



CITY OF BRIDGEPORT
OFFICE OF POLICY & MANAGEMENT

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NESTOR N. NKWO
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Public Hearing Testimony to the Appropriations Committee

Re: *Proposed Bill No. 5172: AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES TO MUNICIPALITIES FOR EQUIPMENT*

Respectfully submitted by:

Nestor N. Nkwo, Budget Director, Office of Policy & Management, City of Bridgeport

Dear Representative Toni Walker, Rep. Mike France, Senator Cathy Osten, Senator Craig Miner and distinguished members of the Appropriations Committee:

My name is Nestor Nkwo and I am the Budget Director of the Office of Policy and Management with the City of Bridgeport. I am submitting this testimony on proposed Bill No. 5172 which calls for full State reimbursement of taxes to towns and municipalities for manufacturing machinery and equipment located in each territory.

Based on the City of Bridgeport October 2019 Grand List assessment, the City of Bridgeport will lose approximately \$2,300,000 in taxes due to the State of Connecticut unfunded mandate which requires towns and cities to exempt this machinery and equipment from being taxed.

The City of Bridgeport is asking the State of Connecticut to honor their 2006 expanded Public Act 06-83 which indicated that this machinery and equipment should be tax exempt to infinity with assurance from the State that towns and municipalities will be 100% reimbursed.

In the event the State is not willing to reimburse towns and municipalities, then all communities should be given the option to tax this equipment within their jurisdiction. The burden of these unfunded State mandates has contributed to the City of Bridgeport having one of the highest mill rates in the entire State.

Full reimbursement from the State of this machinery and equipment will entice towns and municipalities to welcome manufacturing companies in their territory, as well as, increase manufacturing efficiency, employment and employment income tax to the State of Connecticut. Above all, full reimbursement by the State will help these manufacturing companies become more innovative and competitive in today's global production era.

We believe that the State Appropriations Committee will see the overall benefits to the manufacturing industry, towns, cities, and state from full reinstatement of the 100% reimbursement.

Thank you for your time and consideration.