

Legislative History for Connecticut Act

PA 14-183

HB5581

House	1215-1224	10
Senate	3453, 3474, 3480-3481	4
Planning & <u>Development</u>	1377-1379	3
		17

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2014**

**VOL.57
PART 4
1027 - 1360**

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HOUSE OF REPRESENTATIVES

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House Bill 5258 as amended by House "A".

Total number voting	145
Necessary for passage	73
Those voting Yea	145
Those voting Nay	0
Those absent and not voting	5

DEPUTY SPEAKER SAYERS:

The bill as amended passes. Will the Clerk
please call Calendar Number 301.

THE CLERK:

On Page 25, Calendar Number 301, Favorable Report
of the Joint Standing Committee on Planning and
Development. Substitute House Bill 5581 AN ACT
CONCERNING SEWER ASSESSMENT APPEALS AND THE APPROVAL
OF CERTAIN PROPERTY TAX EXEMPTIONS.

DEPUTY SPEAKER SAYERS:

Representative Dan Fox.

REP. FOX (148th):

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

DEPUTY SPEAKER SAYERS:

The question before the Chamber is acceptance of the Joint Committee's Favorable Report and passage of the bill. Representative Fox, you have the floor.

REP. FOX (148th):

Thank you, Madam Speaker. Madam Speaker, the bill allows municipalities to adopt an ordinance authorizing their boards of assessment appeals to hear appeals of municipal sewer system benefit assessments, which include sewer charges not related to a customer's usage.

Under current law, an individual's only recourse to appeal such an assessment is to go directly to Superior Court and initiate an appeal.

Further, the bill provides that owners claiming the property tax exemption for manufacturing or biotechnology machinery and equipment, MME, are to file a form with the local assessors by November 1st, the purpose of this filing being that it will ensure that all equipment claimed for exemption meets the statutory definition of exempt equipment.

What has been happening is that since the straight exemption for MMEs was enacted in 2011, some towns have been having difficulties tracking items claimed. This has resulted in municipalities having

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to perform audits, which is a burden both in the municipalities and the business owners subject to such audit.

Section 3 of the bill provides for the property owner to request an extension of time from November 1st to December 15th to file the form with the assessor.

And Section 4 allows the municipality by act of its own legislative body to grant an exemption to a property owner who missed the November 1st filing deadline as well as the extended filing deadline.

The bill passed out of the Planning and Development Committee with unanimous support, and I urge this Chamber's support. Thank you.

DEPUTY SPEAKER SAYERS:

Sir, did you move adoption?

REP. FOX (148th):

I move for adoption. Yes, Madam Speaker, thank you.

DEPUTY SPEAKER SAYERS:

Thank you. Will you remark further on this bill?

Representative Aman.

REP. AMAN (14th):

Thank you. Thank you, Madam Speaker. Yes, I believe the summary that was just given is reasonably accurate as to what's happening.

Just to make things clear to some of our members who have not dealt with this. This, it's my understanding is a complete choice of the legislative body of a municipality as far as the sewer assessment goes. There is no requirement for any town to do this, or municipality. It is completely a municipal option.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Fox.

REP. FOX (148th):

Yes, thank you, Madam Speaker. That is correct.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Aman.

REP. AMAN (14th):

Yes. And it's also my understanding that the legislative body would have to pass an ordinance explaining exactly how this, the board of assessment appeals would operate, just like it does currently for

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real estate assessment appeals. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Fox.

REP. FOX (148th):

Thank you, Madam Speaker. Again, that is correct. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Aman.

REP. AMAN (14th):

One of the things that was brought up in the public hearings and at other times was whether the board of assessment appeals was qualified to do this, and I think that after listening to the testimony, I believe that they are.

They're a volunteer board of citizens just like they look at the assessments of buildings and property, some of them which get very complicated. I think they, as a group of volunteers, they would be able to look at an appeal to an assessment and come to a reasonable conclusion for it.

It's also my understanding, through you, Madam Speaker, that this adds a middle step between the

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assessor and going to Superior Court. Is this correct?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Fox.

