



State of Connecticut  
GENERAL ASSEMBLY  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

March 7, 2014

Representative Patricia Widlitz, Co-Chair  
Finance, Revenue and Bonding Committee

Senator John Fonfara, Co-Chair  
Finance, Revenue and Bonding Committee

Representative Sean Williams, Ranking Member  
Finance, Revenue and Bonding Committee

Senator Scott Frantz, Ranking Member  
Finance, Revenue and Bonding Committee

**Re: Request for the Finance, Revenue and Bonding Committee to Favorably Report the Governor's Proposed Budget Initiative Exempting Municipal Health Insurance from the State Mandated Premium Tax**

Dear Finance, Revenue and Bonding Committee:

Over the past several months, the M.O.R.E. Commission Municipal Mandates Sub-Committee has been meeting to develop recommendations to the General Assembly to reduce burdensome mandates on Connecticut's cities and towns while still maintaining superior services for residents. Our members include legislators, mayors, first selectmen, union representatives and other stakeholders (such as CCM and COST).

At our meeting on February 14<sup>th</sup>, the members of the Sub-Committee voted unanimously to support the Governor's proposed budget initiative exempting municipal health insurance from the state mandated premium tax. We request that the Finance, Revenue and Bonding Committee also consider supporting this important money-saving initiative for municipalities.

Connecticut's cities and towns have been under pressure to keep pace with rising employee health insurance costs without significant new budgetary resources. Relief from the 1.75% tax on fully insured municipal premiums would make it easier for municipalities to focus on providing critical services, such as emergency response and education.

Thank you for your consideration and please do not hesitate to contact the M.O.R.E. Commission Municipal Mandates Sub-Committee if we can be of service during your deliberations.

Sincerely,

A handwritten signature in blue ink that reads "Peggy Sayers".

Representative Peggy Sayers  
Chair, M.O.R.E. Commission Municipal Mandates Sub-Committee

Cc: Governor Dannel P. Malloy  
Representative J. Brendan Sharkey, Speaker of the House  
Senator Donald E. Williams, Jr., President Pro Tempore  
Finance, Revenue and Bonding Committee Members  
M.O.R.E. Commission Municipal Mandates Sub-Committee Members