

Legislative History for Connecticut Act

**PA 14-96**

HB5348

House	5989-5993	5
Senate	3164-3169	6
Planning & <u>Development</u>	386, (390), 391-393, 433- 434	7
		<b>18</b>

**H – 1198**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2014**

**VOL.57  
PART 18  
5882 – 6232**

Have all the members voted? Have all the members  
voted?

Will the members please check the board to make  
sure your vote is properly cast.

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

The Clerk please announce the tally.

THE CLERK:

House Bill 5147, as amended by House "A".

Total number voting	141
Necessary for passage	71
Those voting Yea	141
Those voting Nay	0
Absent and not voting	10

SPEAKER SHARKEY:

The bill as amended passes.

Will the Clerk please call Calendar 273.

THE CLERK:

House Calendar 273, on page eight, Favorable  
Report of the Joint Standing Committee on Planning and  
Development. Substitute House Bill 5348, AN ACT  
CONCERNING THE PAYMENT OF DELINQUENT PROPERTY TAXES.

SPEAKER SHARKEY:

Representative Rojas.

REP. ROJAS (9th):

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

SPEAKER SHARKEY:

The question is on acceptance of the Joint Committee's Favorable Report and passage of the bill. Will you remark, sir?

REP. ROJAS (9th):

Thank you, Mr. Speaker. Mr. Speaker, the Clerk is in possession of an amendment, LCO 5413. I ask that it be called and I be granted leave of the Chamber to summarize.

SPEAKER SHARKEY:

Will the Clerk please call LCO 5413, which we designate House Amendment "A".

THE CLERK:

Mr. Speaker, House Amendment "A", LCO 5413, introduced by Representative Rojas, et. al.

SPEAKER SHARKEY:

The gentleman seeks leave of the Chamber to summarize. Is there objection? Seeing none, you may proceed with summarization, sir.

REP. ROJAS (9th):

Thank you, Mr. Speaker. What the bill does is enable municipalities to, by ordinance, limit participation in property tax reduction programs. I move adoption.

SPEAKER SHARKEY:

The question is on adoption of House Amendment "A". Will you remark? Representative Kokoruda.

REP. KOKORUDA (101st):

Thank you, Mr. Speaker. I stand in support of this amendment. All this amendment is, really, is another tool for -- for our municipalities to -- to use in determining senior tax programs.

And it's an -- it's a -- it allows a town to set up this criteria if they choose by ordinance. It's a good bill and it ought to pass.

SPEAKER SHARKEY:

Thank you, madam.

Would you care to remark? Would you care to remark further on House Amendment "A"?

If not, let me try your minds.

All those in favor of House "A", please signify by saying Aye.

REPRESENTATIVES:

Aye.

SPEAKER SHARKEY:

Those opposed, Nay.

The Ayes have it. The amendment is adopted.

Would you care to remark on the bill as amended? If not, staff and guests to the Well of the House, members take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll.

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

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted?

Members, please check the board to make sure your vote is properly cast.

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

The Clerk please announce the tally.

THE CLERK:

House Bill 5348, as amended by House "A".

Total number voting 140

Necessary for passage 71

Those voting Yea 140

Those voting Nay 0  
Absent and not voting 11

SPEAKER SHARKEY:

The bill as amended passes.

Are there any announcements or introductions?

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Good morning to you,  
sir.

SPEAKER SHARKEY:

Good morning, sir.

REP. NOUJAIM (74th):

Mr. Speaker, for a journal and transcript  
notation.

SPEAKER SHARKEY:

Please proceed.

REP. NOUJAIM (74th):

Representative Larry Mill, illness. For the  
transcript, Representatives Carter, O'Dea, Walker, and  
Williams, out of the Chamber on Legislative Business.

Thank you, sir. We'll see you in a few hours.

SPEAKER SHARKEY:

Thank you, sir. Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

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GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
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SENATE

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

THE CLERK:

On the second Consent Calendar for today.

Total number voting	35
Those voting Yea	35
Those voting Nay	0
Absent not voting	1

THE CHAIR:

Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. If the Clerk would call the first item marked go to follow the Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 33, Calendar 579, Substitute for House Bill Number 5348, AN ACT CONCERNING THE PAYMENT OF DELINQUENT PROPERTY TAXES. Favorable Report of the Committee on Planning and Development.

THE CHAIR:

Senator Kelly.

SENATOR KELLY:

Thank you. Thank you, Madam President. Pursuant to Rule 15 of the Joint Rules, I am recusing myself from consideration of this bill.

