

# Planning and Development Committee

## JOINT FAVORABLE REPORT

**Bill No.:** SB-526

AN ACT REQUIRING A STUDY CONCERNING THE CREATION OF A MUNICIPAL OPTION TO AMEND THE MUNICIPAL FISCAL YEAR TO ALIGN

**Title:** WITH THE FEDERAL FISCAL YEAR.

**Vote Date:** 3/29/2019

**Vote Action:** Joint Favorable

**PH Date:** 2/27/2019

**File No.:**

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

### SPONSORS OF BILL:

Committee on Planning and Development

### REASONS FOR BILL:

S.B. 526 introduces a study on the concept of the amendment of the municipal fiscal year to align with the federal fiscal year. This amendment will grant municipal leaders the flexibility to work within a timeframe that will best suit each municipality's budgetary needs. Applying this amendment provides districts throughout the state with the flexibility to address financial situations in an effective and productive manner.

### RESPONSE FROM ADMINISTRATION/AGENCY:

**Sen. Martin Looney, President Pro Tempore, Connecticut General Assembly:** submitted testimony in support of SB 526, and echoed the remarks presented on behalf of the Connecticut General Assembly's Senate Democrats.

### NATURE AND SOURCES OF SUPPORT:

**Senate Democrats, Connecticut General Assembly:** submitted testimony touching on the consistent issues cities and towns throughout Connecticut have dealt with in regards to conforming to the federal fiscal year, making "...accurate municipal budgeting nearly impossible". Testimony also mentioned SB 526 will allow municipalities to create their own fiscal process, resulting in greater budgetary control.

**Donna Hamzy, Advocacy Manager, Connecticut Conference of Municipalities:** supports SB 526 on behalf of the cities and towns throughout Connecticut, expressing that the bill realizes each area follows a different process, and has a different financial structure. Hamzy

also stated: “providing local governments with the tools to make decisions that are best for their communities is critical, especially as they continue to find ways to be more efficient”.

**NATURE AND SOURCES OF OPPOSITION:**

**Betsy Gara, Executive Director, Connecticut Council of Small Towns:** generally supports SB 526 but believes aligning municipal fiscal years with the federal fiscal year is “highly impractical” due to municipal officials’ workloads, revisions that may need to be made to municipal accounting systems, the impact the change will have on school districts, and more

**Reported by: Ginger Rodriguez**

**Date: 4/9/2019**