REP. FOX (148th):

That is correct, Madam Speaker. Again, this provides an opportunity for the homeowner, the taxpayer, rather than having to go through the process of appealing directly to Superior Court, to provide them the opportunity to go to the municipal level and bring the appeal to the board of assessment appeals. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Aman.

REP. AMAN (14th):

Yes, and I think that is a good policy to have. In fact, I was kind of surprised that there was nothing in state statute that would allow something like this to occur. There's normally not near as many assessments for new sewer work or for replacement that has to be done, which is one of the reasons I believe that it hasn't been a major problem.

But the idea that when there's a dispute between a landowner, a builder, a homeowner, a commercial property and assessor, that both sides are going to, rather than coming to a third party for a decision, have to go to Superior Court and spend the legal fees. It doesn't seem to be a win-win for anyone.

It's obvious under this legislation, if neither party does not agree, they can still go on to court.

On the MME, it does extend the deadlines. It also puts things within the legislative body, and through you, Madam Speaker, if the proponent of the bill can explain a little bit more in detail what the MME is and how it is impacted by this bill. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Fox.

REP. FOX (148th):

Yes, thank you, Madam Speaker. The MME is further identified in Connecticut General Statutes 12-81 subsection 72, in which the (inaudible) machinery and equipment are further identified, identified as being tangible personal property, which is installed in a manufacturing facility and claimed on the owner's

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federal income tax filings, the predominant use of which is manufacturing, processing or fabricating for research and development, so on and so forth.

The MME exemption, as I stated in my opening remarks, this, what has happened is, there has been some confusion at the municipal level in that the filings for the MME, the municipal assessors and municipalities have been having a difficult time tracking exactly the property, the machinery and equipment that is being claimed for the exemption, and as such, which has resulted in the municipalities having to initiate audits to identify exactly what property or equipment is being claimed, and this has turned out to be quite a burden both on the municipalities as well as on the business owners and property owners, which are finding themselves subject to an audit.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Aman.

REP. AMAN (14th):

I thank the proponent for his explanation. One of the things in the bill it also does is, it extends

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the deadlines for applying for this credit, and also allows the legislative body to retroactively award it.

I've never been really sure why, but every year it seems like we've had a numerous number of companies come forward and municipalities come forward that says, such and such a manufacturer didn't get their paperwork in time in. I don't know if it's because of the way the accountants do the books and the close of the fiscal years, but it seems to be a perpetual problem of how to handle it.

I think this addresses it in a way that again, can be done on a local level that the local legislative body can decide the way it's going to be handled, when they're going to give an exception and when not.

So with that, Madam Speaker, I would urge my colleagues to support the bill. Thank you.

DEPUTY SPEAKER SAYERS:

Thank you, sir. Will you remark? Will you remark further on this bill? If not, will staff and guests please come to the Well of the House. Will members please take your seats and the machine will be opened.

THE CLERK:

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THE House of Representatives is voting by Roll.

The House of Representatives is voting by Roll.

Will members please return to the Chamber
immediately.

DEPUTY SPEAKER SAYERS:

Have all the members voted? Have all the members
voted? Please check the board to see that your vote
has been properly cast.

If all the members have voted, then the machine
will be locked and the Clerk will take a tally. The
Clerk will announce the tally.

THE CLERK:

House Bill 5581.

Total number voting	144
Necessary for passage	73
Those voting Yea	144
Those voting Nay	0
Those absent and not voting	6

DEPUTY SPEAKER SAYERS:

The bill passes. Any announcements or
introductions? Representative Mary Fritz of the 90th.

REP. FRITZ (90th):

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CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2014**

**VETO
SESSION**

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SENATE

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May 7, 2014

SENATOR LOONEY:

Thank you, Mr. President. Moving now to Calendar Page 7, Calendar 345, House Bill 5443, move to place on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Mr. President. Moving to Calendar Page 9, Calendar 417, House Bill 5410, move to place on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Mr. President. Moving to Calendar Page 10 where there are three items. The first, Calendar 420, House Bill 5258, move to place on the Consent Calendar.

THE CHAIR:

(The President in the Chair.)

So ordered, sir.

THE CHAIR:

Oh, thank you, Madam President. Madam President, Calendar Page 10, Calendar 421, Calendar 5263 move to place on the Consent Calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

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SENATE

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Calendar 334, House Bill 5339.