THE CHAIR:

Thank you, sir. Please leave the Chamber.

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Senator Osten.

SENATOR OSTEN:

I believe it's proper to say good morning, Madam President. I move acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with in the House of Representatives.

THE CHAIR:

Motion is on acceptance and passage in concurrence. Will you remark further, madam?

SENATOR OSTEN:

This bill allows municipalities to adopt an ordinance limiting eligibility for a circuit breaker property tax credit based on the value of the property for which the home owner is seeking the credit. Under the bill, the property's value is determined according to its present true and actual value.

House Amendment "A" replaces the original file, which allowed taxpayers to direct the manner in which tax collectors applied a property tax.

This program entitles -- The Circuit Breaker Program entitles seniors and disabled home owners to property tax credit up to \$1,250 for married couples and \$1,000 for single persons. An applicant must be aged 65 or older and or disabled and have a spouse who is at least 65 or older or be at least aged 50 and a surviving spouse of someone who was, at the time of his or her death, eligible for the program.

THE CHAIR:

Will you remark? Will you remark? Senator Meyer.  
Senator Looney.

SENATOR LOONEY:

Yes, I appreciate the open for Senator Meyer.

THE CHAIR:

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Sorry, I was confused.

SENATOR LOONEY:

Thank you. Before going further on this item, I believe, Madam President, that it is single starred. So I would ask for suspension to take it up.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you. I yield back to Senator Meyer.

THE CHAIR:

Senator Meyer, will you accept the yield, sir?

SENATOR MEYER:

Yes, thank you. Through you, Madam President to Senator Osten, if I could. Senator Osten.

THE CHAIR:

Please proceed, sir.

SENATOR MEYER:

As far as I can recall we did not caucus this particular bill and/or if we did, I was not in the room. And I wanted to ask you a question about it. As I understand this bill, it relates to the property tax credits that lower income people can receive. Is that right?

THE CHAIR:

Senator Osten.

SENATOR OSTEN:

Thank you, Madam President. There is a qualifying income.

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THE CHAIR:

Senator Meyer.

SENATOR MEYER:

And through you, Madam President, and what this bill says is that a town, instead of considering the income, the relatively low income, could consider the homeowner's property, the value of the homeowner's property. Is that right?

THE CHAIR:

Senator Osten.

SENATOR OSTEN:

Thank you, Madam President. Through you, yes, that's correct.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

And again through you to Senator Osten, and so let's take an example of a particular instance, here. A person has lower middle income of \$30,000, but has a \$1 million home. So there's a very high value on the home.

Am I correct in understanding that under the -- if this bill passes, the town would be able to deny the property tax credit to that person because that person's home, not income, but home, happened to be valued at a million dollars?

THE CHAIR:

Senator Osten.

SENATOR OSTEN:

Through you, Madam President -- thank you, Madam

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President, that would be correct.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Okay. Madam President -- thank you, Senator Osten. Madam President, I -- this bill has been requested by the Town of Madison in my district. But I -- I am concerned, and I speak to all of my colleagues about the effect of this bill.

Because we have a number of senior citizens in our state whose property has grown in value through the years, and they have low income. And the property tax credit is very important to them based upon their low income. But they have a big property. They paid the mortgage off long ago. The property tax credit has been very important to them. And now the town, in order to get more tax revenue for the town, can deny the property tax credit.

Unless I'm missing something there, that's not a good direction for us to go. So I look forward to hearing your views, but I'm concerned about this -- this bill leading to an unintended consequence of lower income people who happen to have appreciated property losing their tax credit and leaving Connecticut, probably. Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Will you remark?  
Senator Osten.

SENATOR OSTEN:

Thank you, Madam President. I would ask for a roll call vote.

THE CHAIR:

Roll call vote will be taken on the bill. Will you remark? Will you remark? If not, Mr. Clerk, will you call for a roll call vote and the machine will be

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open.

THE CLERK:

Immediate roll call is ordered in the Senate.  
Immediate roll call is ordered in the Senate.

THE CHAIR:

Senator Boucher, would you please vote, madam? If all members have voted, all members have voted, the machine will be closed. Mr. Clerk, will you call the tally?

THE CLERK:

On House Bill Number 5348.

Total number voting	34
Those voting Yea	32
Those voting Nay	2
Absent not voting	2

THE CHAIR:

The bill passes. Senator Looney.

SENATOR LOONEY:

Madam President, thank you, Madam President. I believe the Clerk is now in possession of Senate Agenda Number 3.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Is in possession of Senate Agenda Number 3. It's dated Wednesday, May 7, 2014. It's been copied and is on Senators' desks.

