



***LABOR & PUBLIC EMPLOYEES
COMMITTEE***

March 7, 2019

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 99% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

CCM **has serious concerns** with the following bills:

- **SB 2** **An Act Increasing The Minimum Fair Wage**
- **HB 5004** **An Act Increasing The Minimum Fair Wage**
- **HB 7191** **An Act Increasing The Minimum Wage**

Municipalities are not immune to the effects of the growing fiscal crisis at the state level. As a result, Connecticut towns and cities are consistently being given less, while being mandated to do more.

When the State requires municipalities to comply with underfunded and unfunded mandates, towns and cities have no choice but to increase the local property tax or cut services. **Local property tax increases hurt everyone.**

These proposals will have a negative fiscal impact on municipal budgets. Ultimately, these proposals will hit local property tax payers equally hard. As towns and cities face steadily eroding state aid, they would be forced to pass the increased costs on to residents through increased fees, by increasing the local property tax or they may discontinue offering certain programs if they are no longer financially sustainable.

While conventional wisdom states that raising the minimum wage will help our most vulnerable populations, the dramatic rise in the minimum wage these bills propose over a short time period is most likely going to have the opposite effect by hurting those who can least afford it.

Municipalities often employ seniors, students and other individuals in seasonal and/or part-time roles in parks and recreation, human services, senior centers and libraries. These proposals would greatly inflate costs associated with seasonal or part-time employees and are likely to result in staffing reductions or the elimination of programming. The elimination of programs would impact seniors and single parents who



rely on these offerings to help manage their daily lives and to provide access to important community services or activities.

To remedy this situation, we ask the Committee to **consider an exemption** to the minimum wage increases for part-time or seasonal municipal employees or at least slow down the rate of the increases. This will allow towns and cities to continue to offer their residents the essential services and programs they need and have come to expect.

Municipalities cannot continue to generate more own-source revenue to continually subsidize steadily eroding state aid while simultaneously absorbing new underfunded and unfunded mandates. **Accordingly, the State should not consider new mandates until it is prepared to provide meaningful mandate relief to towns and cities.**

CCM is fully supportive of efforts to help ensure Connecticut's towns and cities are vibrant and inclusive communities. However, we believe that communities and their residents do best if they are not unduly burdened by a high local property tax. There is an inherent inequity in a municipality's overreliance on the property tax to fund municipal operations, it does not factor in the ability to pay.

For these reasons, CCM urges the Committee to **take no action on SB 2, HB 5004 and HB 7191 unless they exempt part-time and seasonal workers from the minimum wage increases.**

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If you have any questions, please contact Daniel C. Giungi, Senior Legislative Associate for CCM, at dgiungi@ccm-ct.org or (203) 498-3023.