

## Legislative History for Connecticut Act

### PA 19-200

#### HB7413

House	8418-8424	7
Senate	4235-4237, 4305-4306	5
Finance	3086-3093, 3108-3109, 3268-3283	26
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Transcripts from the Joint Standing Committee Public Hearing(s)  
and/or Senate and House of Representatives Proceedings

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Connecticut  
Gen.Assembly  
House

Proceedings  
2019

Vol. 62  
Part 10  
7654-8447

sp  
HOUSE OF REPRESENTATIVES

631  
June 4, 2019

tally.

And the Clerk will announce the tally.

CLERK:

Senate Bill No. 848 as Amended by Senate "A" in  
concurrence with the Senate

Total Number Voting	150
Necessary for Passage	76
Those voting Yea	150
Those voting Nay	0
Absent not voting	1

SPEAKER ARESIMOWICZ (30TH):

The Bill as Amended passes in concurrence with  
the Senate [Gavel]. Will the Clerk please call  
House Calendar 6803?

CLERK:

On Page 46, House Calendar 603, Substitute  
House Bill 7413 AN ACT CONCERNING THE FAILURE TO  
FILE FOR A GRAND LIST EXEMPTION, PAYMENT OF A GRANT-  
IN-AID AND THE EXTENSION FOR FILING A DECLARATION  
AND AUTHORIZING THE RENEWAL OF CERTAIN TEMPORARY  
NOTES. Favorable Report of the Joint Standing

Committee on Finance, Revenue and Bonding.

SPEAKER ARESIMOWICZ (30TH):

Representative Rojas of the 9th District, sir  
you have the floor.

REP. ROJAS (9TH):

Thank you, Mr. Speaker. I move for Acceptance  
of the Joint Committee's Favorable Report and  
Passage of the Bill.

SPEAKER ARESIMOWICZ (30TH):

Question before the Chamber is on Acceptance of  
the Joint Committee's Favorable Report and Passage  
of the Bill. Will you remark?

REP. ROJAS (9TH):

Thank you, Mr. Speaker. Clerk is in possession  
of an Amendment 10851. I would ask the Clerk to  
please call the Amendment and that I be granted leave  
of the Chamber to summarize.

SPEAKER ARESIMOWICZ (30TH):

Will the Clerk please call LCO No. 10851 which  
will be designated House Amendment Schedule "A"?

CLERK:

House "A" LCO No. 10851 offered by  
Representative Rojas.

SPEAKER ARESIMOWICZ (30TH):

Representative seeks leave of the Chamber to  
summarize the Amendment. Is there objection to  
summarization? Seeing none, Representative Rojas.

REP. ROJAS (9TH):

Thank you, Mr. Speaker. This is our annual  
failure to file Bill which assists a lot of small  
businesses who missed a particular filing. I move  
adoption.

SPEAKER ARESIMOWICZ (30TH):

Question before the Chamber is on adoption of  
the Amendment. Representative Davis of the 57th on  
the Amendment.

REP. DAVIS (57TH):

Yes, thank you, Mr. Speaker. I stand in  
support of the Amendment. It does add a couple of  
more towns, or business and towns that came to us  
after we passed it out of Finance and I move  
adoption of it.

SPEAKER ARESIMOWICZ (30TH):

Will you remark further on the Amendment before us? If not, let me try your minds. All those in favor please signify by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER ARESIMOWICZ (30TH):

Those opposed, nay. The aye's have it, the [Gavel] Amendment is adopted. Will you remark further on the Bill as Amended? Representative Fishbein of the 90th you have the floor.

REP. FISHBEIN (90TH):

Thank you, Mr. Speaker. Just briefly, you know, there is a portion of this that is an appropriation to Wallingford it is \$176,332 dollars and I just want to say for years there was a part of our town where people lived, they still live, there's five homes and their water got contaminated and my predecessor here, Mary Fritz, this is one of the last things she was working on before she didn't run again, before she passed. I know this was very

important to her because it was in the district and these people, we could never tell where the contamination came from, they were starting to lose their hair, their children were being affected and we wanted to do something for them so thankfully we, in the town of Wallington we have our own water company. We put in the connections and this is the State's portion of that. So, you know, in memory of Mary Fritz and, you know, her everything that she did up here I think was important to point that out. So thank you.

SPEAKER ARESIMOWICZ (30TH):

Well said, Representative. Very well said. Representative Muchinsky of the 85th, you have the floor.

REP. MUSHINSKY (85TH):

Through you, Mr. Speaker. As my colleague from Wallington said this is honoring a project that was done by Representative Mary Fritz. The town did the project, they did restore the water to the affected home, however they didn't do it before the deadline

in the agreement. So this forgives them, gives them additional time to get the reimbursement because the project was completed and the citizens do have clean water now. Thank you, Mr. Speaker.

SPEAKER ARESIMOWICZ (30TH):

Thank you very much, madam. Will you remark further on the Bill as Amended? If not Staff and guests to the Well of the House. Members take your seats; the machine will be open. [Ringing]

CLERK:

The House of Representatives is voting by roll,  
Members to the Chamber. The House of  
Representatives is voting by roll, Members to the  
Chamber.

SPEAKER ARESIMOWICZ (30TH):

Have all members voted? Have all members  
voted? If all of the members of the City of Hamden  
have voted. If all members have voted, the machine  
will be locked and the Clerk will take a tally.

The Clerk will announce the tally.

CLERK:



sp  
HOUSE OF REPRESENTATIVES

637  
June 4, 2019

House Bill No. 7413 as Amended by House "A"

Total Number Voting	150
Necessary for Passage	76
Those voting Yea	150
Those voting Nay	0
Absent not voting	1

SPEAKER ARESIMOWICZ (30TH):

The Bill as Amended passed [Gavel]. Will the Clerk please call House Calendar 666?

CLERK:

On Page 52, House Calendar 666, Senate Bill No. 1083 AN ACT IMPROVING THE INTEGRITY OF THE CONNECTICUT BUSINESS REGISTRY. Favorable Report of the Joint Standing Committee on Appropriations.

SPEAKER ARESIMOWICZ (30TH):

Representative Blumenthal of the 147th you have the floor.

REP. BLUMENTHAL (147):

Thank you, Mr. Speaker. I move for Acceptance of the Joint Committee's Favorable Report and Passage of the Bill in concurrence with the Senate.

