

Planning and Development Committee
JOINT FAVORABLE REPORT

Bill No.: SB-527

AN ACT PERMITTING MUNICIPALITIES TO COMBINE THE PROPERTY

Title: ASSESSMENTS OF MULTIPLE ELECTRIC GENERATING FACILITIES.

Vote Date: 3/25/2019

Vote Action: Joint Favorable

PH Date: 2/13/2019

File No.:

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SPONSORS OF BILL:

Introduced by:

Planning and Development Committee

Co-sponsors of SB-527

Sen. Matthew L. Lesser, 9th Dist.

Sen. Mary Daugherty Abrams, 13th Dist.

Rep. Joseph C. Serra, 33rd Dist.

Rep. Quentin W. Phipps, 100th Dist.

Rep. David Michel, 146th Dist.

REASONS FOR BILL:

SB 527 will allow for municipalities to enter tax stabilization agreements to combine property tax assessments of multiple generating facilities of differing ages to allow for a smooth and fluid transition from the usage older electric generating facilities to newer ones while providing a tax relief for the owners of the facilities during their time in transitioning older facilities and their equipment out.

RESPONSE FROM ADMINISTRATION/AGENCY:

NO RESPONSE FROM ADMINISTRATION/AGENCY EXPRESSED

NATURE AND SOURCES OF SUPPORT:

Daniel T Drew| Mayor of Middletown, CT

Mayor Drew states that SB 527 will provide tax stability for communities that have both newer and older electric generation facilities. Because older facilities depreciate in value over time, the bill would keep the tax stable and incentivize facilities to upgrade. Newer facilities are cleaner and better for the environment and Mayor Drew argues that this bill will push companies towards putting more investment into newer facilities.

Donna Hamzy Caroccia| Advocacy Manager for Connecticut Conference of Municipalities

CCM states their support for the bill stems from the ease in which it will grant municipalities in forming stable tax structures for facilities that are either transitioning from older to newer equipment or maintaining both newer and older electric generation facilities.

Brian McCabe| NRG Energy

Mr. McCabe argues that SB 527 is necessary because of the relief it would grant both municipalities and electric companies that are maintaining older facilities while building or maintaining newer facilities on the same property. He brought forth a pictograph demonstrating where NRG supplied electricity to, and the ways in which the company's presence in the community affected the community (volunteer hours, tax revenue, jobs introduced, etc.) He states that the bill would help out companies seeking to create newer facilities on the same property as existing facilities, and the importance of maintaining newer facilities (lower carbon footprint, less emissions, more jobs in construction and in facility for some years, etc.)

NATURE AND SOURCES OF OPPOSITION:

NO NATURE AND SOURCES OF OPPOSITION EXPRESSED

Reported by: Camilo Lemos

Date: 3/30/2019