



**TESTIMONY OF LYME FIRST SELECTMAN RALPH ENO
CONCERNING SB-466
AN ACT CONCERNING PROPERTY TAXES AND PAYMENTS IN LIEU OF PROPERTY TAXES**

Senator Fonfara, Representative Berger, members of the Finance, Revenue and Bonding Committee, thank you for this opportunity to electronically submit testimony to you today concerning SB-466: AN ACT CONCERNING PROPERTY TAXES AND PAYMENTS IN LIEU OF PROPERTY TAXES.

The Lyme Board of Selectmen is opposed to the proposed legislation as it presently stands. While the concept of providing an additional, secure revenue stream to municipalities is commendable, utilization of the sales tax, an even more regressive levy than the property tax, to accomplish this goal is poor public policy.

Further, issues with the companion 2.5% spending cap on municipal operating budgets are not adequately addressed. First and most importantly, the cap disenfranchises Lyme voters who approve their regional school district budget at referendum and the rest of their annual capital and operating budget at Town Meeting. The cap also has the potential to penalize communities investing in infrastructure projects, as well as those that have successfully grown their grand lists, raising revenue to fund any number of vital programs, because a corresponding increase in local expenditures places them in jeopardy of exceeding the arbitrary cap limit.

I notice that the bill offers a two year opt out provision. However, there is no corresponding two year exemption from cap restrictions for municipalities choosing not to avail themselves of this grant funding. Lyme is slated to receive some \$31,000.00 and most certainly would waive its eligibility to avoid the cap.

Finally, the notion that the State of Connecticut, with its often dysfunctional budget development process and habitual deficits should have any standing or say in how efficiently managed small towns raise and spend property tax dollars is frankly presumptuous and offensive. It has not earned the privilege to insert itself into what is the very core small town governance.

Thank you for your time and consideration. I hope SB-466 will be amended to address these very real and substantive objections to the measure as it presently stands.

A handwritten signature in blue ink, appearing to be the name "Ralph Eno". The signature is stylized, with a large, looped "R" and a horizontal line extending to the right.