Calendar 336, House Bill 5056.

On Page 7, Calendar 345, House Bill 5443.

On Page 9, Calendar 417, House Bill 5410.

On Page 10, Calendar 420, House Bill 5258.

Calendar 421, House Bill 5263.

Calendar 424, House Bill 5439.

On Page 11, Calendar 429, House Bill 5581.

On Page 12, Calendar 445, House Bill 5418.

Calendar 438, House Bill 5336.

On Page 13, Calendar 453, House Bill 5133.

Calendar 446, House Bill 5150.

Calendar 452, House Bill 5531.

On Page 14, Calendar 457, House Bill 5516.

Calendar 455, House Bill 5325.

Calendar 456, House Bill 5440.

Calendar 459, House Bill 5321.

Calendar 461, House Bill 5140.

On Page 15, Calendar 468, House Bill 5450.

Calendar 465, House Bill 5341.

On Page 16, Calendar 474, House Bill 5337.

Calendar 469, 5538.

Calendar 473, House Bill 5328.

On Page 17, Calendar 496, House Bill 5115.

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SENATE

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May 7, 2014

SENATOR LOONEY:

If we might pause for just a moment to verify a couple of additional items.

Madam President, to verify an additional item, I believe it was placed on the Consent Calendar and Calendar Page 30, on Calendar Page 30, Calendar 592, Substitute for House Bill 5476.

THE CHAIR:

It is, sir.

SENATOR LOONEY:

It is on? Okay. Thank you. Thank you, Madam President. If the Clerk would now, finally, Agenda Number 4, Madam President, Agenda Number 4 one additional item ask for suspension to place up on Agenda Number 4 and that is, ask for suspension to place on the Consent Calendar an item from Agenda Number 4.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President, and that item is Substitute House Bill Number 5566 from Senate Agenda Number 4.

Thank you, Madam President. If the Clerk would now, if we might call for a vote on the Consent Calendar.

THE CHAIR:

Mr. Clerk. Will you please call for a Roll Call Vote on the Consent Calendar. The machine will be opened.

THE CLERK:

An immediate Roll Call has been ordered in the Senate.

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SENATE

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May 7, 2014

An immediate Roll Call on Consent Calendar Number 2 has been ordered in the Senate.

THE CHAIR:

If all members have voted, all members have voted, the machine will be closed. Mr. Clerk will you please call the tally.

THE CLERK:

Consent Calendar Number 2.

Total number voting	36
Necessary for adoption	19
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

The Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. Two additional items to take up before the, our final vote on the implementer. If we might stand for just, for just a moment.

The first item to mark Go is, Calendar, to remove from the Consent Calendar, Calendar Page 22, Calendar 536, House Bill 5546. If that item might be marked Go.

And one additional item, Madam President, and that was from Calendar, or rather from Agenda Number 4, ask for suspension to take it up for purposes of marking it Go, that is House Bill, Substitute for House Bill 5417. Thank you, Madam President.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

**JOINT
STANDING
COMMITTEE
HEARINGS**

**PLANNING
AND
DEVELOPMENT
PART 3
1174 – 1513**

2014

Connecticut
 Association of
 Water
 Pollution
 Control
 Authorities, Inc

P O Box 230172
 Hartford, CT 06123-0172



**CONNECTICUT ASSOCIATION OF
 WATER POLLUTION CONTROL AUTHORITIES**

March 21, 2014

Connecticut General Assembly
 Planning and Development Committee
 Legislative Office Building
 Hartford, Connecticut 06106

Attention Chairwoman Senator Osten, Chairman Rojas, Senator Cassano, Representative Fox,
 Ranking Member Senator Fasano, and Representative Aman

Subject: **OPPOSITION OF RAISED BILL-5581, *An Act Authorizing Sewer Assessment Appeals To Be Made To The Board of Assessment Appeals***

The Connecticut Association of Water Pollution Control Authorities is a statewide association open to WPCAs and public entities authorized to own or operate wastewater systems. With over 40 active members providing wastewater services to nearly 1,000,000 citizens in the state, we are pleased to submit comments on their behalf regarding Senate Bill-5581; *An Act Authorizing Sewer Assessment Appeals To Be Made To The Board of Assessment Appeals*