S-723

Connecticut  
Gen.Assembly  
Senate

Proceedings  
2019

July Special Session  
July 22 Special Session  
Veto Session  
December Special Session

Vol. 62  
Part 6  
4094-4501

SENATOR FONFARA (1ST):

Madam President, I move for acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

And the question is on passage. Will you remark?

SENATOR FONFARA (1ST):

Yes, Madam President. This is the Department of Consumer Protection's Bill to revise various licensing and enforcement statutes. I urge passage.

THE CHAIR:

Thank you. Sir, will you remark further? Will you remark further on the legislation before the Chamber? Senator Fonfara.

SENATOR FONFARA (1ST):

Madam President, unless there's objection, I would ask this be placed on the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered. Mr. Clerk.

CLERK:

Page 61, Calendar No. 683, Substitute for House Bill No. 7413, AN ACT CONCERNING THE FAILURE TO FILE FOR A GRAND LIST EXEMPTION, PAYMENT OF A GRANT-IN-AID

rb  
Senate

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June 5, 2019

AND THE EXTENSION FOR FILING A DECLARATION AND  
AUTHORIZING THE RENEWAL OF CERTAIN TEMPORARY NOTES,  
as amended by House Amendment Schedule "A", LCO No.  
10851.

THE CHAIR:

Good evening, Senator Fonfara.

SENATOR FONFARA (1ST):

Good evening, again, Madam President. I move for  
acceptance of the Joint Committee's Favorable Report  
and passage of the Bill.

THE CHAIR:

Question is on passage. Will you remark?

SENATOR FONFARA (1ST):

Yes, Madam President. Among other things, this Bill  
seeks to extend certain -- several existing  
statutory deadlines in an effort to assist certain  
persons who have unintentionally failed to file. I  
urge passage.

THE CHAIR:

Thank you. Sir, will you remark further?  
Senator Witkos.

SENATOR WITKOS (8TH):

Thank you, Madam President. I believe this passed  
the Committee unanimously and -- and is -- really  
addresses those concerns within a few particular

towns. I urge adoption. Thank you.

THE CHAIR:

Thank you, Senator. Will you remark further? Will you remark further? Senator Fonfara.

SENATOR FONFARA (1ST):

Yes, Madam President. Unless there's objection, I would ask this item be placed on the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered. Mr. Clerk.

CLERK:

Page 21, Calendar No. 378, House Bill No. 5521, AN ACT EXPANDING REQUIRED HEALTH INSURANCE COVERAGE FOR PREEXISTING CONDITIONS. There are Amendments.

THE CHAIR:

Senator Lesser.

SENATOR LESSER (9TH):

Thank you, Madam President. I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

Question is on passage. Will you remark?

SENATOR LESSER (9TH):

Thank you, Madam President. Madam President, would the Clerk please call the items on the first Consent Calendar followed by a vote, please?

THE CHAIR:

That would be, I believe the second Consent Calendar of the day, sir?

SENATOR DUFF (25TH):

Yes, Madam President. Second Consent Calendar.

THE CHAIR:

Thank you. Mr. Clerk.

CLERK:

Consent Calendar No. 2, House Bill 7140. Page 21, Calendar 378, House Bill 5521. Page 36, Calendar 529, House Bill 7158. Page 43, Calendar 581, House Bill 7163. Page 44, Calendar 589, House Bill 7389. Page 44, Calendar 587, House Bill 7277. Page 46, Calendar 597, House Bill 7306. Page 46, Calendar 598, House Bill 7113.

Page 47, Calendar 603, House Bill 7396. Page 54, Calendar 645, House Bill 7299. Page 61, Calendar 683, House Bill 7413. Page 64, Calendar 292, Senate Bill 527. And Page 65, Calendar 212, Senate Bill 838.

THE CHAIR:

Thank you, Mr. Clerk. Would you kindly call a Roll

rb  
Senate

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Call Vote? The machine will be opened. And we are voting on Consent Calendar No. 2.

CLERK:

Consent Calendar No. 2. Immediate Roll Call Vote has been ordered in the Senate. Immediate Roll Call Vote has been ordered in the Senate on Consent Calendar No. 2. Immediate Roll Call Vote has been ordered in the Senate on Consent Calendar No. 2. Immediate Roll Call Vote in the Senate on Consent Calendar No. 2.

THE CHAIR:

Have all the Senators voted? Have all the Senators voted? Seeing that they have, the machine is locked. Mr. Clerk kindly call the tally.

CLERK:

Consent Calendar No. 2.

Total number voting	36
Those voting Yea	36
Those voting Nay	0
Absent and not voting	0

THE CHAIR:

[Gavel] Consent Calendar No. 2 is adopted.  
Senator Duff.

SENATOR DUFF (25TH):

Thank you, Madam President. Madam President, I move all items that require House action to be

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**FINANCE, REVENUE**

**AND**

**BONDING**

**Part 4  
2583-3396**

**2019**



## BONDING COMMITTEE PUBLIC HEARING

more money because those bonds have to be paid through additional revenue and that revenue may not be there and that is going to burden, create tax burdens for all of us, ourselves, our children, our grandchildren and that really, really scares me. That really scares me.

But on the other had what I am hearing is that there is some bonding solutions and there is some revenue raising solutions and I am not really understanding why working together to come up with a middle ground when both of us, I think, have valid ways to do that and I would like to see a middle ground here. I would like to see an opportunity for folks on both side of the aisle to come together, I mean that is what the American people, that's what Connecticut people want to see. We want to see our Legislature working together to come up with the solution that makes sense and that doesn't just start throwing names at the different parts of the proposal, that the other side brings up and, you know, just very, very unconstructive conversation. I want to see constructive conversation. Thank you.

REP. DAVIS (57TH): Thank you, Gail. Are there any questions? Seeing none, thank you. Up next and I know I think previously you requested to go separately but if both you, if both you and the town manager of South Windsor and mayor would like to come up together, they can each speak and then that way you both can answer questions at the same time for the interest of trying to consolidate some time here. Thank you.

