



**FINANCE, REVENUE & BONDING COMMITTEE TESTIMONY  
SENATE BILLS 843 &842**

Senator Fonfara, Representative Widlitz members of the Committee thank you for this opportunity to submit testimony to you today regarding enabling legislation for portions of Governor Malloy's proposed biannual budget. My name is Ralph Eno. I am First Selectman in the Town of Lyme and a member of the Connecticut Council of Small Towns Board of Directors whose position is also represented in my following remarks.

First, I want to be on the record as being opposed to SB 843 which would eliminate the property tax on motor vehicles with assessed values of twenty thousand dollars and under. This would be severely injurious to municipalities. In Lyme, such a measure would carve almost 28 million dollars out of our grand list. Further, there is no prospect of recovering this loss other than by increasing the tax burden on real estate. The unintended consequence here is that many homeowners, particularly the elderly, could bear a disproportionate share of this redirected levy necessitated to compensate for the loss of motor vehicle generated revenue. This will not lighten the workload of assessors either as has been claimed in some quarters. Not only will they still have to maintain and update motor vehicle lists, but now they will have to pro-rate the tax on vehicles with market values higher than 28-thousand dollars making for more work instead of less.

Next, I would like to express my appreciation for efforts to increase Education Cost Sharing, Town Aid Roads and LoCIP funding. These have been long sought COST objectives. It seems however that these increases are being accomplished by eliminating other state municipal aid programs. My concerns are that municipal spending options could be compromised as the state's funding increases are line item specific and, in addition, a significant amount of the new revenue comes from borrowing. I am inclined to question whether it is sustainable over a protracted period of time.

Thank you all for your time and consideration. I am available at any time to field questions or comments any members of the Committee may have.