed the answers that I was receiving, as a whole they were, they may, they were what most of these people -- people in the Chamber were probably saying our town does it that way already; what is he, what are they talking about?

And that is the primary purpose of the bill is to bring the practices up to what is currently being done by the municipalities. I do think that it does cover that, read through it carefully, and I do not see anything that I have major problems with.

I think there may be some policy decisions, small policy decisions that might be different, but I do

think that as a whole, this bill clarifies the language.

Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Smith, of the 108th, you have the floor, sir.

REP. SMITH (108th):

Thank you, Mr. Speaker.

A few questions to the proponent, if I may, please.

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. SMITH (108th):

Thank you.

I was just getting through the bill, so I might as well start where I ended, which is Lines 487 to 491. And I notice there's some new language in there which basically, if I understand it correctly, indicates that the municipality would not be bound by any notation on a, on a check or a payment such as payment in full. So if I were to send a check in to

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the municipality for my taxes and indicated payment in full on the check itself, would that have any binding effect on the town or the municipality?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, that is exactly the intent. There are a number of cases in which taxpayers have attempted to send in less than what was due and simply write in the notation that it's paid in full; a message such as that or a notation such as that would not have any standing.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And I appreciate that answer, because that is a -- a deviation from the civil law as we know it. In a civil matter, if I were to send in a payment to the Speaker for services rendered and put payment in full on there, in a private transaction, there is some pretty clear law in that effect that that would constitute, in fact, payment in full if the check was

negotiated. But I suspect, based on what I'm hearing here today that that doesn't apply to the municipality.

Are there any other areas, through you Mr. Speaker, that the good Chairman knows of where this type of deviation from the civil or private law, is he aware of any of those other matters, besides this transaction?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

No, I'm not.

REP. SMITH (108th):

Okay.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

I'd just take a moment, Mr. Speaker. I'm going to scroll back up to where some of the other questions I had were.

Looking at Lines 268 to 270, it looks like if an overpayment was made by an individual and then he --

he sought a refund, there's language in here that indicates if there was another tax delinquency that the town could basically offset that delinquency through, by applying against the overpayment. Am I reading that, those lines correctly, 268 to 270?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

I am just catching up to the line numbers here.

Yes, you are reading that correctly.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And -- and thank you for the answer.

And the language that caught my eye there was it talks about the existence of another tax delinquency, which makes sense to me. It also recites or other debt owed by the same person, firm or corporation. So my question, through you, Mr. Speaker, to the proponent is: If I were a taxpayer who overpaid my taxes to the town but I owed some other debt to

private parties unrelated to the town or municipality,
does this language here allow the tax collector to
keep my overpayment or it's am I reading too much into
this?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

No, it does not allow them to apply it to some
other debt that's owed to a private party.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

So -- thank you, Mr. Speaker, and thank the
Chairman for his answers.

So just to be clear, the other debt language
simply applies to any money that may be owed to the
town.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

Thank you.

And I'm going to jump to Lines 210 to 212. And as I was reading through that section, it indicates, as I understand this section, that if there's an agreement made between the taxpayer and the town, the town can record that agreement on the land records. Am -- am I accurate in my understanding of this particular section?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

REP. SMITH (108th):

Okay.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And then if the, if the agreement is in fact recorded on the land records, this language, new

language in 210 to 212 talks about that having the same level of precedence as tax liens under Section 12-172.

And my question through you, Mr. Speaker is: What is, in fact, that precedence as tax liens?

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Simply -- through you, Mr. Speaker -- it's that when an agreement is made like that, that the tax lien would take precedent over the mortgage so that towns are more incentivized to work with individuals who are behind on their taxes to keep them in their homes.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

Thank you.

So, and just so I'm clear with the answer then. So the -- the agreement and once it's filed on the land records would have -- well, let me just stop there. If the agreement is not filed on the land records, I assume there is no higher priority. Am I accurate?

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Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And once it is filed on the -- the land records,
it does then take a higher priority than a mortgage.
And would that be true of any other lien?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through me -- through you, Mr. Speaker, yes.

It's to conform it with other -- with other parts of
it.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And just to take it one step further, so any
other lien, like, you know, I meant judgment liens and
mechanic's liens and things of that nature, so I

understand the answer to be yes. If there was a United States' tax lien -- and I'm not sure if the -- the Chairman knows -- but would the town's lien for that agreement have priority over a federal IRS lien?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, I do not have that answer.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

Thank you.

And I'm going to jump backwards again to Lines 109 and 110.

Through you, Mr. Speaker, if -- and I'm reading this subsection C, that starts on Line 100 and goes down to 110. And it appears in my understanding of this language that if there, there's an annual declaration that has to be filed by anyone in business, indicating what their personal property is for their business, and they, and the town assesses a

tax against that. Is that what this section is dealing with?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

Some assessors believe they can't share that information with a tax collector or another member of the Finance Department, and this law just clarifies that if they need some other information from those individuals to determine the validity of the declaration, that they would be able to do so without violating that confidentiality.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And that's where I was going with the question. So it's -- it's clear that the municipal officers can share the information within the, within the town hall, I guess.

Taking it one step further, if there was any type of litigation or even if there wasn't litigation but

there was a threat of litigation where lawyers were involved or accountants were involved, other third parties, would the town officials be able to share that information with these third -- third parties, based on this language?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker. I believe so; yes.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

Thank you. And -- and I think that's important for legislative intent because, as you can imagine, there are situations where this area can become litigious, and that information must be shared with either one's counsel or the town's counsel or the accountants to make sure that the information is accurate or there's, in fact, a legitimate reason to pursue a claim.

