

5 Connecticut Avenue Norwich, CT 06360 (860) 889-2324 secogct.gov

April 17, 2025

State Capitol 200 Capitol Ave Hartford, CT 06106

Re: Proposal for Municipal Relations Reform in Connecticut

Dear Honorable Speaker of the House Matthew Ritter, Honorable Majority Leader Jason Rojas, Honorable House Republican Leader Vincent Candelora, Honorable Deputy House Republican Leaders Tom Odea and David Rutigliano, and Committee Chairpersons:

Connecticut municipalities have long advocated for relief from unfunded mandates and reforms to tax policies that impact local revenues. The Connecticut Conference of Municipalities (CCM), as one example, has produced various publications and advocacy efforts including the 2017 *This Report Is Different*, which outlines a comprehensive roadmap for easing the financial burdens imposed by state mandates and tax exemptions. At that time, CCM highlighted the impact of over 1,300 state-imposed mandates, as documented by the Advisory Council on Intergovernmental Relations. While many mandates may seem minor on their own, their cumulative effect significantly strains municipal operations and increases property taxes. Today, the number of unfunded mandates has grown to over 1,400, alongside an expanding list of tax exemptions.

Connecticut towns and cities are facing growing financial pressure and need legislative support to address these challenges. With one of the highest property tax burdens in the country, local governments and residents alike are struggling. After over a decade of unmet appeals, municipalities are again coming together in hopes that our State partners will respond with actionable changes to make Connecticut more affordable and ensure towns and cities of all sizes can offer quality services to our residents.

We write to you on behalf of the 22 member cities, towns, and boroughs of the Southeastern Connecticut Council of Governments. To strengthen the partnership between state and local governments, we present the following **Municipal Relations Reform Proposal**. Its goal is to build a system that respects local decision-making, promotes fiscal responsibility, and keeps Connecticut communities strong. The key elements of the proposal are included in the following pages. Our hope is that some aspects of these proposed reforms could start this year, including an agreement to put a moratorium on any new unfunded mandates or tax emptions, until an extensive review can be completed for those already in place. Other reforms we hope could be worked on by staff and volunteers before next year's session, and the remaining worked into next year's Join Rules or throughout next year's legislative process.

It is time for Connecticut to recommit to a balanced partnership between state and local government. We must be intentional about legislative impacts on municipalities and ensure long-term sustainability for the communities. We urge legislative leaders to lay the groundwork for ongoing, meaningful change before this session comes to a close.

Please know, we are ready and willing partners. We know, if you are willing to work with your local elected officials, Tax Assessors, and other key stakeholders we can find ways we can improve the outlook on local property taxes and quality of life for residents.

We look forward to hearing from you and outlining a course of action that can work for all of us.

Sincerely,

Cherye Blanchard

First Selectman Cheryl Blanchard Chairman Southeastern CT Council of Governments

Mayor Fred Allyn III Chairman SECOG Legislative Committee

Distribution:

House Speaker Matthew Ritter, Majority Leader Jason Rojas, House Republican Leader Vincent Candelora, Deputy House Republican Leaders Tom Odea and David Rutigliano Aging Committee: Senator Jan Hochadel, Representative Jane Garibay Appropriations Committee: Sen. Catherine A. Osten, Rep. Toni E. Walker Banking Committee: Sen. Patricia Miller, Rep. Jason Doucette Children Committee: Sen. Ceci Maher, Rep. Corey Paris Commerce Committee: Sen. Joan V. Hartley, Rep. Stephen R. Meskers Energy and Technology Committee: Sen. Norm Needleman, Rep. Jonathan Steinberg Executive and Legislative Nominations Committee: Sen. Bob Duff, Rep. Julio Concepcion, Education Committee: Sen. Doug McCrory, Rep. Jeff Currey

SOUTHEASTERN CONNECTICUT COUNCIL OF GOVERNMENTS

Environment Committee: Sen. Rick Lopes, Rep. Joseph Gresko Finance, Revenue and Bonding Committee: Sen. John Fonfara, Rep. Maria Horn General Law Committee: Sen. James Maroney, Rep. Roland Lemar Government Oversight Committee: Sen. Sujata Gadkar-Wilcox, Rep. Lucy Dathan Higher Education and Employment Advancement Committee: Sen. Derek Slap, Rep. Josh Elliott Government Administration and Elections Committee: Sen. Mae Flexer, Rep. Matt Blumenthal Human Services Committee: Sen. Matthew Lesser, Rep. Jillian Gilchrest Insurance and Real Estate Committee: Sen. Jorge Cabrera, Rep. Kerry Wood Judiciary Committee: Sen. Gary Winfield, Rep. Steve Stafstrom Legislative Internship Committee: Sen. Ceci Maher, Rep. Donna Veach Labor and Public Employees Committee: Sen. Julie Kushner, Rep. Manny Sanchez Legislative Management Committee: Sen. Martin Looney, Rep. Matthew Ritter Public Health Committee: Sen. Saud Anwar, Rep. Cristing McCarthey-Vahey Public Safety and Security Committee: Sen. Gary Winfield, Rep. Steve Stafstrom Regulation Review Committee: Sen. Sujata Gadkar-Wilcox, Rep. Christie Carpino Select Committee on Special Education: Sen. Sujata Gadkar-Wilcox, Rep. Maryam Khan Transportation Committee: Sen. Roland Lemar, Rep. Christine Cohen

Veterans' and Military Affairs Committee: Sen. Paul Honig, Rep. Jaime Foster

cc: Governor Ned Lamont Lt. Governor Susan Bysiewicz Matthew Brokman Key Provisions of the Proposed Reform

Guiding Principle: Do No Harm to Municipalities

Among the State Legislature there will be a renewed commitment to ensure regulations do not inadvertently harm local communities by shifting costs without corresponding resources.

- Required Review of Existing Mandates and Tax Exemptions
 - A comprehensive, state-led review of all current tax exemptions and mandates impacting municipalities.
 - This process should include input from local officials and experts.
 - A moratorium on new mandates and exemptions should be imposed during the review period.

• Requirements for New Mandates or Exemptions

- A comprehensive fiscal note that contains municipal impact considerations must be attached to any raised bill with statutory language *before* it is voted out of committee. OFA should be required to get real time data so they can put a proper fiscal note, not "Grand List reduction".
- Any new exemption or mandate must pass with a 2/3 majority in both chambers of the General Assembly.
- No exemption or mandate shall be allowed to move forward through a consent calendar vote.

• Strengthening the Legislative Committee Process

- Committee Chairs will seek direct input from municipal stakeholders before advancing legislation that impacts local government. Similarly, the Connecticut Association of Assessing Officers (CAAO) should be engaged to review the language and make sure it is administratively workable.
- Leadership should establish expectations and protocols to ensure this communication is documented and transparent.
- Engagement of the Connecticut Advisory Commission on Intergovernmental Relations (ACIR)

- ACIR could be tasked with facilitating further opportunities to enhance state-municipal communication, conducting research, and making recommendations regarding mandates and exemptions.
- The group could also potentially be asked to expand their purview, to explore opportunities for greater regionalization efforts in an attempt to further drive costs down across CT.