THE CHAIR:

Senator Looney.

**JOINT  
STANDING  
COMMITTEE  
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just ran the whole thing and I think you did a great job. And I think --

RAPHAEL PODOLSKY: I -- I mean Senator Cassano put the group together. I was one of the members of the group. It was an interesting group. It reflected a variety of -- of perspectives and this is what we all came up with.

SENATOR FASANO: Yeah and I think that you did a good job and -- of putting -- that was a glitch that they found as a result of a tenant who passed and I know initially when the -- when the first bill came out and they were trying to -- we were trying to figure out all the eviction processes and that's what started this that piece was left out. But I had talked to Senator Cassano and I -- you did a good job so thank you.

RAPHAEL PODOLSKY: Thank you very much.

SENATOR OSTEN: Are there any other questions or comments?

Seeing none, thank you very much.

RAPHAEL PODOLSKY: Thank you very much.

SENATOR OSTEN: Next is Randy Collins on a variety of issues. Still only three minutes though. Ready, set, go.

RANDY COLLINS: Thank you very much. My name is Randy Collins, Senior Legislative Associate for the Connecticut Conference of Municipalities. I have submitted testimony on seven bills.

HB 5455  
HB 5349  
HB 5332  
SB 286

We -- we at CCM have concerns with House Bill 5348, Senate Bill 264 and Senate Bill 266.

We've addressed those in our testimony. I'd be



REP. FOX: Thank you.

SENATOR OSTEN: Senator Fasano.

SENATOR FASANO: Randy, thank you. And I understand where you're coming from. But I'm not sure you want to -- you can define open space as -- because not everybody could walk on it, because I know a lot of municipal open space that -- open space and you can't walk on it and subdivisions are open space. Farms that, although they're farms, we treat them like open space and you can't exactly, you know, walk all over those either.

But one of the things -- you understand their position, in order to protect this and keep it going, something has to give. And if we had the "may" language in it, because we know how much you guys hate the "shall" language, if we had the "may" language in it, at least the conversation can be with the golf courses saying listen we can't afford it, we can't keep it going and the gentleman who spoke about the fact he may sell a piece of property to keep it going, as a general rule you don't fall in love with your investments and obviously he does.

But -- then there's a conversation listen I'm either going to turn this over for a subdivision or a commercial development unless you can talk about treating this as open space.

Right now I would suggest that conversation can't be made. It's got to be -- and this probably saying there's nothing I can do for you even if I wanted to. By having the "may" language maybe that conversation is talked about and something can be further (inaudible) and I think having that flexibility, we're not forcing it upon anybody, it can still do the

"may" language.

They can draft an ordinance which may be even site specific so it doesn't include every golf course in -- in their town. And I think that that may be a good thing in the long run but I understand where you're coming from.

HB5348

Can I ask you -- you also -- when you spoke about an act concerning the payment of delinquent property taxes, you suggested that the word first. Do you remember this in line 6

--

RANDY COLLINS: Uh-huh.

SENATOR FASANO: -- is not appropriate and I may agree but I just don't think I -- if -- if -- maybe you could refresh your recollection as to, at least for the benefit of -- of the drafters of the language, can you go through like what -- what your hang-up is with that?

RANDY COLLINS: Well the deletion of the word first as these were the conversations, again it seemed very technical. I reached out to a number of different tax collectors, Stonington, Cheshire, looking for -- and basically they just said it adds a little bit of confusion.

Right now taxpayers do have the ability to designate if they multiple (inaudible) properties and if they submit a payment, they already have the ability to designate which one it goes towards.

By removing the word first it adds ambiguity towards a default setting that a tax collector, if there isn't a specified property, which -- which bill they're -- they're going to apply it to.

SENATOR FASANO: So in other words if you had some unsecured taxes and then you had some unsecured -- Len Fasano had unsecured taxes he hadn't paid for. Right and then he had -- maybe it was personal property tax, right, under my name. And then I had another piece of property that was secured taxes and there were fees and costs, this would say you couldn't pay off this one.

The -- the language here says you first have to pay off the ones that you have expenses to, as I understand the first language here.

RANDY COLLINS: The way that the tax collectors and the way that we've read is they have the ability to designate I want to pay this unsecured one first, not the secured one. They already have that. That's currently within the law. Right now the tax collectors, if you don't specify, generally tend to lean towards directing it towards the unsecured tax, liability first, rather than the secured tax because that one's the harder one to collect.