MATT GALLIGAN: I want to thank you today, Members of the Finance, Revenue and Bond Committee. I am here, I am the Town Manager, Matt Galligan from the

HB 7413

## BONDING COMMITTEE PUBLIC HEARING

Town of South Windsor and I am here to speak to you against Raised Bill No. 7413, in particular Section 2, concerning the Town of South Windsor and the Declaration for Exemption pursuant to Section 12-81 of the General Statute.

This Bill is not what I would consider to be good government. There is a history here in the Town of South Windsor with a particular company which failed to file a Declaration for the M&E property on time.

I enclose to you three exhibits, the first being the timeline of our Assessor's attempts to contact the company to ensure that they would make the filing. The second exhibit lays out the values of that particular company and the third exhibit shows the tax abatements that have been given to this company since 2000 and tax abatement of real property not the M&E and the Town of South Windsor prides itself on being business friendly. During this period of time, the company had failed to file their declaration, and we told them there was nothing the Town could do at this point as we had tried to contact them repeatedly in the past. As we sat with the company, I had to remind them that during this time, just as comparison, the Town did grant \$81 million dollars in assessed value, with over \$3 million dollars in revenue loss over M&E exemptions on the 2017 Grand List, to 88 manufacturing companies that filed properly in a timely fashion.

What is disturbing to me today is to see a bill that is requiring the Town of South Windsor to refund \$776,000 to this company it's negligence in not correctly following the law. As you may or may not be aware, this company did file a lawsuit against the Town of South Windsor to try and recoup these

## BONDING COMMITTEE PUBLIC HEARING

funds. The law is on the Town's side, as it was not our wrongdoing that caused the company to have to pay additional taxes. I am sure their attorney determined that the lawsuit would be a loss for them, and now has decided to circumvent the judicial system by coming to the State Legislature to have this problem resolved in the company's favor. This is not good government, it is not appropriate, and it is not the purpose of the State Legislature to bypass the judicial system when a government has a conflict with anyone in the State of Connecticut that the law should take its course.

I also find it very disturbing that the bill that is being presented was not asked for by the Town of South Windsor, nor were our representatives, who are Representative Currey, Representative Delnicki, and Senator Anwar, asked to do anything on this bill on behalf of the Town. This is an area that should be negotiated between the two parties directly, and there should be no interference from the State Legislature, especially when a lawsuit is involved. I am also disturbed that at no time did anyone contact the Town Manager or the Mayor that this Bill was out there. I came across this bill because a member of CCM staff saw it and notified me and wanted to know if they should be supporting this Bill. The only other notification that we did receive, for which I am grateful, was from OPM. They did send a notification to our Assessor to ask if we were in support of this Bill. I am very proud that OPM took the time and effort to make us aware of the situation.

The question that was raised by my Town Council is: how does a Bill like this get to the Finance,

## BONDING COMMITTEE PUBLIC HEARING

Revenue, and Bonding Committee supported by an individual who does not represent the Town of South Windsor, and put our taxpayers in a position of refunding taxes to a company that failed in its obligation? Currently the Town of South Windsor is going to tax sale for \$2.1 million. How do I explain to people that while we are following the law, it is acceptable for somebody else to bypass the judicial system and get a refund?

If this Bill continues to move forward, I firmly believe it will hamper all the efforts that South Windsor has made in its tax incentive program to bring companies in to South Windsor, and the jobs required to help move the State and the Town of South Windsor forward, as residents have always been very cautious of these types of incentives and have made comments before on why we are doing this. This could be a major controversy now in the Town of South Windsor and stop any future development.

I think what I'll do is try and sum up rather, cause I know it has been a long day for everybody if you don't mind. But just to do, the Town in no way has budgeted \$800,000 dollars in this year's budget to pay for refunds for next year. We have tried to work with the company before to say before they put a law suit in, we said fine, and the goal was to try to have them come back through a judge's avenue to say, force a settlement or do something. But what is happening now is that the town council did have some ideas about to help this company but now they feel that it has backdoored. Nobody was really acting in good faith right now and there is no way the council right now feels that they are going to move forward to try and get anything back to this company as we thought we were moving in the right

## BONDING COMMITTEE PUBLIC HEARING

direction and having dialogue between our attorneys moving forward. So therefore I was to ask you that this section of part 2 be taken out because I don't think it is good government, I don't it is something that the State Legislature should consider to bypass the items that we are working on and resolve our own issues at this point in time in South Windsor.

MAYOR PATERNA: Thank you, Mr. Galligan and thank you, Representative Davis and Senator Fonfara. I am Andrew Paterna, Mayor of South Windsor. I think that the Town Manger has outlined pretty much the problem that we are facing and also the efforts that we made as a town to contact or make contact with this company.

So just so you understand, right now we are in the process of finalizing our town budget and this Bill in it's present form would add almost three-quarters of a million dollars to the town budget at a time when we are attempting to reduce the budget and offer the lowest possible tax increase to our residents. In addition at no time were members of our own local delegation contacted. This legislation would create doubt in the minds of residents about the ability of the Town to fairly manager our town finances. Thank you for your time, I know it's been a long day and hope that you would reconsider this section 2 of this Bill.

SENATOR FONFARA (1ST): Thank you, Mayor for your testimony. Questions? Representative Davis.

REP. DAVIS (57TH): Thank you and thank you both for your testimony. So is the lawsuit still ongoing between the company and the Town?

## BONDING COMMITTEE PUBLIC HEARING

MATT GALLIGAN: Yes, the lawsuit is going. This has been out there for quite a while and it was suggested at that point by our Town attorney that if the town council wanted to do something to refund or do anything back to that possibly having a judge's order or for settlement would be the route to do that because we didn't feel that there was nothing in the law that allowed us to do that. Now I see a Bill here that somebody put together, if you had contacted the Town, we could have all sat down in a room and tried to figure this out and what was the best way to help this company. Now what I have is the horse is out of the barn, and I got nine council people who are really upset that moving ahead we thought we were moving in the right direction and now all of a sudden it seems like we've been backdoored.

REP. DAVIS (57TH): So there has been no resolution in the judicial process, a judge hasn't made that order.

MATT GALLIGAN: No, that is in the beginning of this whole process.

REP. DAVIS (57TH): Okay, thank you.

SENATOR FONFARA (1ST): Thank you, Representative Davis. Representative Altobello.

REP. ALTOBELLO (82ND): Good afternoon. Good afternoon gentlemen. Take me through the money on this. My understanding is, my quick reading of it is for the October 1, 2017 Grand List only.

