

**Brian Sear
First Selectman
Town of Canterbury
Before the Labor & Public Employees Committee
March 10, 2011**

Senator Prague, Rep. Zalaski, members of the Labor Committee:

I am here today to urge your support for SB-989 - AN ACT CONCERNING RESERVE FUND BALANCES AND CHANGES TO MUNICIPAL BINDING ARBITRATION.

This bill simply requires arbitrators to disregard a town's fund balance – a critical tool for ensuring a town's fiscal health - for purposes of municipal binding arbitration awards. Given that fiscal analysts recommend that towns maintain a healthy fund balance as a measure of fiscal stability, it makes no sense that arbitrators should be permitted to look to the fund balance to determine whether a town can afford an increased salary and benefit packages. This penalizes towns for doing the right thing. Without a healthy fund balance, a town's bond rating will suffer, resulting in increased debt costs and burdens. This is a common sense measure and we urge your support.

HB-6409 - AN ACT REQUIRING NEUTRAL MUNICIPAL ARBITRATORS BE MEMBERS OF THE AMERICAN ARBITRATION ASSOCIATION.

This bill is consistent with the original intent of the binding arbitration process – to provide a neutral forum for resolving issues regarding salaries and benefits. Requiring arbitrators to be certified will help ensure the professionalism and neutrality of arbitrators in the binding arbitration process. By helping to ensure that the process is truly neutral, HB-6409 will help strengthen the process.