And my last line of questions, for now, Mr. Speaker, through you, is dealing with Lines 55 to 56. And, again, I was just looking at the new language there

that talks about or enforce in accordance with any provision of the General Statutes for a collection of property taxes. And I'm just wondering what the intent is behind this new language.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Yes, through you, Mr. Speaker.

This amendment would clarify that -- that this, when -- when this section gives municipal taxes districts the same powers to collect their taxes as a town, that it -- it including mechanisms other than foreclosures.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

Well, and thank him; thank the Chairman for his answer.

Was there any type of issue previously where the, these tax districts were unable to bring a claim in court because this language was not here?

Through you, Mr. Speaker.

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DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, not that was provided through testimony, but the tax collectors were trying to anticipate that that might happen sometime. So they were seeking to update the -- the statutes.

Through you.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

And so if the, if the tax district simply wanted to bring a collection action, whether it be in small claims or the superior court, wherever they may be, they could just file a collection action and seek to collect it without going through the foreclosure process. Is that what this is trying to do?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

DEPUTY SPEAKER RYAN:

Representative Smith.

REP. SMITH (108th):

As always, the Chairman is thorough with his answers. I appreciate the -- the feedback from him, and I will continue to listen and hopefully get through the rest of the bill before the dialogue is over.

Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Alberts, of the 50th; sir, you have the floor.

REP. ALBERTS (50th):

Good afternoon, Mr. Speaker. How are you doing?

DEPUTY SPEAKER RYAN:

Fine; thanks for asking.

REP. ALBERTS (50th):

If I may, Mr. Speaker, a couple questions to the proponent of the bill now amended.

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. ALBERTS (50th):

Thank you.

I just wanted to -- to review the fiscal note, because this bill is one that I've gotten very positive feedback on from the folks in my district. In fact, while I've been here listening to the debate, actually I think people out and across the state are asking us to support this bill.

And -- and I had the opportunity to look at the fiscal note, and it -- it came to mind that, Mr. Speaker, that no one had yet touched upon the municipal impact of this bill if it's enacted.

So, through you, Mr. Speaker, if the proponent could discuss the fiscal impact of this bill.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Looking at the fiscal note for the amendment, and I will look at it for the file copy as well, so on the amendment it says that there is no fiscal impact, and for the bill, itself, said there is a potential for revenue gains.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And that's my understanding as well, so in light of the potential for revenue gain and also for savings to municipalities across the state, I think this is a very good bill, Mr. Speaker. I think we should support it this afternoon.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Srinivasan, of the 31st District, you have the floor, sir.

REP. SRINIVASAN (31st):

Good afternoon, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Good afternoon.

REP. SRINIVASAN (31st):

Through you, Mr. Speaker, just a -- a couple of questions to the proponent of the amendment which now, obviously will become the bill.

Through you, Mr. Speaker.

A VOICE:

We're on the bill.

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DEPUTY SPEAKER RYAN:

Okay. The bill, we've already passed the amendment, sir, so it is the bill as amended.

REP. SRINIVASAN (31st):

Yes, the bill --

DEPUTY SPEAKER RYAN:

Okay?

REP. SRINIVASAN (31st):

-- as amended. Yup.

DEPUTY SPEAKER RYAN:

Go -- please proceed, sir.

REP. SRINIVASAN (31st):

Through you, Mr. Speaker.

Lines 182, 183 talk about a standing abatement committee for a community. Could the -- through you, Mr. Speaker -- could I have a little bit more explanation about this standing committee in a community?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Currently the statutes are silent on whether

these committees can be established. Under the Municipal Powers Act, municipalities are free to do so. There are a number of communities that have tax abatement committees, so in the interest of protecting those that already exist, we sought to put this language in there so that they can continue to do that.

If a community does not have a tax abatement committee, it would then refer back to OPM when tax abatements are given.

Through you.

DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Just -- so through you, Mr. Speaker, if a community does not have such a committee, as I am to understand now, it's the Office of Policy and Management shall then be the -- the, or the party that's going to decide on this?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

That is one case or the municipality could pass an ordinance and establish their abatement committee as they see fit or to assign that responsibility to their legislative body.

Through you.

DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Mr. Speaker.

If I can just have those other options just repeated one more time; since they are not in the language of bill, so I did not know they existed.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas, can you --

REP. ROJAS (9th):

Through you --

DEPUTY SPEAKER RYAN:

-- repeat the options?

REP. ROJAS (9th):

-- Mr. Speaker, it, it's because the statutes are silent on it that towns have the ability to create them as they see fit.

Through you.

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DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

So through you, Mr. Speaker, the -- the choices I see are whatever the town or the municipality does or they go to the Secretary of Office of Policy and Management.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker, yes.

DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

And through you, Mr. Speaker, my final question. Is the decision of this Office of Policy and Management final or if the -- the decision is not in favor, could -- could it be taken to another level?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative -- I'm sorry -- Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

This is just a reporting mechanism to try to ensure that municipalities are not giving out abatements inappropriately by showing favoritism perhaps to a family member or to somebody who else is connected to, through government. So it's simply to review the abatements that are given out, not to decide whether they can take place or not.

Through you.

DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Mr. Speaker.

I thought if a community did not have such an abatement committee, that is when it went to the Office of Policy and Management. Am I right in my understanding?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

Could you repeat the question?

DEPUTY SPEAKER RYAN:

Representative Srinivasan, could you repeat or restate your question?

REP. SRINIVASAN (31st):

Through you, Mr. Speaker.

It is my understanding that when a community does not have such an abatement committee, that is when it will then go to the Secretary of the Office of Policy and Management.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

The -- the way that the law currently reads is that they can present the list of abatements to their, on annual meeting of their legislative body or if they have a tax abatement committee, it can go through that committee. We're simply codifying that there are communities that have abatement committees, and we want to make sure that they can continue to function.

