



Testimony of
Susan Bransfield, First Selectman, Town of Portland
On behalf of the
Connecticut Council of Small Towns
Before the Planning & Development Committee
March 10, 2010

RE: HB-5031, AN ACT REDUCING COSTS TO MUNICIPALITIES

The Connecticut Council of Small Towns (COST) *strongly supports HB-5031*, which includes numerous recommendations from Governor M. Jodi Rell to address the need for municipal mandate relief.

Mandate relief is a top priority for Connecticut's suburban and rural towns. Connecticut will not be able to enact true property tax reform unless it recognizes the burden it places on towns and cities by passing unfunded state mandates. Connecticut's small towns and cities are once again facing enormous pressure to hold the line on local budget and property tax increases although local pension and benefit costs are rising. While we recognize that the state is not in a position to increase municipal aid, it can act now to relieve some of the burden on our small towns and cities by addressing long-standing concerns with unfunded mandates.

COST therefore urges adoption of the following measures which our membership has identified as priorities for this legislative session, including:

- **Enacting a 2/3 Approval Requirement for Any Unfunded Mandate** – Requiring any new unfunded mandate to be approved by a 2/3 vote will bring more transparency to the process and highlight the cost of the proposed mandate to Connecticut's towns and cities and give lawmakers the opportunity to carefully weigh the fiscal impact before passing on another unfunded mandate to Connecticut taxpayers. A partnership must exist between each level of government and fiscal impact discussions must take place before mandate legislation is passed.
- **Electronic Posting of Reports** – Allowing towns to provide access to an

electronic copy of the annual report is much more efficient than requiring towns to make print copies available. This provision will allow towns to save on printing and mailing costs and free up staff time who have to respond to requests for copies. Given that an increasing number of town residents look to the town's website for information, this is a simple common sense measure that should be adopted.

- **Relieving towns from the cost and burden associated with removing and storing the personal possessions of evicted tenants.** A 2006 report prepared by the Office of Legislative Research (OLR) indicates that "In the overwhelming majority of the 37 states that we researched, a landlord may dispose of personal property that a tenant leaves in dwelling units by selling it after first notifying the tenant of his intent and storing the property for a period prior to the sale." Under Connecticut law, however, the responsibility for removing and storing the property is shifted to the municipality, which places a heavy financial burden on our towns and cities. The requirement that towns remove and store an evicted tenant's possessions is extremely costly and burdensome, particularly at a time when towns are struggling to provide residents with services without raising property taxes. There are an estimated 2,500 residential evictions per year. Storage costs average between \$10 and \$15 per day, per eviction, for an average of 15 days. This can range from approximately \$12,000 to \$165,000 per municipality.
- **Posting Legal Notices on the Internet** - Towns are required to publish numerous legal notices in newspapers. Unfortunately, advertising prices have increased dramatically, placing a fiscal burden on Connecticut's small towns. In addition, many small town newspapers have gone out of business, requiring towns to publish notices in the more expensive metropolitan newspapers that may not be widely read by residents. Allowing towns with the staff and Internet capabilities to post such notices on their websites will help reduce this fiscal burden.
- **In-School Suspension Mandate** - Although well intentioned, the mandate requiring towns to use in-school suspension to discipline students for all but the most egregious violations imposes a costly burden on small towns, which must make space available and hire additional staff to monitor students in in-school suspension. At a time when towns are bracing themselves for additional cuts in state education aid, it makes sense to repeal this costly mandate. COST advocates repealing the In-School Suspension Mandate, rather than delaying its implementation, to allow towns to craft suspension policies that make sense for their towns.
- **Eliminating Treble Damages for Zoning Officers** – Allowing complainants to pursue treble damages against zoning officers exposes towns to significant liability costs and has a chilling effect on the ability of zoning officers to carry out their responsibilities. We support the removal of this provision.

- **Municipal Employee Retirement Program** – Towns must begin to address pension and benefit costs which are driving up municipal budgets. Establishing a new municipal employee retirement program to establish benefits, costs and procedures to allow all member communities to provide retirement benefits to employees in a less expensive and more cost-effective manner is a welcome measure.

COST urges support for the mandate relief measures included in this bill. **However, the legislature must also address two long-standing mandates that significantly increase local costs – Binding Arbitration and Prevailing Wage laws.**

Binding Arbitration - The big driver of local budgets is education – an area over which local government and citizens have little control. An increasingly unmanageable portion of the local education budget is teachers' salaries and benefits. Unfortunately, under the current binding arbitration mandate, towns have very few options with which to negotiate any savings. In these difficult economic times, current binding arbitration laws can no longer be justified. Meaningful binding arbitration reform is needed to reduce the financial and administrative burden on small towns and cities. To address this, **COST supports giving towns the right to reject arbitration awards by a 2/3 vote of a town's legislative body.**

Prevailing Wage - The prevailing wage mandate results in significantly higher costs for local projects such as schools, ball fields and senior centers. Prior to 1991, legislators adjusted the prevailing wage threshold on a six-year schedule to ensure that smaller projects were exempt from the mandate. However, the thresholds (\$100,000 for renovations and \$400,000 for new construction) have not been adjusted for more than fifteen years. Failure to adjust the thresholds for prevailing wage projects to exempt smaller town projects has cost Connecticut towns millions of dollars. **COST advocates increasing the prevailing wage threshold to \$1 million for new construction and renovations and indexing the threshold to annual inflation rates.**

Thank you for the opportunity to comment on mandate relief. COST looks forward to working with lawmakers to enact meaningful measures to help towns reduce costs and hold the line on property taxes.

