



**Elizabeth Gara
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Connecticut Council of Small Towns
Before the Labor and Public Employees Committee
February 14, 2019**

The Connecticut Council of Small Towns (COST) ***opposes*** SB-1, AN ACT CONCERNING PAID FAMILY AND MEDICAL LEAVE, and HB-5003, AN ACT IMPLEMENTING A PAID FAMILY MEDICAL LEAVE PROGRAM.

Although well-intentioned, the bills open the door for a costly unfunded mandate on municipalities.

As drafted, a state or municipal collective bargaining unit is authorized to negotiate inclusion of the members of that collective bargaining unit in the paid family and medical leave program. The Office of Fiscal Analysis, in determining the municipal fiscal impact of a similar bill last year, indicated that "To the extent that otherwise excluded employees participate in the program through collective bargaining agreements, there is the potential for increased costs to their respective employers in FY 22 and beyond associated with the expansion of leave benefits and subject to the terms of the agreements that allow them to be part of that program."

Although the fiscal note also indicates that "Any increased costs to the state or municipalities could potentially be mitigated by those entities during collective bargaining negotiation", COST is concerned that mitigating such costs would be very difficult given the constraints of the existing collective bargaining process.

Connecticut's towns and cities continue to face serious budget challenges, given reductions in municipal aid and limited growth, at best, in grand lists throughout the state. At the same time, costs for providing local services continue to increase, largely due to increases in personnel costs, including skyrocketing health insurance and pension costs.

Reductions in municipal aid and flat or limited growth in grand lists puts enormous pressure on property taxpayers. As property taxes increase, housing values decline, eroding our local economies. We need to focus on strengthening our local economies and refrain from imposing new unfunded mandates on property taxpayers.

Given the fiscal challenges facing the state and municipalities, COST is taking a hard line in opposition to any new or expanded unfunded mandate which would impose additional costs on our towns and cities.

Accordingly, COST opposes SB-1 and HB-5003.