

March 12, 2024

Esteemed Chairs Kavros Degraw and Rahman,
Members of the Planning and Development Committee:

The Western Connecticut Council of Governments (WestCOG) appreciates the opportunity to comment on Raised Bill 5477, *An Act Concerning Penalties for Blight Upon Real Property, Municipal Agreements to Fix Assessments and a Personal Property Tax Exemption*.

WestCOG **supports** this bill, specifically items 1 and 2 below.

The bill would do the following:

1. Enable municipal fines for blight violations to be proportional to the size of a property. Currently, all properties are treated the same as regards the maximum fine, \$150 per day. This may not be adequate incentive to the owners of large properties to address violations. The bill would address this by basing fines for larger commercial and residential properties on the square footage of the buildings involved.
2. Extend the period for which municipalities may fix assessments from ten to thirty years. Property taxes in Connecticut are a significant contributor to housing cost in the state, accounting for over 20% of a typical monthly housing payment. Longer fixed assessments will provide another option to reduce the financial challenges associated with the creation of affordable housing, enabling more projects to 'pencil out' and reach completion.
3. Raise the property tax exemption for business personal property that is at least 10 years old to \$1,000, from the \$250 set in Public Act 18-79.

Re item 3: WestCOG does not support policies that shrink the property tax base, given the dearth of alternative local revenue options. The property tax accounts for a larger fraction of own-source revenues for municipalities in Connecticut than for those in any other state. That said, it is not clear what the impact of the increase proposed is, so this testimony does not take a position on it. (Further analysis is needed.)

Thank you for your consideration.



Francis R. Pickering
Executive Director