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TOWN OF EAST HARTFORD
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Testimony Re: House Bill 6388

March 7, 2011

Written Testimony By: Marcia A. Leclerc, Mayor, Town of East Hartford

Honorable Co-Chair Senator Daily and Co-Chair Widlitz and distinguished members of the Finance, Revenue and Bonding Committee.

My name is Marcia Leclerc and I serve as Mayor of the Town of East Hartford.

Thank you for affording me the opportunity to address the committee today regarding H.B. 6388. The governor's proposed budget cuts the program that reimburses towns for not levying taxes on manufacturing machinery and equipment. The 20-year-old program known as Payment In Lieu of Taxes Manufacturing Machinery and Equipment, or (PILOT MME) has been eliminated in the Governors proposed budget. A \$48M cut with East Hartford the #1 recipient.

According to the state of CT- East Hartford could expect to gain approximately \$692,000 in new sources of taxation but would lose \$3.6M in PILOT funding. A \$2.9 net loss that would have long-term devastating consequences to our town and places a disproportionate burden upon our community. East Hartford is a distressed community with a senior population that makes up one third of the town's total population compounded with higher than average unemployment rates and lower per capita incomes than our neighbors.

East Hartford is proud to be home to Pratt & Whitney, the state's largest manufacturer, but supporting business cannot be added to the financial responsibilities of our residents. There is no way to make up such a significant loss of revenue other than implementing a significant tax increase. East Hartford residents can no longer support the state of CT's obligations.

Overall, our total (PILOT MME) funds continue to decline year over year. If we were able to direct bill the assessed value East Hartford would receive approximately \$7M in tax revenue. East Hartford receives approximately half or \$3.6M through the (PILOT MME) grant and now that may be taken from us as well. Our residents are tired of seeing the State of CT diminish their responsibilities.

I appeal to this committee to find a way to restore these funds.