MATT GALLIGAN: Correct.

## BONDING COMMITTEE PUBLIC HEARING

REP. ALTOBELLO (82ND): And something happened in the 30 days after the Bill is signed by the Governor. So take me through the money on this.

MATT GALLIGAN. Sure, this company came to South Windsor back in '98. We gave them a tax incentive. As they went along, they got close to about \$1.8 million dollars in tax incentives from us besides the M&E. As you remember the State used to give reimbursements to the Town for M&E, they don't do that anymore but we helped file their declaration form way back when to be part of M&E and we've accepted that and we've done that. What happened was when the notices all went out to the companies, my assessor said they didn't get a response from them and she kept calling them every day, e-mailing them, asking them, you have \$20 million dollars out there of M&E and if you don't file this declaration you are going to have a tax bill coming your way. She was told, you will see in the thing that I gave you here, oh, the company moved to Kansas City and we just said, you didn't move to Kansas City, you've got a 300,000 square foot facility here, maybe an LLC or something else moved there but. So we kept on 'em, and on 'em until finally we had to send them a tax bill and it was \$776,000 dollars splint over the two portions and when they got the bill then they realized that, oh, we didn't file. Now they are back on the M&E so we made sure, my assessor made sure that this time they are back and they filed everything they were supposed to.

REP. ALTOBELLO (82ND): So the loss to the Town would be?

MATT GALLIGAN: Well we already got the money, so that means I would have to refund \$776.000 dollars

## BONDING COMMITTEE PUBLIC HEARING

to a company, so how do I justify that to the other 88 manufacturers who file on time and others who probably failed to do the declaration and I think that is a real issue for us.

REP. ALTOBELLO (82ND): Thank you very much. Thank you, Mr. Chair.

SENATOR FONFARA (1ST): Thank you. Anyone else? Thank you gentlemen. Has Elizabeth Frasier rejoined us? See not. Hilary Gunn to be followed by I guess Senator Anwar is joining them but maybe he'll come back. Ms. Gunn.

HILARY GUNN: Good afternoon. Thank you for allowing me to speak today. I am Hilary Gunn from Greenwich.

SB 1121

While I didn't expect it, the fight against tolls has overtaken my life these past few months. In early February, I joined my first small protest in Greenwich. At that point, my opposition to tolls was personal, and borderline selfish. I simply DID NOT want to pay tolls. Something happened when I began to discuss tolls with other people though. I heard diverse, horrifying stories of what this expenditure would mean to them in the context of their lives. Momentum grew, and I started to attend anything and everything toll related. Since that first little gathering, I have spent three days here in Hartford. I have also attended separate, additional protests in Stamford, Milford, Waterbury, Berlin, Danbury, Cromwell, Stratford, West Hartford, Manchester, Southington and New Haven. I've seen more of this phenomenal State than ever before, and, most importantly have discussed tolls with literally hundreds of ordinary people from all walks of life. These are individuals who have joined me at



## BONDING COMMITTEE PUBLIC HEARING

very well-received and we met with a lot of institutional investors in four different meetings and the Governor made presentations and it was very well received.

REP. ALTOBELLO (82ND): Are both of those interest rate you quoted true interest costs, in other words costs including issuance?

SARAH SANDERS: Yes. And the overall interest costs, cause you know, every maturity has a different interest rate so we describe it as the overall interest cost.

REP. ALTOBELLO (82ND): The GO bond.

SARAH SANDERS: True interest costs.

REP. ALTOBELLO (82ND): The GO bonds not all 20 year.

SARAH SANDERS: They are 20 year as well.

REP. ALTOBELLO (82ND): Okay, thank you. Thank you, Mr. Chairman.

SENATOR FONFARA (1ST): Anyone else? Thank you very much.

SARAH SANDERS: Thank you very much for the opportunity.

SENATOR FONFARA (1ST): I see Senator Anwar has joined us. Thank you very much for your patience.

SENATOR ANWAR (3RD): Good afternoon, everyone, the Honorable Members of the Finance, Revenue & Bonding Committee, Co-Chairs Senator Fonfara. I think you are the only there and Ranking Members Representative Davis. It is going to be short in my case compared to some of the other testimonies.

HB 7413

## BONDING COMMITTEE PUBLIC HEARING

I am here to talk about Section 2 of Raised Bill No. 7413. I think the Mayor of South Windsor and Manager have been here already and they spoke about this.

This specific section is looking at South Windsor, it would have a negative impact on the current status for the Town. There will be a loss of finances and the budget has already been made and it is just a request to see if that Section 2 can be removed and with respect to the parties that are in conversation from a legal point of view they will be able to identify a common ground in some respects but maybe this part of the legislation would not necessarily be helpful.

So I just want to make that comment and want to thank you for listening to my testimony.

SENATOR FONFARA (1ST): Thank you, Senator and thank you for coming back to testify. Anyone have a question? Thank you, sir.

SENATOR ANWAR (3RD): Thank you so much.

SENATOR FONFARA (1ST): Sal Luciano.

SAL LUCIANO: Good afternoon Senator Fonfara, Representative Rojas and members of the Finance, Revenue & Bonding Committee. I am Sal Luciano the President of the Connecticut AFL-CIO.

HB 7415

According to the Economic Policy Institute Connecticut has the third highest income inequality in the nation exacerbated by a tax system that protects wealth at the top and blocks access to prosperity by the working poor and what is left of the middleclass.

The top one percent of Connecticut residents make 37.2 times more than the bottom 99 percent combined.

SENATOR SAUD ANWAR  
DEPUTY PRESIDENT PRO TEMPORE

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State of Connecticut  
SENATE  
*Third District*  
Raised Bill No. 7413  
Finance, Revenue & Bonding

Testimony in opposition to Section 2 of Raised Bill No. 7413

Good afternoon Honorable Co-Chairs Sen. Fonfara, Rep. Rojas, Vice Chairs Sen. Cassano, Rep. Leone, Ranking Members Sen. Witkos, Rep. Davis, and honorable Finance, Revenue & Bonding Committee members.

I respectfully submit my testimony in opposition to Raised Bill No. 7413 - An Act Concerning the Failure to file for Certain Grand List Exemptions and the Payment of a Grant-in-aid to the Town of Wallingford, Authorizing the Renewal of Certain Temporary Notes by the Town of Woodbridge and Concerning the Extension for Filing a Declaration.

