



**Testimony
Betsy Gara
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Before the Appropriations Committee
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Thank you for the opportunity to comment regarding **HB-6824, AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2017, AND MAKING APPROPRIATIONS THEREFOR AND OTHER PROVISIONS RELATED TO REVENUE**, as it relates to the state Department of Administrative Services (DAS).

The Connecticut Council of Small Towns (COST), which represents 115 towns throughout Connecticut, appreciates Governor Malloy's efforts to keep towns whole in what is an extremely difficult budget year. Preserving state aid to municipalities recognizes that town budgets are already stretched thin and every dollar of state aid that is cut will force an increase in local property taxes or a reduction in critical services or personnel.

The budget does, however, incorporate a \$20 million lapse in municipal aid to reflect efficiencies achieved through implementation of recommendations of the Municipal Opportunities and Regional Efficiencies (MORE) Commission. The budget does not specify how these savings will be achieved.

One area of potential savings for municipalities is the state's Nutmeg Network, which was recently extended to include municipal facilities in addition to schools, libraries and public safety facilities.

COST is participating in the efforts of the Connecticut Center for Advanced Technology, Inc. and the Capitol Region Council of Governments (CRCOG) to launch a program to assist local governments in leveraging the Connecticut Nutmeg Network. Up to 97 Connecticut municipalities are in the process of or have been connected to the network. Many towns are poised to move forward with inter-municipal projects to utilize the network to share certain back office functions to achieve cost savings and improve the efficiency of such services, including data storage and back-up, GIS mapping, disaster recovery and payroll and accounting.

Unfortunately, HB-6824 zeros out the funding for this program. It is our understanding that this \$3.3 million reduction in funding not only eliminates free internet services for



schools and libraries; it also eliminates lease and maintenance payments to the state's vendor, Fibertech, which, if this is the case, will jeopardize the future of the entire network. This cut in funding also calls into question how the \$20 million MORE Commission lapse will be achieved if promising programs, such as the Nutmeg Network, are jeopardized.

A concern has also been raised that cutting funding for the Nutmeg Network may put the state in breach of contract and require the repayment of Broadband Technology Opportunity Program (BTOP) grant funds.

COST urges lawmakers to determine the potential impact of this cut in funding on the BTOP grant as well as the state's contractual obligations in order to fully understand the implications to the state. At a minimum, lawmakers should seek assurances that the Nutmeg Network leases will be paid.

COST is an advocacy organization committed to giving small towns a strong voice in the legislative process. Its members are Connecticut towns with populations of less than 30,000. COST champions the major policy needs and concerns of Connecticut's suburban and rural towns. More information is available at www.ctcost.org.