



Housatonic Valley Association

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Litchfield Hills Greenprint
Collaborative

April 29, 2019

Connecticut General Assembly
Finance, Revenue and Bonding Committee
Legislative Office Building Room 3700
Hartford, CT 06106

Section 1 of SB 1137: An Act Concerning Deposits in Lieu of Taxes, and Section 5 of SB 1138: An Act Concerning Community Restoration Funds

Dear Co-Chairs Fonfara and Rojas; Ranking Members Witkos and Davis; Vice-Chairs Cassano, Leone, Concepcion and Meskers, and members of the Finance, Revenue and Bonding Committee;

On behalf of the Housatonic Valley Association, Inc. (HVA) and the Litchfield Hills Greenprint Collaborative, I write in **fervent opposition** to Section 1 of SB 1137: An Act Concerning Deposits in Lieu of Taxes, and Section 5 of SB 1138: An Act Concerning Community Restoration Funds and urge the Finance, Revenue and Bonding Committee to **remove these sections from SB1137 and SB 1138 respectively**.

Section 1 of SB1137 and Section 5 of SB 1138 directly threaten the charitable purposes and public benefits provided by every tax-exempt nonstock corporation in Connecticut holding tax exempt property directly related to their charitable purposes and having raised private charitable contributions to maintain their facilities and programs. These bill contain taxes on tax exempt funds that we have prudently invested in endowments that allow us to hire staff, provide services, maintain facilities and ensure that our organizations are durable and well-run and remain reliable partners and vital resources. Taxing these funds forces non-profits to live hand-to-mouth and condemns the non-profit sector to a more precarious, less impactful existence.

An accredited land trust and tax-exempt 501 (c) 3 charity, HVA protects the natural character and environmental health of the entire Housatonic watershed, including 55 cities and towns here in Connecticut. The Litchfield Hills Greenprint Collaborative is a Regional Conservation Partnership of 33 tax-exempt land trusts and partner organizations and municipalities working together to ensure coordinated and complementary conservation across the Northwest Connecticut. Section 1 of SB1137 is especially hard on land trusts like ours, which are **obligated to steward and defend our conservation easement holdings with dedicated and restricted funds** sufficient to address easement violations in court.

The protected lands of conservation non-profits like ours **demonstrably provide significant public benefits**, among which are enhanced residential and commercial property values; clean water, outdoor recreation and education, improved public health and fitness; climate-change readiness, storm water retention and flood mitigation; and availability of local food and fiber. Section 1 of SB1137 and Section 5 of SB1138 **compromise our charitable purposes** and diminish the numerous public benefits we will be able to provide and for which we are granted tax-exempt status in acknowledgement of the value of those benefits to society.

Section 1 of SB 1137 and Section 5 of SB 1138 are the wrong tools to address the fiscal challenges of our state and our communities. We respectfully request that they be struck from their respective bills.

Sincerely,

Tim Abbott
Regional Land Protection & Greenprint Director