

# CCM 2014 Testimony

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## **PLANNING & DEVELOPMENT 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 92% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

**HB 5055, "An Act Eliminating Municipal Mandates"**

**CCM supports HB 5055 and the mandate relief that the bill would provide municipalities.**

### Elimination of Payment to DMV

Section 1 of HB 5055 would eliminate the annual mandated payment by towns and cities to the Department of Motor Vehicles for their assistance in helping to collect delinquent motor vehicle taxes. **This program cost municipalities \$858,573 in 2013.**

### Revaluation Delay

CCM also supports Section 2 which would allow municipalities the option to delay the implementation of a revaluation scheduled for the 2015 assessment year until 2017. Allowing municipalities the option to delay revaluation is a reasonable means to provide savings from the cost of conducting the unfunded revaluation mandate.

**Precedent exists: a similar deferral was granted in 2009 (Public Act 09-60)** – which, among other things, allowed municipalities the option to (1) delay a revaluation scheduled for the 2008, 2009, or 2010 assessment year until the 2011 assessment year; and (2) suspend a current revaluation phase-in for up to three years, also until the 2011 assessment year. This law was a tangible means of relief for certain hometowns without compromising the integrity of the revaluation process.

Simply put, when it comes to managing the local bottom-line in these difficult times – local officials need (1) options for quick relief, and (2) the necessary discretion to make decisions that work best for their communities. Enabling towns and cities the discretion to delay conducting revaluations would provide their taxpayers and local budgets that much-needed, temporary relief.

### Annual Report to Siting Council

Section 3 would eliminate the requirement that municipalities submit an annual report to the Connecticut Siting Council containing the location of telecommunications towers and antennas in their community.

### Additional Mandates Reform Needed

While CCM and its member towns and cities appreciate the efforts by the Governor and the committee to address two unfunded mandates with HB 5055, CCM asks the committee to consider providing relief from some of these additional and costly unfunded mandates that burden our towns and cities:

- **Create a new tier, for new hires only within the Municipal Employee Retirement System (MERS)**, modeled after what already exists for state employees, known as "tier III" which still maintains a defined benefit plan for (new) employees. MERS, established in 1947, has never been adjusted or amended to reflect the realities of modern-day local-state economies – meanwhile the state retirement system has several tiers (including a defined-contribution plan known as the Alternative Retirement Plan).
- **Provide local officials the authority to select their Primary Service Area responder for ambulance transportation** – and allow municipalities the much-needed flexibility to decide whether such services are adequately delivered. Current law limits municipal input regarding who is chosen to provide such local services, at what cost, and restricts local ability to determine if contracts should continue or be amended.
- **Eliminate the health insurance premium tax on municipalities**, which is 1.75% tax on fully insured municipal premiums. Many municipalities, particularly small towns, cannot reasonably consider self-insurance as an option, because just one catastrophic illness could have a severe negative impact on a local budget. The premium tax costs municipalities up to \$9 million each year.
- **Eliminate the mandate towns and cities are required to store the possessions of evicted tenants.** According to the Office of Legislative Research report #2006-R-0164 "State Laws on Landlord's Treatment of Abandoned Property", of the 37 states researched, Connecticut is the only state that mandates that municipalities store the possessions of evicted tenants.
- **Adjustment the local grievance arbitration process** by amending CGS 31-98(a) to institute that grievance arbitration awards be issued no more than 60 days following the date post-hearing briefs are filed, thereby, establishing mandatory time limits to issue grievance arbitration awards in cases before the State Board of Mediation and Arbitration.
- **Amend CGS 31-53(g) to adjust the thresholds that trigger the prevailing wage mandate** for (i) renovation construction projects, from \$100,000 to \$400,000; and (ii) new construction projects, from \$400,000 to \$1 million; and index the thresholds for inflation thereafter. Five states have changed their prevailing wage thresholds since 2010. Alaska, Indiana, and Wisconsin significantly raised their thresholds applying to all public works projects. Ohio increased thresholds for projects that did not involve road or bridge construction. Connecticut has not adjusted its mandated-thresholds since 1991.
- **Enact a Constitutional amendment or statutory prohibition** to prohibit the passage of unfunded or underfunded state mandates on municipalities **without a two-thirds vote of both chambers of the General Assembly.**

CCM urges the Committee to **favorably report HB 5055** and pass further needed mandate relief for towns and cities.



If you have any questions, please contact Randy Collins, Senior Legislative Associate for CCM, at [rcollins@ccm-ct.org](mailto:rcollins@ccm-ct.org) or (860) 707-6446.