Section 2 of this proposed legislation is focused on the Town of South Windsor, which is both part of my district and the town that I had the privilege of serving as mayor of. This section would in effect grant a special tax reimbursement to an individual business in South Windsor amounting to a total of \$776,000. If this legislation passes, the payment of this reimbursement would be extremely detrimental to the town's budgetary situation, to the climate of trust amongst local businesses, and to our resident's confidence that municipal tax policies are administered uniformly.

Mayor Andrew Paterna and Town Manager Matthew Galligan have both indicated to me that either the immediate reimbursement of, or future loss of over three quarters of one million dollars in tax revenue would be damaging to many essential items in South Windsor's budget, including our education and essential town functions. No department has taken into account a shortfall of this magnitude in their operating budget.

As the former Mayor of South Windsor, I know firsthand just how much work our town has put into cultivating a relationship of trust with the valued members of our business community. The passage of this legislation would do considerable damage to this relationship.

Finally, when the residents of our community see that a business was retroactively granted a tax exemption by a special act of our state's legislature, after said business failed to file the proper documentation within the designated timeframe, the confidence our community has in the ability of our state and local government to govern both effectively and fairly will be smashed.

I request through this testimony that the entire section of the Raised Bill No. 7413 be removed from the bill. I thank you for giving my testimony consideration on this matter.

Respectfully,

M. Saud Anwar



## Connecticut Association of Assessing Officers, Inc. Legislative Committee

David M. Dietsch, CCMA II  
Jennifer Lineaweaver, CCMA II

*Testimony in **SUPPORT** of **Section 5** of HB7413: AN ACT CONCERNING THE FAILURE TO FILE FOR CERTAIN GRAND LIST EXEMPTIONS AND THE PAYMENT OF A GRANT-IN-AID TO THE TOWN OF WALLINGFORD, AUTHORIZING THE RENEWAL OF CERTAIN TEMPORARY NOTES BY THE TOWN OF WOODBRIDGE AND CONCERNING THE EXTENSION FOR FILING A DECLARATION.*

Dear Sen. Fonfara, Rep. Rojas, and members of the Finance, Revenue & Bonding Committee:

The Connecticut Association of Assessing Officers wishes to thank the Committee for raising the language in Section 5 of HB7413 & to express our support of this technical fix.

This section standardizes the procedure for requesting an extension to file personal property declarations. Currently under CGS12-42, the statute allows assessors to grant an extension of up to 45 days upon determination that there is just cause. However, the current language does not specify a date by which a taxpayer must request the extension. This leads to differing policies and interpretations amongst assessors as well as business owners and accounting professionals.

The proposed new language as written creates a uniform standard that all extension requests must be filed in writing on or before the initial due date of November 1<sup>st</sup>, which is the existing statutory deadline for personal property declarations. This technical fix will eliminate the existing confusion and simplify the process for everyone involved so that there is uniformity and consistency across the entire state.

CAAO again thanks the committee for proposing the language in section 5 of HB7413 and clarifying the statute to better ensure a fair and uniform administration of the local property tax.

**CAAO would like to specify that we ONLY support the technical fix in section 5. We do NOT support the remainder of the bill.**

Respectfully,

Legislative Chairman, Connecticut Association of Assessing Officers  
David Dietsch & Jennifer Lineaweaver

**State of Connecticut**

**HOUSE OF REPRESENTATIVES**  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

**REPRESENTATIVE TOM DELNICKI**  
FOURTEENTH ASSEMBLY DISTRICT

**RANKING MEMBER**  
BANKING COMMITTEE

LEGISLATIVE OFFICE BUILDING ROOM 4200  
300 CAPITOL AVENUE  
HARTFORD, CT 06106-1591

HOME: (860) 644-0026  
CAPITOL: (860) 240-8700  
Tom.Delnicki@housegop.ct.gov

**MEMBER**  
INSURANCE AND REAL ESTATE COMMITTEE  
PLANNING AND DEVELOPMENT COMMITTEE

**Finance Revenue and Bonding Committee**  
**April 26, 2019**  
**Testimony in Opposition to Section 2 of House Bill 7413**

Good afternoon Honorable Co-Chairs Sen. Fonfara, Rep. Rojas, Ranking Members Sen. Witkos, Rep. Davis, and honorable Finance, Revenue & Bonding Committee members.

Thank you for the opportunity to submit my testimony in opposition to H.B. 7413. I would specifically like to testify against Section 2 of this proposed legislation is focused on the Town of South Windsor, which is both part of my district and the town that I had the privilege of serving as Mayor of. This section would in effect grant a special tax reimbursement to an individual business in South Windsor amounting to a total of \$744,259.00. If this legislation passes, the payment of this reimbursement would be extremely detrimental to the town's budgetary, commercial, and residential climate.

Mayor Andrew Paterna and Town Manager Matthew Galligan have both indicated to me that either the immediate reimbursement of, or future loss of nearly three quarters of a million dollars in tax revenue would be damaging to many essential items in South Windsor's budget, including our education and essential town functions.

If there is to be any tax reimbursement, it should be worked out between the Town and the individual business thru a mutually beneficial negotiated settlement.

I request through this testimony that the entire Section 2 of House Bill 7413 be removed from the bill.

Thank you for the opportunity to testify,

A handwritten signature in black ink, appearing to read "Tom Delnicki".

Tom Delnicki  
State Representative

Testimony on Raised Bill No. 7413  
LCO No. 6983

April 25, 2019

Submitted by: Matthew B. Galligan  
Town Manager  
Town of South Windsor, CT

Honorable Members of the Finance, Revenue and Bond Committee - Chairman Senator John Fonfara and Representative Jason Rojas, Senator Kevin Witkos and Representative Christopher Davis, and all other Members of the Committee:

I am here today to speak to you against Raised Bill No. 7413 in particular Section 2 concerning the Town of South Windsor and the declaration for exemption pursuant to section 12-81 of the general statutes. This bill is not what I would consider to be good government. There is a history here in the Town of South Windsor with a particular company, Broadridge, which failed to file their declaration for their M&E property.