The way that they look at this it kind of --

SENATOR FASANO: Yup.

RANDY COLLINS: -- they -- it removes that default from the unsecured to secured or it just adds confusion to it. The intent of the bill they say will still work but maybe it will a little bit clarify by removing that word first. But it doesn't remove it --

SENATOR FASANO: I think what they -- I think what the first does is is first to expenses concerning such unsecured taxes. So you can't hit the -- including attorneys fees, collection

expenses, recording fees, collector's fees and other expenses.

So I think with the word first is that you can't apply it to the principal or the interest, you've got to pay off the expenses. I think that's the -- that's the way it's drafted. Whether that was our intent or not I don't know, I can't remember.

But that's the way it's kind of drafted. Is -- is that a concern for -- do you know whether or not it is? I -- I don't want to put you on the spot. You can get back to us.

RANDY COLLINS: Yeah I absolutely -- I know that --

SENATOR FASANO: Why don't you get back to us?

RANDY COLLINS: -- the tax collectors I believe that they have submitted but I don't think that they're going to be presenting today but I will clarify that question and get back to you.

SENATOR FASANO: Thank you.

Thank you, Madam Chair.

SENATOR OSTEN: Are there any other questions?

Seeing none, thank you very much.

Up next is Debora Bresch followed by John Filchak. Is Debora here?

Well, John, you're up.

SB264

JOHN FILCHAK: Good afternoon. My name is John Filchak. I'm the Executive Director of the Northeastern Connecticut Council of Governments and I'm here to just briefly express our

**CONNECTICUT GENERAL ASSEMBLY**  
**Friday, March 7, 2014**

**TESTIMONY OF ADAM J. COHEN**  
**TO THE PLANNING AND DEVELOPMENT COMMITTEE**  
**ON PROPOSED HOUSE BILL 5348, "AN ACT CONCERNING**  
**THE PAYMENT OF DELINQUENT PROPERTY TAXES"**

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 wish to convey to this Committee my concern with House Bill 5348, "An Act Concerning the Payment of Delinquent Property Taxes." This bill would amend General Statutes § 12-144b by adding language that says a person making a partial payment for delinquent municipal taxes may direct which of multiple properties to which it will be applied. For example, a taxpayer who owes both a real estate tax and motor vehicle tax could specify that a particular payment be applied to one rather than the other. I do not oppose this portion of the bill. In fact, this proposal appears to be merely a clarification of the words "specific property" which already appear in this statute, and consistent with the existing practice of our municipal tax collectors' offices statewide which honor these types of instructions from taxpayers except where otherwise required by law. The bill would also add the word "first" before "to expenses" at the end of line 6 to give parity between the two subparagraphs, which is also sensible.

My sole concern is with the portion of House Bill 5348 which would delete the word "first" at the beginning of line 6. This change could be interpreted as undoing Section 20 of Public Act 13-276 adopted last year which requires tax collectors to apply partial payments to unsecured tax debts before lien tax debts unless the taxpayer specifies otherwise. The reason this statute was divided into subparagraphs last year was to make that default application clear, since unsecured tax debts are more difficult and expensive for municipalities to enforce. Again, our law is now and has always been that a taxpayer can specify to which of several delinquent properties a particular payment should be applied. However, when the taxpayer *does not* give that direction, the tax collector should be required to apply the payment to any unsecured tax debt first. House Bill 5348 should not delete the word "first" as it currently exists in line 6, to avoid any confusion as to the order of applying unspecified payments.

With that simple correction, I believe House Bill 5348 is consistent with the intention and practical application of our municipal tax collection statutes. Thank you.



## *PLANNING & DEVELOPMENT COMMITTEE*

March 7, 2014

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.

### HB 5348, "An Act Concerning The Payment Of Delinquent Property Taxes"

CCM has concerns with HB 5348.

The deletion of the word "first" at the beginning of line 6 could be interpreted as undoing Section 20 of PA 13-276. Current statute allows a taxpayer to specify to which of several delinquent properties a particular payment should be applied. However, when the taxpayer does not give that direction, the tax collector should be required to apply the payment to any unsecured tax debt first. Deletion of the word "first" as it currently drafted in HB 5348, may add unnecessary confusion as to the order of applying unspecified payments.

CCM asks the committee to amend HB 5348 in order to ensure the bill is consistent with the intention and practical application of municipal tax collection statutes.

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If you have any questions, please contact Randy Collins, Senior Legislative Associate for CCM, at [rcollins@ccm-ct.org](mailto:rcollins@ccm-ct.org) or (860) 707-6446.