Through you.

DEPUTY SPEAKER RYAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Through you, Mr. Speaker.

I'm, I want to thank the good Representative for his answers.

And thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

Representative Aman, of the 14th.

REP. AMAN (14th):

For the, for the second time I thank you for recognizing me.

I do have one more, additional question to the proponent of the bill, who I think would be very disappointed after the amount of time and effort he spent researching it if I didn't ask him. What is inchoate versus choate within the bill?

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Rojas.

REP. ROJAS (9th):

Through you, Mr. Speaker.

A choate lien is one that is recorded on the land records on paper as opposed to an inchoate lien, which

is not.

Through you.

DEPUTY SPEAKER RYAN:

Representative Aman.

REP. AMAN (14th):

Thank you, very much.

I know that that answer, while very brief, took him a long time and speaking to many attorneys before he got an answer that was not given in many paragraphs.

So thank you, very much, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

If not, will staff and guests please come to the Well of House. Will the members please take your seats? The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please report to the Chamber immediately.

DEPUTY SPEAKER RYAN:

Have all members voted? Have all members voted?

The members will check the -- the board to see if their vote is properly cast. The machine will be locked.

THE CLERK:

One-forty-five, zero, five.

DEPUTY SPEAKER RYAN:

The Clerk will announce the tally.

THE CLERK:

In concurrence with the Senate, Substitute House Bill -- or Substitute Senate Bill 965, as amended by Senate "A."

Total Number Voting	145
Necessary for Passage	73
Yea	145
Nay	0
Not voting	5

DEPUTY SPEAKER RYAN:

The bill passes, in concurrence with the Senate.

(Deputy Speaker Godfrey in the Chair.)

DEPUTY SPEAKER GODFREY:

Representative Morin.

REP. MORIN (28th):

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6602. Madam President, would move to place that item on the foot of the Calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

And next go-items, Madam President, Calendar Page 25, Calendar 529 -- on Calendar Page 25, Calendar 529, Substitute for Senate Bill Number 965. Then Calendar 531, Senate Bill Number 986, and Calendar 532, Substitute for Senate Bill Number 1143.

And then on Calendar Page 26, Calendar 534, Senate Bill Number 1157; would mark those as the next go-items at this time, Madam President.

THE CHAIR:

Thank you.

Mr. Clerk.

THE CLERK:

On Page 25, Calendar 529, Substitute for Senate Bill Number 965, AN ACT CONCERNING CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES, Favorable Report of the Committee on Planning and Development.

SENATOR CASSANO:

Good afternoon --

THE CHAIR:

Senator Cassano.

SENATOR CASSANO:

-- Madam Chair.

THE CHAIR:

Good afternoon, sir.

SENATOR CASSANO:

I move acceptance of the Joint Favorable committee report, move favorable passage of the bill, waive reading of the bill, and seek leave to summarize.

THE CHAIR:

Motion is on acceptance and passage. Will you remark, sir?

SENATOR CASSANO:

Yes, Madam Chairman.

I believe the Clerk is in possession of Amendment LCO Number 6631.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO Number 6631, Senate Amendment Schedule "A," offered by Senator Cassano and Representative Rojas.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO:

Yes. This is a --

THE CHAIR:

Sir, would you move for adoption of --

SENATOR CASSANO:

I would move --

THE CHAIR:

-- the amendment.

SENATOR CASSANO:

-- adoption of the amendment.

THE CHAIR:

Motion is on adoption. Will you remark, sir?

SENATOR CASSANO:

I think if we have ever defined an amendment as technical, this is one of them. In Line 257, insert an opening bracket in front of the word "not." And in Line 258, insert a closing bracket, after "later than," and then a closing bracket after "by the latter of." That is the amendment.

THE CHAIR:

Will you remark further on the amendment? Will you remark further on the amendment?

Seeing none, I'll try your minds. All in favor of the amendment, please say aye.

SENATORS:

Aye.

THE CHAIR:

All those opposed?

Amendment passes.

Senator Cassano.

SENATOR CASSANO:

Yes, this bill is another one of those long efforts, almost two years of effort. Section 7-109 of the General Statutes is repealed and the following one is substituted. And as you read through this, you'll see countless recommendations made by a group of tax collectors from throughout the state and the Tax Collectors Association, representing municipalities

throughout the state and approved by the Bureau of Tax Collectors.

Very simply, all of these have created efficiencies, better ways to do things; and, in fact, as the OFA report says, there's potential for the municipalities, a revenue gain and savings because of the -- the changes.

THE CHAIR:

Thank you.

Will you remark? Will you remark on the bill?
Will you remark on the bill?

Senator Cassano.

SENATOR CASSANO:

Seeing none, I would move that it be placed on the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR CASSANO:

Thank you, Madam Chairman.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Also on Page 25, Calendar 531, Senate Bill Number 986, AN ACT CONCERNING THE APPLICABILITY OF PROBATE COURT ORDERS TO STATE AGENCIES, Favorable Report of the Committee on Judiciary.

THE CHAIR:

Good afternoon, Senator Coleman.

SENATOR COLEMAN:

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THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the Clerk would now proceed to read the items placed on the Consent Calendar today, before calling for a vote on that Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Beginning on Calendar Page 3, Number 146, Senate Bill Number 959; also on Calendar Page 3, Number 165, Senate Bill 327.

On Calendar Page 8, Number 303, Senate Bill Number 1018.

On Page 22, Calendar Number 511, House Bill 6243.

On Page 23, Calendar Number 517, House Bill 6453.

On Page 24, Calendar Number 525, House Bill 6457; also on Page 24, Calendar Number 526, Senate Bill 1079.

