



Memo

To: Mayor Donna Hemmann and Town Council Members
From: Jeff Bridges, Town Manager
Date: 3/7/2012
Re: Testimony on HB 5035 – An Act Reducing Mandates for Municipalities

We would like to offer our support for House Bill 5035 – An Act Reducing Mandates for Municipalities. Mandate relief is a perennial issue for local governments in our legislative priorities. We are very much appreciative of the initiatives contained in this bill.

There are two elements to this bill that I would like to address specifically, those being the correction to the statutes on the ability to assess partially completed structures and the changes to the property storage mandates for evicted tenants.

Section 2 of the bill clarifies that partially completed construction is subject to property taxation. We believe that this is appropriate. The Connecticut Statutes on property taxation require that local assessors value property at their true and actual value. Any improvements, whether completed or not add value to a property. The owner would certainly include the value of the improvements in any arms length sale thus it is appropriate that the taxable value include any and all improvements on the property. In addition, even partially completed projects require additional police, fire, and other community services even if they are not occupied. Taxation relative the full value of the improvements is appropriate to cover the costs of these services.

Section 6 amends the evicted tenant's property storage mandate to authorize municipalities to charge and collect from landlords the difference between the proceeds from the sale of the possessions and the expense of such storage. Section 7 amends the foreclosed property storage mandate to authorize municipalities to charge and collect from mortgage holders the difference between the proceeds from the sale of the possessions and the expense of such storage. Both of these sections resolve an expense issue for Towns which in these circumstances are not party to the dispute between the property owner and the tenant. It is appropriate that the local taxpayers be made whole with the ability to charge back these expenses for what is for all intents and purposes a private matter between two parties.