



# CCM 2012 Testimony

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## COMMERCE COMMITTEE

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The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 90% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

### **House Bill 5469 "An Act Concerning Equalizing Commercial Motor Vehicle Taxes."**

This bill would establish a statewide mill rate for commercial motor vehicles, with the stated intent of providing property tax relief to towns and cities.

Overreliance on the property tax to finance local public services, particularly K-12 public education, is the root cause of many of the public policy challenges facing Connecticut. To paraphrase Mark Twain, "Everyone complains about the property tax system, but nobody does anything about it."

The antiquated and inequitable property tax system continues to cause numerous problems, including the fiscal distress and decline not only of our cities but also of our towns. It encourages the continued economic and racial segregation of our state. It often prevents municipalities from meeting the public service needs of their residents and businesses without levying a heavy local tax burden. It promotes bad land use decisions and contributes to costly and destructive sprawl.

Although CCM appreciates the intent behind this proposal, we are concerned that (1) the proposal requires revenue to go to the State to be doled out to municipalities, and (2) there will be winners and losers among municipalities due to a statewide uniform mill rate. And, with the struggling to balance its budget, how will the State reimburse towns and cities?

**Please keep in mind: there have been times when the State has made revenue promises to towns that it did not keep.** Before taking any action on such a proposal, there must be some hard assurances that the money could not be tapped into when the State is in dire straits.



If you have any questions, please contact Donna Hamzy, Legislative Associate of CCM  
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