On Page 25, Calendar Number 527, Senate Bill 1131; also on Page 25, Calendar Number 529, Senate Bill 965. Finally, on Page 25, Calendar Number 531, Senate Bill 986.

On Page 29, Calendar Number 562, House Bill 5387.

On Page 35, Calendar Number 39, Senate Bill 597.

On Page 40, Calendar 210, Senate Bill 817.

THE CHAIR:

Mr. Clerk, on Page 35, have you also seen Calendar Number 44, Senate Bill 809?

A VOICE:

Yeah.

THE CHAIR:

(Inaudible) wrong. Okay. Okay; I apologize, sir.

Please proceed.

THE CLERK:

On Calendar Page 40, Number 210, Senate Bill 817.

On Page 41, Calendar 254, Senate Bill 1013.

On Calendar Page 42, Number 271, Senate Bill 1072;
also on Page 42, Calendar Number 286, Senate Bill
1113.

On Page 44, Calendar 364, Senate Bill 1014.

On Page 46, Calendar Number 397, Senate Bill 992; also
on Page 46, Calendar 406, Senate Bill 1129. And
finally, on Page 46, Calendar 407, Senate Bill 383.

THE CHAIR:

Mr. Clerk, I ask for a roll call vote. The machine
will be open for the Consent Calendar.

THE CLERK:

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

THE CHAIR:

All members have voted: all members voted? The
machine will be closed.

Mr. Clerk, will you please call the tally.

THE CLERK:

On the Consent Calendar.

Total Voting	36
Voting Yea	36
Voting Nay	0
Absent, not voting	0

THE CHAIR:

The Consent Calendar passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, at this point, having concluding the day's business, would certainly yield the floor to any members for purposes of announcements or committee meeting or -- or other points of personal privilege.

THE CHAIR:

Are there any point -- points of personal privilege or announcements? Are there any personal privileges or announcement?

Senator McKinney.

SENATOR McKINNEY:

Thank you, Madam President.

Madam President, as fate would have it, we came close yesterday to being able to celebrate the birthday of two of our members. Yesterday we celebrated the birthday of Senator Slossberg; today, we get to celebrate the birthday of Senator Len Fasano, so --

THE CHAIR:

All right.

SENATOR McKINNEY:

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SENATOR CASSANO: Summarizing your testimony, I think you get a lot more across. Thank you.

JAMES BRISLIN: Thank you.

REP. ROJAS: Adam Cohen followed by William Donlin.

ADAM COHEN: Thank you for allowing me to speak today. My name is Adam Cohen. I'm General Counsel to the Connecticut Tax Collectors' Association, and I have represented approximate a third of all the town in Connecticut with regard to their tax collections.

I am urging this Committee to vote in favor of Senate Bill 965, which is AN ACT CONCERNING CHANGES IN THE MUNICIPAL REVENUE COLLECTION STATUTES.

The purpose of this legislation is to modernize the statutes that govern municipal tax collections, and to fix the inefficiencies that are in those statutes which have developed over the last several years.

The purpose of this legislation is not to change tax policy, not to change the amount of tax that people pay. The purpose of it is the same as the purpose of tax collectors themselves, which is purely administrative. The tax collector's job is to take the amounts that they are told to collect from the people that they are told to collect them from, and to recover the money. Their job is not to make

decisions on policy. We leave that to the Legislators and the Assessors.

The legislation itself would merely go through the statutes that regulate this important function and fix the problems. For example: It would allow tax collectors in towns to waive tiny left-over balances rather than expending resources trying to collect them. It would allow tax collectors to suspend enforcement against taxes which are clearly impossible to collect. It would allow extending deadlines for tax payers to request overpayment refunds, where as the current statutes might make that impossible. It would repeal obsolete provisions, for example, those referring to carbon copies, and the power of a tax collector's -- the fiduciary of a tax collector's estate after he dies to continue collecting taxes.

It would standardize the procedures that towns use for certain functions such as how to calculate interest, and how to apply partial payments. It would also help resolve title defects that certain title insurers have raised which result from auctions of tax-delinquent properties. It would also respond to media reports of a small number of tax collectors who have behaved badly and given payment releases to their friends, colleagues, or family members by explicitly condemning those practices.

Finally, it would create two incentives which would help prevent properties from being lost

to tax foreclosure. One of them would restore the priority given when a town exercises an existing statutory option for extending the deadline and reducing the interest rate for low-income individuals, a program which is not used right now very often, if at all, because the current statute requires subordinating the tax liens to the mortgage.

The second one would create an incentive for junior incumbrancers to pay off the taxes that are tax delinquent on a property, rather than deferring to the first tax -- the first emcumbrancer.

This legislation has been in development for almost two years. We've been going through -- I'll quickly summarize -- we've been going through all of the changes with the goal of making the -- the collections system work more efficiently. We have worked with the Tax -- I'm sorry, the Town Clerks, the Assessors, the Marshals, the Attorney General's Office, the Department of the Treasurer, CCM, and OPM, and every time any of them voiced any concern about any of our changes, we agreed, and either took out what they had a problem with or modified it. Those things are still coming in. We continue to work with them to make sure that everyone is happy with the bill, because we do not work a controversial bill. We want to make sure that this goes through in the interest of all tax collectors and tax payers. Thank you.

REP. ROJAS: Thank you.

Senator Fasano.

SENATOR FASANO: I have a question under Section 14a.
I'll give you a second to grab your stuff.

ADAM COHEN: 14.

