TESTIMONY OF BARBARA GILBERT

TOWN MANAGER, ROCKY HILL

RE: GOVERNOR'S PROPOSED BILL NO. 843: AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET: OPPOSITION TO THE ELIMINATION OF THE MOTOR VEHICLE TAX

Mr. Chairman and members of the Committee, good morning. I am Barbara Gilbert, Town Manager of the Town of Rocky Hill. I am here this morning to express my opposition to the Governor's proposal to eliminate the Motor Vehicle Tax on vehicles with an assessed value up to $20,000 as contained in Bill # 843, An Act Concerning Revenue Items to Implement the Governor's Budget.

As Town Manager and as a both a COST and CCM Board member, I cannot, in good faith, support this bill as it currently stands. **This bill will have a disastrous impact, not only on Rocky Hill, but on all Connecticut municipalities. Rocky Hill stands to lose over $3.7 million in a single tax year or 95.7% of our Motor Vehicle tax revenue: $3.7 million revenue loss for our small town of 14 square miles and 19,500 hard-working, tax paying citizens - THIS IS SIGNIFICANT.**

Rocky Hill is not alone; there are potentially 168 other municipalities facing the same or worse predicament. And note, this revenue loss will not be offset by changes in the General Fund revenues also proposed under this bill: they will be magnified.

In order to offset this potential $3.7 million revenue loss, a 1.45 mill increase will be required - at current budgetary levels. This does not include escalating costs of health care, employee benefits, union and other contacts, increases in materials and supplies and increases in expenditures needed for school security and mandates placed on the Board of Education in future years.

As has been highlighted by other Managers, Mayors and First Selectmen, as well as in recent news accounts, this proposal casts an unjust burden on taxpayers because the bill does not contain an avenue for municipalities to recover the lost revenue without raising taxes or by reducing budgets to impractical levels thereby jeopardizing public health, safety and the quality of life across the State.

In closing, supporting this bill is tantamount to a tax increase mandate on our municipalities. If this bill is implemented, municipalities will be forced to increase real estate and personal property taxes on their residents and businesses.

Mr. Chairman and members of the Committee, I implore you to reconsider support of this bill.