

March 7, 2017

Senator Martin Looney President Pro Tempore Legislative Office Building, Room 3300 Hartford, CT 06106-1591

Senator Bob Duff Senate Majority Leader Legislative Office Building, Room 3900 Hartford, CT 06106-1591 Representative Joe Aresimowicz Speaker of the House of Representatives Legislative Office Building, Room 4100 Hartford, CT 06106-1591

Representative Matt Ritter House Majority Leader Legislative Office Building, Room 3004 Hartford, CT 06106-1591

Dear President Looney, Speaker Aresimowicz, Senator Duff and Representative Ritter:

In response to the letter sent by you and Governor Malloy to the Connecticut Conference of Municipalities yesterday, we have heard a great deal of concerns and mixed reactions from town leaders across our state. At the same time you and Gov. Malloy are asking towns to begin a discussion with you about pushing off town budgets, there also seems to be talk about going into session to pass language to change town budget processes that was crafted without involving all municipalities. In light of this situation and the concerns we have heard, we seriously question whether it is in the best interest of Connecticut towns and cities to continue on this path.

The reason our towns are in such a difficult situation this year is that for the first time the governor's budget is a complete nonstarter for both Republicans and Democrats. The only budget document towns and cities can rely on today is an unrealistic budget that even the governor knows will never be passed. It's up to lawmakers to offer a real budget for our state.

Instead of working on delaying local budgets, we would like to focus our efforts on moving forward with the state budget. We are proposing to set an aggressive timeframe for the Appropriations Committee and the Finance, Revenue and Bonding Committee with the goal of voting on a budget by May 5, 2017 in the Senate and House of Representatives, allowing us time to digest the work of the legislative committees and take into account consensus revenue projections. We are committed to getting the job done within this timeframe. Our goal is to commit to having answers for our towns and cities in a timely manner, and ramp up our efforts to move the state budget process forward with both urgency and care.

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According to the Connecticut Conference of Municipalities, "Completing municipal budgets while the state considers so many cost shifts and state aid changes is difficult and invites local fiscal instability and confusion." And according to the Connecticut Council of Small Towns, while some towns want the option to extend their timelines for adopting local budgets, other towns are very concerned that they have already invested resources into their current budget schedules and delaying their schedules further will create confusion. Specifically COST pointed to examples of issues such as that fact that if tax bills are issued a month later, towns may have to draw on their fund balances to pay for current expenses, jeopardizing their bond rating. COST also pointed to questions regarding how delaying the adoption of the budget and issuance of tax bills will affect the collection of items including but not limited to delinquent accounts, liens, and foreclosure actions.

We believe all towns would agree that it is in everyone's best interest for lawmakers to focus our full attention and resources on adopting a budget and providing municipalities with the information they need to plan their budgets. Instead of spending time figuring out how to delay the local budget process in 169 towns, we want to dedicate the next eight weeks fully to crafting a budget together that restores confidence in the legislature to lead our state and pursue budget policies that will provide stability and predictability today and for future generations.

Thank you for consideration.

Sincerely,

Len Fasano

Senate Republican President Pro Tempore

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House Republican Leader