SENATOR FASANO: It's the any collector of taxes and any State Marshal or Constable authorized, and any other person deputized. It seems to me that a collector of taxes, State Marshal or Constable -- collector of taxes and State Marshal are usually up to speed with what they can do, what they can't do, warrants, notice, alias warrants, notices, all those types of things are very legal intensive, and I'd be concerned about a municipality who says I can deputize anybody. Give it to my uncle; let him go collect the taxes out at the restaurant. And he goes in and he starts doing things which are problems. It is very specific on what you can do and not do, and I think the reason why we have the people we pick is because, except for Constables, which I think are called, whatever -- leave them out of my argument for now -- but State Marshals certainly are well informed, up to speed, taught classes, etc. So I'm wondering why any other deputized person.

ADAM COHEN: I -- I agree with you, and the purpose of this is not to allow a tax collector to pick a person off the street to start doing their job for them. This is in response to an argument made by certain people who are

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fighting their taxes or their tax collection mechanisms, and saying I want everything signed by the tax collector personally.

The purpose of this would not to bring in strangers into the process. It would be so that if the Tax Collector's Assistant Tax Collector, or if their attorney signs something or issued something, there would be no question as to the legitimacy of it. And we would be wide open to altering that language to make sure it's limited to that.

SENATOR FASANO: Okay, so if we made some changes to that, that just didn't allow anybody to pick anybody, you'd be good with that.

ADAM COHEN: We'd be very happy with that.

SENATOR FASANO: Okay. Thank you, Mr. Chairman.

SENATOR CASSANO: Seeing none, thank you, and it looks -- actually we can see it was a nice effort. I can see you spent a couple of years doing it, and I think it's going to make some good changes.

ADAM COHEN: Thank you very much.

SENATOR CASSANO: Thank you.

WILLIAM DONLIN: Good afternoon. My name is William Donlin. I'm here representing Connecticut Tax Collectors' Association. I have 30 years of experience in collection and assessment, having

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retired from the City of Hartford in 2003 as the Tax Collector, and for the past ten years been a Collector of Revenue for the Town of Cheshire, past president of the association, and co-chair of the legislative committee.

Senator Fasano, Senator Cassano, Representative Aman, Representative Fox, thank you for allowing me to speak today. I'm here in support of Senate Bill 965. Again, Adam Cohen just spoke so eloquently about the technical changes that we wish to make. Tax collectors have been working on this for the better part of a year and a half, and we've been working with other offices that would work with us, the assessors and town clerks, and making sure that all the statutes that were -- were not going to be an interference to them.

Our attempt was to -- to view all the statutes that are ambiguous, obsolete, and our attempt was to clarify anything that was there, to eliminate language and problems that were unforeseen at the time of the statutes.

The bill before you is not policy changes, but administrative clarification. Every tax payer deserves to be treated the same way, and the laws governing municipality elections should be applied equally across, and that's what our attempt was to do. We need your assistance to -- to clarify exactly what some of the laws are meant -- meant to be.

ERIC BERNHEIM: You're welcome.

REP. ROJAS: Are there any other questions? No?

-
Seeing none, thank you for your testimony.

ERIC BERNHEIM: Thank you very much. Have a nice day.

REP. ROJAS: Marc Nelson.

MARC NELSON: Good afternoon, Mr. Co-Chairmen and Members of the Committee.

My name is Marc Nelson. I am the Hartford City Tax Collector. I've been in Hartford for almost five years, and over 30 years in the collection of debts, largely in New Jersey and New York, so I have a broad experience in municipal tax collection, and I'm here before you today to speak in favor of Raised Bill 965.

As my colleagues have spoke briefly to you earlier today, this is essentially a technical amendment bill. It's a -- it's a clean-up bill. It grew out of about 18 months of work. I sit on the legislative committee of the Connecticut Tax Collectors' Association which worked very hard on this, along with our colleagues at the Assessors' Association and various others throughout the State of Connecticut.

I'm here today to give you two quick examples that I think will really illustrate what we're trying to accomplish with this. I tell a story about how taxpayers who leave the State of Connecticut, and find out some years later that they've got some old motor vehicle taxes that were probably erroneously assessed in the first place. The car has been registered out of state in New Hampshire, for example, for quite some time. And they go through the process as it currently exists to have the town or city assessor delete that bill from the grand list pursuant to statute, only to find out that they -- they cannot get a refund for any amount that they might have previously paid, because State Statute currently ties my hands as a tax collector, and it says I can only refund money to the taxpayer if the application is made within three years of the date the tax first became due.

So it's a great example of an inconsistency that -- that tax collectors deal with throughout the State of Connecticut because the look-back provision on the assessor's side is longer than the statute of limitations, if you will, with respect to being able to refund.

So I can't tell you the number of times personally I've had taxpayers in my office who quite clearly shouldn't have paid the erroneous tax, and that's a level of frustration that this can quickly and easily fix.

The second example is in 12-157, which speaks to the tax deed sale process, which is a nonjudicial foreclosure for delinquent taxes, and it hasn't been too clear, certainly to me and to other tax collectors what -- when you get to the taxpayer's right -- the property owner's right of redemption, there's a six-month redemption period after that tax deed sale. It's a very important time where the property owner can protect his or her interest in the property. And there's currently a provision in state law that's not clear as to when they redeem. Do they have to pay just the tax, or do they have to pay the debts that are due the municipality in general? And that's important specifically to Hartford, because we may have other blight liens, or board-up charges, or fines that have been become associated with that parcel, and when the taxpayer comes to redeem at the eleventh hour, this fix will make clear that the expenses that we went to to protect the property would be subject to him paying as part of that redemption.

So very briefly, to conclude, I just wanted to -- to visit with you today. I appreciate the time, but I wanted to direct your attention to just those two examples, and the bill before you has others. Some of these are just grammatical and, as my colleague spoke to, some just delete archaic and outdated language. But the Tax Collectors' Association urges favorable movement on this.

