

Planning and Development Committee JOINT FAVORABLE REPORT

Bill No.: HB-6804

AN ACT CONCERNING A REPORT ON THE ASSESSMENT OF FIRE

Title: DISTRICT USER FEES ON COLLEGES AND UNIVERSITIES

Vote Date: 3/22/2023

Vote Action: Joint Favorable Substitute

PH Date: 3/3/2023

File No.:

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SPONSORS OF BILL:

Planning and Development Committee

REASONS FOR BILL:

This bill would authorize fire districts, by majority vote of the board of directors, to assess an annual user fee on public or independent colleges and universities located in such districts. The fee must be directly related to fire and emergency services. Substitute language was included to change the bill to a study and report concerning the potential financial impacts on fire districts and public and independent institutions of higher education located in such districts.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Representative Charles J. Ferraro, 117th District, Connecticut General Assembly:](#)

In relation to total annual expenses incurred and the population of West Haven including the University of New Haven student count, the estimated yearly cost per UNH student for the city of West Haven to provide emergency services to the UNH is approximately \$385 per student or said differently is over \$2M per year. Currently UNH donates \$100,000 to the fire district each year which is greatly appreciated, but it nowhere near covers the expenses to provide the services as that averages out to be only \$15 per student compared to the expense of \$385.

Donna Hamzy Carroccia, Chief Strategy Officer, CT Council of Municipalities (CCM):

The lack of diversity in local revenue coupled with repeated and significant budget deficits at the state level have created the perfect storm in which, if action is not taken, will see towns and cities unable to provide these needed local services. We cannot expect our towns and cities to grow and prosper if we continue the current policies of restricting the generation of local revenues to a regressive property tax system and diminishing state aid.

James A. Baldis, Director of Administration & Facilities, Chief of Department, Simsbury Fire Districts:

Requests inclusion of private schools in this bill. Details as to why are noted in written testimony.

NATURE AND SOURCES OF OPPOSITION:

Gary MacNamara, Executive Director of Public Safety & Governmental Affairs, Sacred Heart University:

Please consider the millions of dollars that our students and their families, visitors, staff and faculty pump into the local economy when deciding whether to further assess fire district fees on nonprofit colleges and universities.

Mark R. Nemecek, PhD, President & Professor of Politics, Fairfield University:

As a major contributor to our hometown and state's economy, the total annual economic impact of Fairfield University is \$987 million, according to the CCIC 2023 Economic Impact Study. Total direct spending equaled almost \$600 million. Tax exemption for independent colleges in Connecticut recognizes that the education we provide offers important benefits to the public as we pursue our basic missions of teaching, research, and service. Such tax exemption has been universally offered and accepted throughout our country's states municipalities.

George Synodi, Vice President for Finance & Administration, University of New Haven:

The University of New Haven provides a significant economic impact, security impact, and clean neighborhood impact to many areas of West Haven. Assessing any user fees to the University will have an adverse impact on our students at a time when families are already struggling to support the cost of higher education.

Anonymous from Yale University supporter:

This bill would set a troubling precedent by undermining longstanding policy that exempts nonprofit colleges and universities from taxation. Furthermore, the state provides substantial aid to municipalities through the PILOT program. While Yale makes voluntary payments to New Haven, Orange, and West Haven, which can help to fund fire services, the University opposes HB 6804. Relevant details and opinion are further discussed in written testimony.

Jennifer Widness, President, Connecticut Conference of Independent Colleges (CCIC):

We acknowledge the fiscal constraints that some of our municipalities' face. However, many colleges and universities are managing financial stresses of their own. Most independent colleges in this state rely heavily on tuition and fees for revenue and have endowments smaller than UCONN. Requiring nonprofit colleges and universities to pay additional taxes or fees to our host communities would divert scarce resources from education, financial aid, and research and result in tuition increases.

Gary S. Woodward, President, University of Hartford:

Imposing these fees and taxes would have a serious adverse effect on our operations, and more importantly, on the resources available to students, including financial aid. Efficiently managing our operations, while also providing an exceptional educational experience to students, is the cornerstone of our work.

Reported by: Robert Mayne

Date: March 27, 2023