I enclose to you three exhibits, the first being the timeline of our Assessor's attempts to contact the company to ensure that they would make the filing. The second exhibit lays out the values of that particular company. The third exhibit shows the tax abatements that have been given to this company since 2000, because the Town of South Windsor prides itself on being business-friendly. During this period of time, Broadridge had failed to file their declaration, and we told them there was nothing the Town could do at this point as we had tried to contact them repeatedly in the past. As we sat with the company, I had to remind them that during this time, just as comparison, the Town did grant \$81,613,180 in assessed value, with over \$3,000,000 in revenue loss over M&E exemptions on the 2017 Grand List, to 88 manufacturing companies that filed properly and in a timely fashion.

What is disturbing to me today is to see a bill that is requiring the Town of South Windsor to refund \$776,000 to Broadridge for the company's negligence in not correctly following the law. As you may or may not be aware, Broadridge did file a lawsuit against the Town of South Windsor to try and recoup these funds. The law is on the Town's side, as it was not our wrongdoing that caused the company to have to pay additional taxes. I am sure their attorney determined that the lawsuit would be a loss for them, and now has decided to circumvent the judicial system by coming to the State Legislature to have this problem resolved in the company's favor. This is not good government, it is not appropriate, and it is not the purpose of the State Legislature to bypass the judicial system when a government has a conflict with anyone in the State of Connecticut that the law should take its course.

I also find it very disturbing that the bill that is being presented was not asked for by the Town of South Windsor, nor were our representatives, who are Representative Currey, Representative Delnicki, and Senator Anwar, asked to do anything on this bill on behalf of the Town. This is an area that should be negotiated between the two parties directly, and there should be no

interference from the State Legislature, especially when a lawsuit is involved. I am also disturbed that at no time did anyone contact the Town Manager or the Mayor that this bill was out there. I came across this bill because a member of CCM staff saw it and notified me, and wanted to know if they should be supporting this bill. The only other notification that we did receive, for which I am grateful, was from OPM. They did send a notification to our Assessor to ask if we were in support of this bill. I am very proud that OPM took the time and effort to make us aware of the situation.

The question that was raised by my Town Council is: how does a bill like this get to the Finance, Revenue, and Bonding Committee supported by an individual who does not represent the Town of South Windsor, and put our taxpayers in a position of refunding taxes to a company that failed in its obligation? Currently the Town of South Windsor is going to tax sale for \$2.1 million. How do I explain to people that while we are following the law, it is acceptable for somebody else to bypass the judicial system and get a refund?

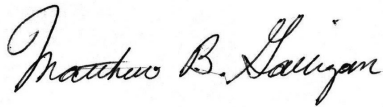
If this bill continues to move forward, I firmly believe it will hamper all the efforts that South Windsor has made in its tax incentive program to bring companies in to South Windsor, and the jobs required to help move the State and the Town of South Windsor forward, as residents have always been very cautious of these types of incentives and have made comments before on why we are doing this. This could be a major controversy now in the Town of South Windsor and stop any future development for the Town.

After this lawsuit was filed by the company, I was sure that they would come in and try to negotiate. My thinking was that because the Town of South Windsor is business friendly, and because there is a lawsuit with costs associated with it, there may be a way to come to some sort of conclusion. Never once has the company approached us to make that happen.

How do I tell the residents of South Windsor that I have to raise the budget by close to \$800,000 next year and raise taxes in order to give a refund to someone who failed in their obligation to file a declaration? I do not think the taxpayers will be very happy. More importantly, if this bill passes for South Windsor, it may set a precedent for other communities in the State of Connecticut. If someone does not get their way in a lawsuit or negotiation, they can run to the State Legislature to make it happen. I think this is worse than an unfunded mandate, and I think it is irresponsible that this bill be moved forward into law, as the Town of South Windsor is put into the very harsh situation of having to either pay the bill, or take a lawsuit, without the ability to negotiate. This matter should be left to the local municipality to handle as they see fit, not the State of Connecticut. This bill is not what Connecticut is all about. Connecticut is all about working with home rule, working with our local companies, working with the citizens, to make sure that there is a quality of life that everyone can enjoy, to provide jobs, provide education, but not to circumvent the law or circumvent a Town that has a situation that they can handle themselves. The purpose of this bill is against the fiber of what Connecticut Legislators, Town Councils, CEOs, and Town Managers are all about. People rely on us to do the right thing. We have to treat everybody fairly, and we have to treat everybody equally, and this is what we have done in South Windsor. People understand and respect that. Now what we have done is put a bad mark on government if we move forward with this legislation.

I thank you for your cooperation and time, and again, this bill should not be put into law as it would have a tremendously adverse effect on the Town of South Windsor and its residents, and does not meet the purpose of what government is all about.

Respectfully submitted,

A handwritten signature in black ink, reading "Matthew B. Galligan". The signature is written in a cursive style with a large, stylized 'M' and 'G'.

Matthew B. Galligan  
Town Manager  
Town of South Windsor  
1540 Sullivan Avenue  
South Windsor, CT 06074  
860-644-2511 ext. 200



## DST ABATEMENTS -- 125 Ellington Road

YEAR	EXEMPTION AMOUNT	MILL RATE	ABATEMENT AMOUNT
2000	\$ 3,615,910	36.01	\$ 130,208.92
2001	\$ 3,615,910	37.55	\$ 135,777.42
2002	\$ 6,343,380	29.79	\$ 188,969.29
2003	\$ 6,343,380	31.23	\$ 198,103.76
2004	\$ 6,343,380	31.95	\$ 202,670.99
2005	\$ 6,748,280	32.54	\$ 219,589.03
2006	\$ 4,427,540	32.54	\$ 144,072.15
2007	\$ 4,298,140	27.42	\$ 117,855.00
2008	\$ 4,298,140	27.84	\$ 119,660.22
2009	\$ 1,317,200	28.34	\$ 37,329.45
2010	\$ 1,317,200	28.78	\$ 37,909.02
2011	\$ 1,317,200	29.43	\$ 38,765.20
2012	\$ 1,601,380	34.9	\$ 55,888.16
<b>TOTAL</b>	<b>\$ 51,587,040</b>		<b>\$ 1,626,798.60</b>

Timeline of communication with DST/Broadridge  
2017 Personal Property Declaration