And I'm happy to answer any questions. Thank you.

REP. ROJAS: Thank you. Are there any questions for Mr. Nelson?

No? Seeing none, thank you for your testimony.

MARC NELSON: Thank you again very much.

REP. ROJAS: Is there anybody else who hasn't had the opportunity to testify that would like to do so?

Sure, come on up. And if you could just identify yourself into the microphone.

DOUGLAS SIENNA: My name is Doug Sienna. I'm the Tax Collector for the Town of Cromwell, and I'm in support of the Bill 955. I'm a relatively new person, so I was originally kind of afraid to come up here and speak. I've been in my office for about 14 months, okay, and I'm going to give you testimony on one particular part, and that's in reference to calculation of interest.

(SB 965)

I have three people in my office. I gave them an assignment within the last two weeks to calculate interest on an account that went back three years. And I got them back from everybody. I got three different calculations. So if we can make something that's uniform, and it's adhered to right across the State, it would make everybody's job a lot easier.

And that's all I have to say.

REP. ROJAS: Hard question though.

Anybody else that would like to have any questions of the witness.

SENATOR CASSANO: And I assume you're talking about that delinquent -- if we were going to do, as an example, a phase in, or whatever it might be.

DOUGLAS SIENNA: Well --

SENATOR CASSANO: And we've -- we've had this discussion last year and I know it's a concern, yet the 18 percent is also a concern. Maybe the 12 percent, the way it's set up now, would be a lot better than the 18 percent.

DOUGLAS SIENNA: I -- I would not have any problem with a decrease in the rate. The problem would be for the proration. I would prefer having it as -- as a monthly charge.

SENATOR CASSANO: As I listen, it brought back testimony from last year.

Thank you. I appreciate that very much.

A VOICE: That's why we do these hearings. We learn, too, believe me.

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COMMITTEE

March 1, 2013

10:00 A.M.

000989

REP. ROJAS: All right. Is there anybody else who
hasn't had an opportunity to testify that would
like to do so?

If not, this hearing is adjourned. Thank you.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**PLANNING AND
DEVELOPMENT
PART 4
1020 - 1336**

2013

**CONNECTICUT GENERAL ASSEMBLY
CONNECTICUT GENERAL ASSEMBLY
Legislative Office Building Room 2B
Friday, March 1, 2013 at 10:00 a.m.**

**TESTIMONY OF ADAM J. COHEN
TO THE PLANNING AND DEVELOPMENT COMMITTEE
ON PROPOSED SENATE BILL 965, "AN ACT CONCERNING
CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES"**

My name is Adam J. Cohen and I am an attorney with the law firm of Pullman & Comley in Bridgeport. I have advised and represented approximately one-third of all the towns in Connecticut, plus dozens of taxing districts and similar municipal entities, with respect to their revenue collection efforts and practices. I also serve as general counsel to the Connecticut Tax Collectors Association, a trade group primarily devoted to educating municipal revenue collectors and standardizing the procedures they use to fulfill their responsibilities.

I urge this Committee to approve Senate Bill 965, "An Act Concerning Changes to Municipal Revenue Collection Statutes." Over the last 18 months, the tax collectors have worked diligently to develop this proposed legislation to remedy a number of problems in the existing laws which govern their duties. Tax collectors have no authority over tax policy, rates, or programs. They do not decide who is responsible to pay or how much. Instead, their function is purely ministerial: they collect taxes in the amounts and manner as they are directed by assessors and legislators. They are in the unique position of working on a daily basis with Chapter 204 of the General Statutes and other laws which set forth the procedures by which municipal taxes are paid voluntarily and recovered through litigation, garnishments, and similar mechanisms. The purpose of Senate Bill 965 is to remove the ambiguities, inefficiencies, and inadequacies in these existing laws.

Most of the proposals are aimed at streamlining. For example, Sections 21 and 36 would make it easier for tax collectors to waive tiny leftover balances and suspend enforcement of uncollectable amounts. Section 17 would eliminate most fixed surcharges against debtors (such as 20¢ for each levy and 25¢ for each mailing), in lieu of reimbursal of actual out-of-pocket costs. Sections 9 and 10 would extend deadlines for overpayment refund requests and confirm, as the State Treasurer's Office has advised us, that unrefunded overpayments should not escheat. Section 29 would clarify that two municipalities owed past-due taxes on the same property (most often because the property is located within a district in the town) can undertake collection efforts involving that property jointly. Sections 14 and 43 repeal obsolete provisions, such as those referring to "carbon copies" of records, DRS forms which have not existed in decades, and the right of a deceased collector's executor to continue performing his job duties.

Other provisions would standardize certain procedures which existing ambiguities in the law cause tax collectors in various towns to handle differently. For example, Sections 20 and 23 would, respectively, standardize certain interest calculations and the manner in which partial payments are applied. Section 30 would resolve a number of potential title defects in properties auctioned by tax sale which have been periodically raised by title insurers.

The tax collectors also take very seriously recent media reports of a small number of collection officers who issued false payment releases for friends, colleagues, or relatives. Sections 8, 38, and 39 would condemn these wrongdoers by explicitly prohibiting tax collectors from compromising, waiving, or lying about tax delinquencies and require state approval of individual hardship abatements (which C.G.S. § 12-125 already requires for corporations).

Finally, two proposals are aimed at saving homes from tax foreclosure while protecting the municipality's collection rights. First, Section 30 would amend C.G.S. § 12-157(f) to give junior mortgagees a priority incentive to redeem tax-delinquent properties in order to prevent them from being auctioned in tax sales. Second, Section 7 would remove a strong disincentive in C.G.S. § 12-124a, which allows towns to grant low-income individuals more time to pay their property taxes at a reduced interest rate, by restoring the priority of those tax liens (see C.G.S. § 12-172) which the existing law says must be subordinated to the mortgages and is therefore virtually never used.