Pursuant to Connecticut General Statutes Chapter 103 Section 7-249, Water Pollution Control Authorities may levy benefit assessments upon properties that benefit from the work of their WPCA. In accordance with Section 7-250, no assessment shall be made until a duly called public hearing at which time the owner of the property to be assessed shall have the opportunity to be heard. When the water pollution control authority has determined the amount and has duly notified the property owner of that amount any person aggrieved by any assessment may appeal to the superior court in the judicial district wherein the property is located

As drafted, the proposed legislation would effectively create veto authority for elected officials whose interests may not be consistent with the efficient operation of a wastewater treatment system. This veto authority would circumvent the establishment of fair and reasonable assessments. This legislation, if adopted, would effectively give veto power to the Board of Assessment Appeals who may represent minority interests and risk the ability of a WPCA to meet discharge requirements. This may result in causing environmental pollution and putting the WPCA at risk of permit violations and fines. Such legislation would require every WPCA to seriously consider if it would be economically feasible or prudent to continue to serve the sewer needs of customers within its own city/town limits

Senate Bill #5581

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The current State Statutes defining the powers of the Water Pollution Control Authorities were drafted to insulate the operations of sewer works from general government. This would insure that wastewater facilities were operated, funded and managed without local political or governmental interference. This insured that the environmental aspects of the sewer works would have primacy in all decision making.

To amend statutes and cloud this clear separation of powers that the WPCA statutes envisioned, would diminish the authority of the WPCA's, and put into conflict the WPCA's decisions with judgments of a publically elected Board of Assessment Appeals.

Finally, this bill authorizes sewer assessment appeals "by local option" creating a very unfair platform between WPCA's especially when one considers many adopted assessment formulas do not rely on the assessed value of a property when determining the sewer assessment.

Given there are already many opportunities for all impacted property owners to participate in the assessment process and appeal the charges should they feel aggrieved, there is no reason to create the veto authority proposed by this legislation. The proposed bill is an example of the burdensome regulatory requirements that this legislation and Governor are attempting to eliminate. Therefore, we strongly encourage you to oppose this legislation. Thank you for this opportunity to comment.

Vincent F. Susco, Jr
President, CAWPCA
PO Box 230172
Hartford, CT 06123-0172



Connecticut Association of Assessing Officers, Inc.

Stuart Topliff, President
Town of Rocky Hill

John Rainaldi, President Elect
Lawrence G. LaBarbera, Treasurer
Chandler Rose, Secretary

March 21, 2014

Testimony in Support of House Bill 5581

AN ACT AUTHORIZING SEWER ASSESSMENT APPEALS TO BE MADE TO THE BOARD OF ASSESSMENT APPEALS AND CONCERNING MACHINERY AND EQUIPMENT USED IN CONNECTION WITH BIOTECHNOLOGY.

David M. Dietsch, CCMA II
Chairman Legislative Committee

Senator Osten, Representative Rojas and members of the Planning and Development Committee:

We sincerely appreciate the opportunity to submit our testimony before your committee on behalf of the Connecticut Association of Assessing Officers. We ask for your support in passing House Bill 5581

C.A.A.O. supports HB 5581 for the following reasons:

- The obligation to file an application for exemption with the assessor will ensure that all equipment claimed for exemption meets the statutory definition of exempt equipment and will eliminate any disputes of taxability related to an audit pursuant to CGS 12-53
- It provides the property owner the ability to request an extension of time for filing such application.
- It allows a municipality, by vote of its legislative body, to grant the exemption even after a taxpayer has missed the filing deadline and the extension request. This will eliminate the need for the special legislation we have seen each of the last few years that granted the exemption to taxpayers who had missed the filing deadlines.

PA 11-61 removed the requirement for the Secretary of The Office of Policy and Management to approve exemption claims pursuant to 12-81(72) and currently there is no oversight or approval process. HB 5581 will require the property owner to apply with the local assessor maintaining the application and approval process.

Thank you,
David M. Dietsch, CCMA II
Chairman, Legislative Committee
Connecticut Association of Assessing Officers