Date	Type	Whom
9/27/2017	Declarations mailed	TOSW Assessor staff/vendor
10/18/2017	mail	John Jasinski Tax Manager
12/21/2017	phone call	Barb O'Mara
12/22/2017	voice mail	Assessor/Michelle Johnson DST
12/28/2017	e-mail	Assessor/Michelle Johnson DST
12/28/2017	e-mail	Assessor/Michelle Johnson DST
1/2/2018	e-mail	Assessor/Errol Clayton DST
1/2/2018	e-mail	Assessor/Errol Clayton
1/3/2018	e-mail	Assessor/Errol Clayton
1/9/2018	file declarations for actuals/not exemption to	Assessor
1/31/2018	TOSW Grand List signed	Assessor
1/31/2018	Increase notices mailed	TOSW Assessor staff
2/12/2018	e-mail	Errol Clayton
2/12/2018	e-mail	Errol Clayton
6/19/2018	e-mail	Assessor/Zenon Moriak Broadridge
5/4/2018	e-mail	Errol Clayton
7/16/2018	letter	John Bradley Atty for Broadridge
7/19/2018		Broadridge Output Solutions Inc
10/29/2018	Lawsuit	Broadridge Output Solutions Inc
1/24/2019		Broadridge Output Solutions Inc
4/18/2019	Bill 7413 Raised to Finance Revenue and Bonding	

ge/OSI regarding  
ons

#### **content**

Declarations sent by mail to all known business entities in the Town of South Windsor  
Returned 2017 PP Dec for DST Technologies Inc that business moved to Kansas City  
to determine contact for Tax Dept DST Output for entities other than DST Technologies  
No filings received for DST facility at 125 Ellington Road  
follow up on voice mail left Friday 12/22/2017  
referred to Errol Clayton, out on vaca til 1/2/2018  
indicated filed under OSI, not in South Windsor no filing received  
(incorrect data)  
Referred me to Scott Langenbach, Errol was in contact with him  
M Huda sent 2017 declaration forms via e-mail to assist with filing, due to late filing  
due back by 1/9/2018 in order to meet statutory deadlines

notice of 2017 g list values mailed to address on file, for two accounts  
Filed two declarations (Broadridge Output Solutions Inc & Broadridge Mail LLC via  
Sent updated address information for Broadridge entities to the Town  
Review of timeline with respect to 2017 Personal Property declarations and update  
To determine amount of tax liability for upcoming July 2018 billing  
Letter to TOSW Town attorney regarding annual real estate taxes paid and conveyed  
First half of 2017 Personal Property tax bill paid - \$384,431.20  
Superior Court appeal and application for Relief from wrongful assessment filed  
Second half of 2017 Personal Property tax bill paid - \$384,431.20

ndsor at last knwn mailing address  
City MO on 8/31/17  
ologies

ling exemption not available, please provide updated company information

ia e-mail well after my due back date to consider actuals prior to signing grand list

ate of address information

eyance tax paid on transfer 8/2017

with TOSW Town Clerk

Beth A. Hogan  
10 Wildwood Drive  
Niantic, CT 06357

April 24, 2019

RE: Public Hearing April 26, 2019-Testimony in support of Raised Bill No. 7413

To: Senator Fonfara, Representative Rojas, Senator Witkos, Representative Davis and distinguished committee members.

I am submitting my testimony in support of Raised Bill No. 7413 Section 1 in my capacity as Board of Director for the OIC (Opportunities Industrialization Center) of New London County. The OIC is a non profit that serves the Greater New London County community with employment skills training, education and job placement for low income individuals and Re-entry services for formerly incarcerated individuals.

The OIC of New London also allows other Nonprofits to use space at our building at 106 Truman Street in New London.

The City of New London requires all nonprofit organization that owns or leases property to fill out a timely M3 tax exemption application with the City of New London no later than November 1<sup>st</sup> of the year it due.

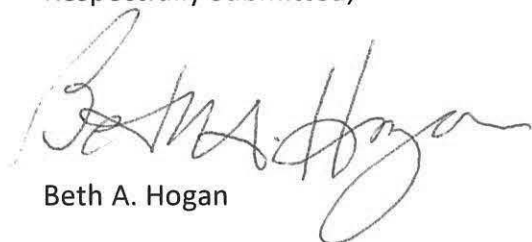
The OIC timely filed its application for exemption on time which was November 1, 2018. However, two nonprofit entities, The New London Food Pantry and the NAACP of New London failed to file its application on time.

As a result of this good faith error, the OIC is now saddled with taxes due the city in the amount of \$15, 886.38, This liability is not a burden we can carry. We operate a very tight budget and we were compliant with state statute. There is no manner or mechanism in which to extend the deadline for filing except by this legislation.

The OIC reached out to Senator Paul M. Formica for help. Senator Formica and his office have been extremely helpful in seeking a fair and equitable solution to this problem. Our organization is grateful to Senator Formica for his efforts, persistence and advocacy on our behalf.

Thank you for your time today. I appreciate your time and commitment to the citizens of Connecticut. Please support Raised Bill No. 7413.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Beth A. Hogan". The signature is fluid and cursive, with the first name "Beth" being more prominent.

Beth A. Hogan

OIC of New London County-Board of Directors

MATTHEW L. LESSER

MAJORITY LEADER

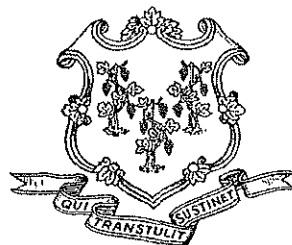
The Office Building

Room 2800

Hartford, CT 06106-1591

Tel. 860-240-0511

www.senatedems.ct.gov/Lesser



State of Connecticut

SENATE

Ninth District

*Chair*

Insurance &amp; Real Estate Committee

*Vice Chair*

Public Health Committee

*Member*

Appropriations Committee

Education Committee

Energy &amp; Technology Committee

Judiciary Committee

Labor &amp; Public Employees Committee

April 26, 2019

Good afternoon Honorable Co-Chairs Sen. Fonfara, Rep. Rojas, Vice Chairs Sen. Cassano, Rep. Leone, Ranking Members Sen. Witkos, Rep. Davis, and honorable members of the Finance, Revenue, & Bonding Committee.