Senate Bill 965 is common-sense legislation which will help municipal tax collectors perform their duties fairly, efficiently, and in a uniform manner statewide. We are not aware of any opposition to these proposals. Please vote in favor of this important bill.

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TEST**Testimony on SB 965****AN ACT CONCERNING CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES**

Gisela Harma, CCMC, Stonington Tax Collector

Co-chairman, CTx Legislative Committee

The Connecticut Tax Collectors' Association and its members strongly support Raised Bill No. 965 which updates those statutes that tax collectors use on a daily basis.

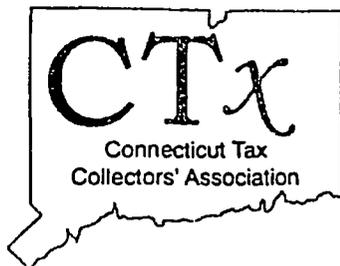
Municipal tax collectors are responsible for collecting up to 95% of a municipality's annual revenue. We take this responsibility very seriously and strive to achieve a high level of professionalism. Our difficult jobs are made somewhat easier by our strict reliance on statutes which we are sworn to uphold and administer equally to all taxpayers.

Our statutes are outdated and in some cases can be misinterpreted because they are not specific enough. For example Sec. 12-135 still allows the fiduciary of the estate of a deceased collector to assume the collector's duties. Sec. 12-151 still refers to carbon paper and duplicate receipt books. Sec. 12-129 needed to be reworded to clarify that overpayments not requested by the taxpayer within the statutory 3 year period remains the property of the municipality. As currently worded it is unclear whether or not this money is escheated or kept by the town.

Therefore, two years ago the Legislative Committee formed a subcommittee to review our statutes and try to update and clarify those areas that were in need of being brought into the 21st century. After 18 months of committee meetings and many drafts of the proposed changes we are very excited to have them presented to you as Raised Bill No. 965.

We appreciate all the support not only from the Association and tax collectors in general but also from legislators to whom we have spoken. We sincerely hope that you will vote to approve this legislation. Passage of this bill will assist us in doing our job in a more effective and efficient manner throughout the state.

Thank you for your consideration.

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TEST

February 28, 2013

Senator Steven Cassano, Chairman Planning and Development Committee
Representative Jason Rojas, Chairman Planning and Development Committee
Vice Chairs, Ranking Members, and Members Planning and Development Committee

RE: Testimony for SB 965 an Act Concerning Changes to Municipal Revenue Collection Statutes

As the President of the Connecticut Tax Collectors Association I respectfully request your support of SB 965 for changes to the State of Connecticut Property Tax Statutes relating to revenue collections. The Legislative Review Committee of the Connecticut Tax Collectors Association has reviewed and made changes to clarify language and the statutes intention as well as remove any statutes that are obsolete.

The clarification of the statutes will be helpful for Tax Collectors when taxpayers need an explanation of the legislation and its interpretation. As Tax Collectors our goal is to work with our taxpayers having clear and precise guidelines when explaining the statutes and helping them understand the laws we all need to follow are clear in their intention.

Thank you for the time and effort you are putting into reviewing these important changes that will be beneficial to all Connecticut Tax and Revenue Collectors. We continue to strive for professionalism in our offices and believe these changes will be beneficial for our collection efforts within our municipalities.

Sincerely,

Cinda B. Buchter, CCMC
Tax Collector, Town of Fairfield, CT
President, Connecticut Tax Collectors Association

To: Planning and Development Committee, Connecticut General Assembly

From: Lisa Biagiarelli, Tax Collector, City of Norwalk

Date: March 1, 2013

Re: SB 965, "An Act Concerning Changes to Municipal Revenue Collection Statutes"

I am the tax collector of the City of Norwalk. Previously, I served as the tax collector for the towns of Easton and Stratford, and have been a full time tax collector since 1989. I am state certified in tax collection, and also am a licensed attorney. I am a tax collectors' certification course instructor, responsible for training tax collectors and staff going through the Connecticut certification program. I have been actively involved in the continuing education and professional development of Connecticut tax collectors for at least the last twenty years.

This proposal is the result of approximately two years of work by a dedicated group of tax collectors. Chapter 204 was perused literally line by line. Input was received from tax collectors, course instructors, and other public officials as well as representatives of the state marshals', town clerks', and town assessors' associations. Some of the changes may seem trivial, but in many cases they will make quite a significant difference in the ability of municipalities to collect their revenue fairly and efficiently.

Our statutes are sometimes ambiguous in spite of the very best intentions of the legislators who draft them and the public officials who attempt to administer them, and Chapter 204 has been no exception. SB 965 seeks to clarify ambiguities, streamline processes, eliminate obsolete provisions and language, and rectify problems that were unforeseen at the time these statutes were written, most of them several decades ago.

Municipal tax collectors in Connecticut are not policy makers but administrators performing ministerial functions. Most of these changes are not policy changes but rather administrative clarifications. We are asking for your help in clarifying ambiguities in several of our most important statutes that we rely upon daily and that have been problematic for our profession for years. This clarification is not only for our benefit but more importantly for the benefit of the taxpaying public that is subject to these laws. Every taxpayer deserves to be treated the same, and the laws governing municipal tax collection should be applied equally to all. However, we need your assistance in clarifying exactly what some of those laws are meant to say and to do.

Thank you very much for your attention and your consideration of our proposal.

