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TESTIMONY OF REPRESENTATIVE ELISSA WRIGHT  
STATE REPRESENTATIVE, 41<sup>ST</sup> DISTRICT

*Planning and Development Committee Public Hearing  
March 10, 2010*

**In Support of:**

- Proposed Substitute Bill No. 303, An Act Concerning A Municipal Hotel Tax
- Proposed Substitute Bill No. 197, An Act Concerning In-School Suspensions
- Proposed Substitute Bill No. 5255, An Act Concerning Municipal Mandate Relief
- Proposed Substitute Bill No 5336, An Act Concerning Shared Services
- Proposed Substitute Bill No. 5337, An Act Authorizing Two or More Municipalities to Pursue Joint Employee Health Insurance Plans

Senator Coleman, Representative Sharkey and members of the Planning and Development Committee:

Concerns about the current economic crisis and drastically altered state revenue streams resulting from the collapse of financial markets, the recession's severity, and the painfully slow economic recovery have focused the attention of lawmakers, local elected officials, policymakers, civic and business leaders on the urgent need to change the way the state and local governments deliver and fund services in the future, lowering government costs overall. In short, the status quo no longer exists.

During the past month, the Speaker's Commission on Municipal Opportunities and Regional Efficiencies has reviewed and evaluated a number of short- and longer-term approaches to promote money-saving, tax-reducing efficiencies for Connecticut's cities and towns through cooperative and collaborative ventures, mandate relief, and revenue diversification with an eye to improve the value and effectiveness of state and local government programs. Several regional initiatives in such areas as online permitting and GIS mapping prompted through the regional performance incentive grant program, authorized under P.A. 07-239 An Act Concerning Responsible Growth, already have demonstrated success.

The above-referenced bills comprise a series of public policy instruments designed help guide Connecticut toward a smarter, more economically efficient, and socially desirable future.

This suite of bills addresses several areas of concern and offers specific, high-priority proposals for implementing action:

- Increase the state hotel occupancy tax rate to fifteen percent (from the current twelve percent). The Department of Revenue Services would segregate the additional revenues and allocate them as follows: one third to be returned to the hotel host towns; one-third distributed to all participating municipalities within the geographical region; and one-third distributed to councils of government, regional planning agencies, or councils of elected officials for use on cooperative, inter-municipal projects that deliver services more effectively and efficiently on a regional basis, to be decided by the chief elected officials of member municipalities under a process that is accountable and transparent.
- Authorize municipalities to set and charge fees to users of services provided by the municipality at rates reasonably set to allow the municipality to cover the administrative cost incurred in providing the service or collecting the fee.
- Establish a floor for depreciation of tangible personal property for municipal assessment purposes.
- Encourage collaboration through trans-boundary, shared-service agreements in the performance of such functions as school transportation, and school construction management services.
- Promote health care pooling for towns and boards of education and pooling for prescription drug insurance among Boards of Education
- Provide mandate relief from the requirement of online posting of municipal public agency meeting minutes, and from the recovery and storage requirement of evicted tenants' possessions. Suspend the effective date of the in-school suspension requirement by three years to July 1, 2013.

In conclusion, with fiscal costs spiraling and economic effects reverberating throughout the state, Connecticut, like many other states, is facing difficult decisions. Let us seize the moment and fashion a coordinated, integrated approach for improved service delivery among government jurisdictions; one that makes government more efficient and less expensive, strengthens our cities and towns, expands economic opportunities, and improves the state's competitive position.

Thank you for your consideration of these important matters.