



**Betsy Gara**  
**Executive Director**  
**Connecticut Council of Small Towns**  
**Before the Planning & Development Committee**  
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**SUPPORT - Proposed HB- 6926, AN ACT PERMITTING MUNICIPALITIES TO IMPOSE A BUYER'S FEE ON THE CONVEYANCE OF REAL PROPERTY**

Connecticut's towns and cities are more reliant on local property taxes to fund critical programs than any other state in the country. For the past several years, municipal aid for the state's smaller communities has been largely flat-funded although the cost of providing education, public safety and transportation services has increased significantly. Now, given the state's ongoing fiscal challenges, the state's small towns have faced midyear reductions in education and other municipal funding and are facing additional cuts in municipal aid this year.

To provide effective mechanisms for funding critical services at the local level, the Connecticut Council of Small Towns (COST) supports efforts to develop alternative revenue streams to help reduce reliance on the property tax as well as on state aid to municipalities. As part of this effort, COST supports HB-6926 to enable towns to adopt an optional local conveyance tax as a new source of revenue for the purpose of acquiring open space and other local initiatives.

Preserving open space lands is critical to protecting Connecticut's natural habitats and preserving the scenic beauty of our communities. In order to preserve open space lands for future generations, many municipalities have pursued grants through the state's Community Investment Account (CIA).

However, CIA grant funds are limited and there is a lot of competition for funds. Moreover, in order to address the state's budget deficit, a significant portion of the CIA funds were swept, leaving fewer dollars available to support open space initiatives.

HB-6926 provides municipalities with the ability to raise funds locally to purchase open space lands through a buyer's fee on the conveyance of real property. This is a reasonable way to assist municipalities in purchasing open space lands and protecting natural habitats throughout the state.

COST urges lawmakers to **support HB-6926**.