

**Testimony of David Sutherland – Director of Government Relations
Before the Finance Committee – March 2, 2009**

In Opposition to Bill 6558 - AAC The Imposition Of Service Fees By Municipalities

On behalf of The Nature Conservancy, I would like to express our strong opposition to Bill 6558 - AAC The Imposition of Service Fees by Municipalities, which would allow municipalities to impose a fee on non-profit, tax-exempt organizations for police, fire, and trash services.

From what we have seen, most Connecticut towns would not want to charge taxes or fees to land trusts for their preserves. They want to encourage land conservation for a variety of purposes, and recognize that in most cases, it is less costly for the town to have land preserved rather than developed. Under this legislation, however, if they wanted to charge a fee to any non-profit, they would have to charge all of them.

Furthermore, the bill specifies that "any service fee imposed shall be uniform and based upon the square footage of such property." This would be devastating to land trusts. An acre contains 43,650 square feet, so one fifty-acre preserve would contain 2.17 million square feet. Even a one-cent fee per acre would result in a \$21,000 annual fee, for just one parcel. Many land trusts are all-volunteer, with very small budgets. Many trusts would have to literally close down at worst with such a fee, or would have to stop accepting new lands.

Under this law, one specific group of selectpeople, elected for a single, two-year term, could reverse years of town policy, and impose such a fee on the town's non-profits. Groups that for years had acquired, or planned budgets for, facilities with the understanding that they would not have to pay property taxes, could be faced with a radically different budget situation.

While homeowners or businesses also can face increased assessments or mill rates, they at least buy or build their houses or facilities with the knowledge that they will be paying some amount of property taxes within a fairly predictable range. All similar property owners in a town are in the same situation, so since changes to the mill rate or new assessments affect them all in a substantially similar manner, such changes are prominently discussed and very subject to political discourse. A change affecting a limited number of non-profit organizations could be prone to much less predictable political forces.

Land trusts could and would attempt to reverse any such decision to impose a fee, but the uncertainty and financial burden that would result from, again even a single, two-year administration, would have a chilling effect on current operations and future plans.

Under this law, many land trusts would be forced to reject new preserves, putting additional pressure on municipalities to accept ownership of, and responsibility for, open space lands that the trusts would have managed with volunteer labor.

We urge you to reject this proposal; or at the very least, significantly amend it to address the particular circumstances of land conservation organizations.