I respectfully submit my testimony requesting that Raised Bill No. 7413 – An Act Concerning the Failure to File for Certain Grand List Exemptions and the Payment of a Grant-in-aid to the Town of Wallingford, Authorizing the Renewal of Certain Temporary Notes by the Town of Woodbridge and Concerning the Extension for Filing a Declaration, be amended to include Libraries Online Inc. (LION), a non-profit organization situated in the City of Middletown.

Libraries Online Inc. is a self-governing consortium of Connecticut library institutions committed to leveraging technology to share, expand, and promote quality, cost-effective information resources and services.

LION failed to file a quad annual application for property exemption as required under §12-81 (7) for personal property owned by them on the 2017 Grand List.

It is my hope the committee will consider making this change.

Sincerely,

Matt Lesser

Testimony on Raised Bill No. 7413  
Opposition to Section 2  
Finance, Revenue and Bonding

April 25, 2019

Submitted by: Andrew A. Paterna  
Mayor, Town of South Windsor

Good afternoon Honorable Co-Chairs Sen. Fonfara, Rep. Rojas, Vice Chairs Sen. Cassano, Rep Leone, Ranking Members Sen. Witkos, Rep. Davis, and honorable members of the Finance, Revenue & Bonding Committee.

I present to you today my opposition to H.B. 7413 An Act Concerning the Failure to file for Certain Grand List Exemptions and the Payment of a Grant-in-aid to the Town of Wallingford, Authorizing the Renewal of Certain Temporary Notes by the Town of Woodbridge and Concerning the Extension for Filing a Declaration.

Specifically I would like to address section 2 of this bill, as it relates to the Town of South Windsor and would, in effect, grant a special tax reimbursement to an individual business in South Windsor amounting to a total of \$744,259.00. In his testimony the Town Manager has outlined the Town's efforts to communicate with the company involved in order to resolve the issue. While we did not receive responses, they decided to file a lawsuit. Now, they have approached the State Legislature in order to bypass both the town and the court.

We are presently in the process of finalizing our town budget and this bill, in its present form, would ADD almost three-quarters of a million dollars to the town budget at a time when we are attempting to keep our budget within reasonable limits and reduce the impact of any potential tax increase for our residents.

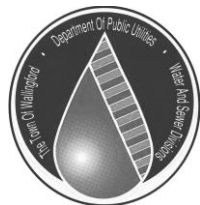
In addition, at no time were members of our own local delegation contacted or consulted in the writing of this bill. This legislation would create doubt in the minds of residents about the ability of the town to fairly manage our town finances.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Andrew A. Paterna", written in a cursive style.

Andrew A. Paterna  
Mayor, Town of South Windsor





**WATER AND SEWER DIVISIONS  
DEPARTMENT OF PUBLIC UTILITIES**

Town of Wallingford  
377 South Cherry Street  
Wallingford, Connecticut 06492  
Telephone: 203-949-2670

**Raised House Bill No. 7413**

Session Year 2019

**Written Testimony by the Wallingford Water Division**

Updated April 22, 2019

**Grant-In Aid and South Broad Street Water Main Extension Project Background**

- |                     |   |
|---------------------|---|
| • February 27, 2014 | Consent Order issued to the Town of Wallingford         |
| • November 5, 2015  | Grant-In Aid executed between DEEP and Wallingford      |
|                     | Expiration date of December 31, 2016                    |
| • October 17, 2016  | Construction bids opened following design and bidding   |
| • December 21, 2016 | Quarterly report to DEEP apprising state of schedule    |
| • May 15, 2017      | Formal request to DEEP to extend Grant-In Aid           |
| • June, 2017        | Houses connected to municipal water system              |
| • October, 2017     | Construction complete, including paving and restoration |

The Town of Wallingford was issued a Consent Order from the Department of Energy and Environmental Protection (DEEP) on February 27, 2014 to address private well contamination at five (5) residential dwellings on South Broad Street in Wallingford. The directive of the Consent Order was to extend the public water main distribution system to these five (5) properties.

On November 5, 2015 a Grant In-Aid was executed between DEEP and the Town of Wallingford to cover the estimated project cost, which at that time was \$225,000. The Grant In-Aid had an expiration date of December 31, 2016.

Following design of the public water main extension project, including survey and geotechnical borings, the construction bids were opened on October 17, 2016. In the Wallingford Water Division's (WWD's) quarterly progress report to DEEP dated December 21, 2016 the WWD indicated that construction would not start until Spring, 2017 (after the expiration date for the Grant In-Aid).

DEEP did not notify the Town that the Town would need to formally request an extension for the Grant In-Aid prior to its expiration on December 31, 2016. On May 15, 2017 the Town realized that the Grant In-Aid had expired and sent a request to DEEP to extend the Grant In-Aid to December 31, 2017.

The water main extension was constructed and the five (5) houses were connected to municipal water supply in June, 2107; with all remaining work (paving and restoration) completed by October, 2017. As of that time the Wallingford Water Division did not receive any response to its prior request for extending the Grant In-Aid.

### **Project Costs**

- \$225,000                      Original Grant-In Aid value
- \$188,438                      Total grant eligible project costs [less than the estimate]
- (\$12,106)                      Prior reimbursement
- \$176,332                      Outstanding reimbursement balance

Since the project completion in the Fall, 2017 Town staff and DEEP staff have engaged in helpful discussions regarding the procedure for reimbursement of the outstanding project costs. The total grant eligible project cost is \$188,438 of which the Town has already been reimbursed \$12,106; thus leaving an outstanding reimbursement balance of \$176,332. (Please note that the final project cost is less than the original estimate of \$225,000.)

### **Reimbursement Request and Legislative Action**

The Town of Wallingford is currently requesting reimbursement for the balance of the grant eligible project cost of \$176,332 for the extension of municipal water service to five (5) homes on South Broad Street, Wallingford.

Legislative authority is needed to reach back and cover expenses that occurred after the expiration of the prior (expired) Grant In-Aid.

Language included in raised House Bill No. 7413 is as follows:

*Sec. 3. (Effective from passage) The Commissioner of Energy and Environmental Protection shall pay from the grants-in-aid authorized in subsection (a) of section 34 of public act 09-2 of the September special session the amount of one hundred seventy-six thousand three hundred thirty-two dollars to the town of Wallingford for the purpose of reimbursing the town for the extension of municipal water services to five homes on South Broad Street.*

Thank you for your time and consideration.