

FINANCE / REVENUE & BONDING COMMITTEE
PUBLIC HEARING TESTIMONY 3/4/13

CHAIRMAN; MEMBERS OF THE COMMITTEE; GOOD MORNING. MY NAME IS PAUL M FORMICA, FIRST SELECTMAN OF THE TOWN OF EAST LYME AND CURRENT CHAIRMAN OF THE SCCOG. MY COMMENTS TODAY REGARD SB 843.

THE TOWN OF EAST LYME IS THE HOST COMMUNITY TO MANY STATE FACILITIES—2 PRISONS; GATES AND YORK; 2 CTNG CAMPS; STONES RANCH AND CAMP NIANTIC-, WHICH BTW HAS RECENTLY UNDERGONE OVER 30 MILLION DOLLARS OF CAPITAL IMPROVEMENTS IN ORDER TO FOSTER MORE EFFICIENT AND EFFECTIVE TRAINING FOR THE GREAT MEN AND WOMEN OF THE CTNG. ROCKY NECK STATE PARK, THE NEHANTIC FOREST AND A LARGE OPEN SPACE HOLDING OF YALE UNIVERSITY. IN OUR CURRENT BUDGET THE TOWN RECIEVES \$754,725.00 FROM PILOT FUNDING STATE OWNED PROPERTY. AS WE ARE LOCATED AT THE INTERSECTION OF I95 AND I395 AT THE GATEWAY TO MYSTIC COAST AND COUNTRY AND ONLY MINUTES FROM THE TWO CASINOS WE ALSO RECEIVE \$329,809.00 FROM THE PEQUOT/MOHEGAN GRANT FUND. UNDER THE GOVERNORS PROPOSAL AND THE TERMS OF SB 843, THE PILOT WOULD BE ELIMINATED AND THE GRANT FUND CUT BY 90% EFFECTIVELY REDUCING REVENUE TO THE TOWN BY \$1,041,581.00. FURTHER THE GOVERNOR AND THE SPONSORS OF THIS BILL PROPOSE TO ELIMINATE THE CAR TAX - A TAX COLLECTED ONLY BY MUNICIPALITIES—ON VEHICLES WITH A NAV OF \$20,000.00 OR LESS. WHILE ELIMINATING THE CAR TAX MAY, ON THE SURFACE, SAVE FAMILIES LIKE MINE SOME MONEY FOR THE 5 OLDER CARS MY CHILDREN AND I DRIVE; IT WOULD ULTIMATELY END UP COSTING US MORE TO LIVE IN EAST

LYME AS WE- LIKE MOST OTHER FAMILIES—WOULD END UP PURCHASING SERVICES THAT WOULD BE CUT OR ELIMINATED THAT THE TOWN CURRENTLY PROVIDES. IN EAST LYME THERE ARE 16,986 REGISTERED MOTOR VEHICLES. OF THOSE, 16,248 ARE ASSESSED AT \$20,000.00 OR LESS AND OF THOSE, 12,471 ARE ASSESSED AT LESS THAN \$10,000.00. BASED ON THE 2012 MOTOR VEHICLE LIST, THE ESTIMATED TOTAL EXEMPT ASSESSMENT AS A RESULT OF THIS BILL, WOULD BE \$105,873,550.00. UTILIZING THE 2011 MILL RATE -22.78 -THE REVENUE LOST TO OUR TOWN SHOULD THIS LEGISLATION PASS, WOULD BE \$2,411,799.47 IN YEAR ONE. ADDED TO THE LOSS OF THE PILOT AND PEQUOT GRANT REDUCTION, THE TOTAL UNRESTRICTED REVENUE LOST TO EAST LYME WOULD BE \$3,453,380.40. EXCEPT FOR THE SHIFTING OF SOME FUNDING FROM THE PEQUOT GRANT INTO YOUR GENERAL FUND, NEITHER THE PILOT ELIMINATION NOR THE CAR TAX EXEMPTION HAVE ANY BEARING ON YOUR STATE BUDGET AT ALL. THE SHIFT OF PILOT TO ESC IS NET NUETRAL OR A REDISTRIBUTION OF FUNDS NOT A SAVING. THE EFFECT WOULD BE MORE TYING OF OUR COLLECTIVE HANDS ON THE MUNICIPAL LEVEL AND PITTING BOARDS OF FINANCE AGAINST BOARDS OF EDUCATION. ADDITIONALLY WITH THE MBR LEFT UNCHANGED, THE INCREASE WILL FURTHER HANDCUFF THE COMMUNITY WITH REGARD TO EDUCATION FUNDING. I KNOW THAT THIS YEAR THAT SHIFT IS PROPOSED TO BE EXEMPT HOWEVER I BELIEVE IT WILL BE AKIN TO THE CAMELS NOSE IN THE TENT AND IT WONT BE LONG

BEFORE ECS ABSORBS PILOT. I RESPECTFULLY SUGGEST THAT YOU LEAVE PILOT AS IS FOR THE PURPOSE THAT IT WAS CREATED. FURTHER THE CAR TAX EXEMPTION IS TOO RADICAL A REDUCTION TO IMPOSE ON THE 169 CITIES AND TOWNS IN THIS ECONOMIC CLIMATE AND SHOULD BE SCRAPPED. A BETTER IDEA WOULD BE TO CREATE A MBR FROM THE STATE TO THE MUNICIPALITIES SO THAT WE CAN PLAN OUR BUDGET STRATEGY WITHOUT WONDERING WHAT IS GOING TO COME UP NEXT. IT IS MY OPINION THAT WE BOTH WILL THEN BEST BE ABLE TO SERVE THE PEOPLE OF THE GREAT STATE OF CONNECTICUT.

THANK YOU FOR YOUR TIME AND CONSIDERATION.

PAUL M FORMICA

FIRST SELECTMAN EAST LYME

2013 CHAIR SECOG