Testimony on SB 965**AN ACT CONCERNING CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES**

Marc Nelson, CCMC – Tax Collector, Hartford

Member, Connecticut Tax Collector's Association - Legislative Committee

Good morning, my name is Marc Nelson and I am the Tax Collector for the City of Hartford. I am a Connecticut Certified Municipal Collector, and serve on the Legislative Committee of the Connecticut Tax Collector's Association. In addition to serving in Hartford for nearly five years, I have extensive private-sector experience in the collection of municipal taxes in other large jurisdictions, including Camden, New Jersey and Erie County, New York. I would like to speak in support of Raised Bill No. 965 which seeks to make what are essentially technical amendments to various statutes governing the collection of municipal taxes.

This legislation seeks to bring up-to-date sections of existing law that are antiquated and largely have little or no effective purpose in the day-to-day administration of the duties and responsibilities of our profession. In addition, the legislation seeks to fix certain inconsistencies in current law.

One example of this is CGS 12-129 which currently prevents us from approving applications for a tax refund when more than three years have elapsed from the date the tax first became due. There are certain situations where an Assessor may delete a bill after more than three years have passed, and that adjustment – assuming the tax was paid, creates a credit that we cannot refund. This inconsistency causes unnecessary frustration amongst taxpayers, who have correctly followed the process required to have the Assessor adjust the tax bill, only to be told it is now too late to apply for a refund.

A second example is 12-157, which governs aspects of the Tax Deed Sale process, a non-judicial foreclosure of real estate for delinquent taxes. SB-965 clarifies that the amount required to redeem during the statutory six-month redemption period shall include all "taxes and other debts owed to the municipality which were not recovered by the sale..." This is a particularly important clarification for our state's larger cities such as Hartford, where significant efforts to attack blight are underway. These anti-blight efforts often result in other liens and charges being attached to the property and due the municipality. If the property owner steps-forward to exercise his right of redemption, or if any other interested party

such as a mortgage company or other lien-holder does so, the redemptive amount should be inclusive of non-tax debts due as well.

I can best describe the bill before you today as a group of well-considered, practical amendments that our Association believes will clarify and modernize – these are not broad-based, policy changing, or controversial changes to current law – they are, however, much needed and long-overdue legislative fixes to existing statutes that further standardize the actual practice of municipal tax collection in Connecticut.

On behalf of the Connecticut Tax Collector's Association, I would urge passage of SB-965.

Thank you for your support of this legislation.

Marc Nelson
Tax Collector
Hartford, CT



PLANNING & DEVELOPMENT COMMITTEE

March 1, 2013

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 92% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

S.B. 965, "An Act Concerning Changes to Municipal Revenue Collection Statutes"

CCM supports much of SB 965. However, we have concerns with certain sections, including Sections 6 and 8, which would require OPM approval before a municipal body can excuse a person's delinquent taxes.

We support portions like Sections 9 and 10, which clarifies that any refunds not collected are the property of municipalities and do not escheat to the State.

CCM appreciates the time that tax collectors have put into this bill to streamline processes and create efficiencies. We look forward to working the tax collectors to fashion a proposal that meets their needs, as well as those of the community as a whole.

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If you have any questions, please contact Ron Thomas at rthomas@ccm-ct.org or (203) 498-3000.

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Testimony on SB 965
AN ACT CONCERNING CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES
Melanie Yanus, CCMC, Clinton Tax Collector
CTx Legislative Committee Member

Two years ago the Tax Collectors' Legislative Committee formed a subcommittee to review, update and clarify our statutes. After 18 months of committee meetings and many drafts of the proposed changes we are presenting them to you under Raised Bill No. 965. We received assistance from Attorney Adam Cohen, our State Tax Collectors' Association Board Members and many other members of our state association. We all sincerely hope that you will vote to approve this legislation. Passage of this bill will assist us in doing our job in a more effective and efficient manner throughout the state.

Thank you for your consideration.

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March 1, 2013 Legislative Testimony

From: Melanie Yanus
Clinton Tax Collector

HB 5972 HB 5173
SB 820

1. SB965

An Act Concerning Changes to Municipal Revenue Collection Statutes

Two years ago the Tax Collectors' Legislative Committee formed a subcommittee to review, update and clarify our statutes. After 18 months of committee meetings and many drafts of the proposed changes we are presenting them to you under Raised Bill No. 965. We received assistance from Attorney Adam Cohen, our State Tax Collectors' Association Board Members and many other members of our state association. We all sincerely hope that you will vote to approve this legislation. Passage of this bill will assist us in doing our job in a more effective and efficient manner.

2. Committee Bill No. 5098

An Act Requiring The Posting of Assigned Municipal Liens

It is transparent to all who want to view the liens assigned. Public records are just that..public. Requiring a second posting outside the town clerk's office is redundant.

3. Committee Bill No. 5102

An Act Establishing a State-Wide Mill Rate

This is administratively unworkable and wrong. It is complex and convoluted. Municipalities receive information from the Department of Motor Vehicles. You want to add the Office of Policy and Management, the Commissioner of Revenue Services and the State Comptroller to the mix. We have issues with (one agency) the DMV getting data to our Assessors ...which hopefully will be resolved once the new computer system is up and running. I cannot imagine working with all the other agencies. The registering of motor vehicles in Clinton due to a lower mill rate has not happened in a long time. In fact, it was Waterbury residents that were doing that in Clinton back in the early 90s'.

This legislation appears to address the "list" of assessed vehicles as a simple list once a year. We receive one list of vehicles registered on October 1st on December 1st or after. We have a supplemental motor vehicle list of vehicles that are registered after October 1st of a given year that we receive after September 1st of the next year.

Clinton taxpayers will not willingly want to pay more motor vehicle taxes should the median mill-rate be higher than Clinton's mill rate. The cities and towns need to find another way to increase their revenues.