



➤ **LEGAL NOTICES: Allow the Option to Post Online**

In 2015, Connecticut's hometowns must post legal notices in the back pages of printed newspapers because, placing them online doesn't count. This is an antiquated state law that has out-lived its purpose. **The General Assembly should amend CGS 1-2 to allow towns an alternate means of publishing local notices.**

WHY?

This mandate protects the status quo and uses property tax dollars as a life-preserver for financially troubled newspaper companies. It is estimated that this 20th century law costs small towns several thousands of dollars annually in advertisement fees, while the costs to larger cities can be as much as hundreds of thousands of dollars per year.

In the 21st century, the quickest, most transparent and cost-effective way to get information to the largest amount of residents is via the internet. It is no secret that the internet is where people shop, communicate, bank, and share general information. Town and city halls are clearinghouses of information for all things local -- from recreation schedules, to town meetings, to lost and found items. Residents of all ages rely on their most accountable level of government, their hometowns, to stay informed. As a result, municipal websites have become the lifeline that links our living rooms with our local governments' goings-on.

Modifying this mandate would not only save municipalities money -- it would be a common sense and logical improvement to the operations of local government. Antiquated state law should not stand in the way of local governing progress. Hard-pressed property taxpayers should not be forced to boost up newspapers.

Print newspapers are a valuable and hallowed entity of our society. However, allowing little-read legal notices to *only* be posted there, is needlessly costly to our taxpayers and is no longer the best way to make these notices available.

Conclusion: Based on CCM's annual statewide survey, this mandate costs municipalities upwards of \$5 million dollars per year.

➤ **MUNICIPAL EMPLOYEE RETIREMENT SYSTEM (MERS): New MERS Tier**

The most significant drivers of municipal costs are employee salaries and benefits. These are also some of the toughest costs to contain. There is a resolution: **create a new tier within the Connecticut Municipal Employees Retirement System (CMERS), for new hires, that would maintain a defined benefit plan.** Such new tier would be modeled after the State's tier III, which currently exists within the state employee retirement system.

WHY?

Conclusion: Estimated savings by establishing a new tier within CMERS that maintains a defined benefit plan for new municipal employees, modeled after the State's Tier III, would be approximately \$1.2 million per year.

➤ **PREVAILING WAGE:** Adjust the Thresholds

Local officials do not seek repeal of Connecticut's prevailing wage rate law, nor demand radical changes to this mandate. They simply ask their state partners in government make reasonable adjustments to the thresholds that trigger the mandate and allow towns and cities to manage limited resources.

Given today's political reality, there is a reasonable starting point for getting this state mandate into the 21st century – by allowing local officials the option to submit the required notices, information, and records electronically.

WHY?

Amending the state's prevailing wage mandate has precedent. Although the mandate has not been updated since 1991 - prior to 1991, legislators had updated the law by adjusting the thresholds on a six-year schedule.

Attempts to compare Connecticut to the myriad of state prevailing wage laws across the country can be misleading and not reflective of the totality of the mandate's impact specific to our state. While it is true that some states have lower mandated-thresholds than Connecticut – it is also true that some states have higher mandated-thresholds than Connecticut. For example, Maryland has a higher threshold for new construction while Indiana, Kentucky, and Maryland have higher thresholds for remodeling projects.¹ It is also true that over one-third of the states do not have any prevailing wage laws at all – including New Hampshire (eight states have never had such laws – while ten have either repealed their prevailing wage laws or were deemed invalid by court order).²

A measure of relief, which would adjust the threshold from \$400,000 to \$2 million for new construction projects; and from \$100,000 to \$1 million for renovation and remodeling projects - would free-up municipal finances and jumpstart smaller-scale local projects.

Conclusion: CCM is not advocating to repeal the prevailing wage mandate in Connecticut – simply update it by adjusting the thresholds as recommended above. This recommendation is a sensible compromise, and the right thing to do.

➤ **EVICTED TENANTS' POSSESSIONS:** Hometowns Should Not Be Part of the Process

State lawmakers have already eliminated the mandate that required towns and cities to transport the possessions of evicted tenants. However, the existing mandate to store items continues to drain local finances and resources. While municipalities are allowed to try to recoup some of the costs by auctioning off the items, municipalities must incur costs associated with conducting an auction

¹ "The Prevailing Wage," OLR Research Report 2013-R-0393, 10/21/13.

² Ibid.

➤ **UNFUNDED MANDATES: Statutory Prohibition**

There are over 1,200 state mandates imposed on towns and cities, and their residential and business property taxpayers. Relief from some of these mandates is important to the recovery of municipalities during the biggest fiscal crisis in recent memory.

WHY?

A statutory prohibition would (a) place the burden of proof on the State to demonstrate why a mandate is needed, (b) present the General Assembly with the issue of municipal reimbursement up-front, as the issue of enactment is debated, and (c) allow the State, through use of a "notwithstanding clause", to avoid full or even partial reimbursement for a new or expanded mandate *if there are compelling public policy reasons to do so*.

Connecticut towns and cities empathize with the State's fiscal problems. Municipalities across our state have enacted painful budget cuts and are making preparations for additional cuts. Deep cuts in services and massive layoffs have occurred in Connecticut's central cities – with the prospect of additional cuts and layoffs on the horizon. Municipalities must still provide the services residents depend on such as education, public safety and infrastructure maintenance, regardless of the economy.

At a time when towns and cities are struggling mightily to continue to provide needed services to residents and businesses, **meaningful mandates relief**.

During the 2015 Special Session, the Legislature enacted additional unfunded state mandates, including (a) requiring towns to adhere to the State set-aside program, and (b) expanding the pesticides ban to playgrounds (unless in particular situations).

The M.O.R.E. Commission could provide huge savings to towns and cities – tantamount to millions in savings – by enacting a statutory prohibition against unfunded state mandates.

