



Lower Connecticut River Valley Council of Governments

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April 29, 2019

Senator John Fonfara, Co-Chair
Representative Jason Rojas, Co-Chair
Finance, Revenue, and Bonding Committee
Legislative Office Building, Room 2100
Hartford, Connecticut 06106

RE: SB 1137 and SB 1138

Dear Honorable Co-Chairs Fonfara and Rojas and Member of the Committee:

RiverCOG strongly opposes section 1 in SB 1137 and section 5 in SB 1138, for the impact these sections will have on our state's non-profit land trusts. Most of the state's privately conserved open space is held by volunteer run land trusts that would be taxed by a new state fee at the rate of a quarter their equivalent annual municipal property tax, if they were not exempt. These "fees" would go to a state community development fund. Most of our land trusts have no ability to pay such a fee and would endanger Connecticut land trusts' survival.

Although the goals and purposes of the proposed community development fund are laudable, the preservation of our natural environment is also important. Land held by land trusts is conserved in perpetuity, and the end result of the proposed fee will be a lien and possible state ownership of permanently preserved land and all the responsibilities that come with the land. At current funding and staffing at DEEP, the state is struggling to maintain the open spaces they own and does not have the wherewithal to accept responsibility for more land. Overall, our communities' volunteer land trusts preserve ecosystems and landscapes that provide us with clean air, drinkable water, and recreational opportunities, with no costs to the state. We are concerned that if some of these land trusts are driven out of existence by the proposed fee that the responsibility for these permanently preserved lands will fall to government and ultimately the taxpayers.

Besides the counterproductive nature of the fee as it applies to land trusts, we see two major flaws with the proposals. First, the bills should establish a means test, focusing on truly excessive funds held by non-profits. Money left in trust to pay for the care of land in perpetuity should not be taxed and exhausted by this fee. Second, if there is any fee it should be on annual fund earnings, not principle

RiverCOG has been working with thirteen land trusts that serve our region for decades. We have even established an umbrella land trust for the purposes of supporting our small volunteer land trusts with their endless mission, so our towns won't have to. We are concerned that SB1137 and SB1138 may undo some of this work. Although we understand the need for addressing the issues of access to opportunity and housing in our cities, we believe the impact of the proposal as it relates to private land trusts would in the end be pennywise and pound foolish.

RiverCOG

Thank you for considering our testimony on SB 1137 and SB 1138 as it related to land trusts. Please do not hesitate to contact me with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Samuel S. Gold'.

Samuel S. Gold, ACIP
Executive Director