



**TESTIMONY OF  
CONNECTICUT HOSPITAL ASSOCIATION  
SUBMITTED TO THE  
PLANNING AND DEVELOPMENT COMMITTEE  
WEDNESDAY, MARCH 18, 2015**

**SB 1, An Act Concerning Tax Fairness And Economic Development**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **SB 1, An Act Concerning Tax Fairness And Economic Development**.

Before commenting on the bill, it's important to point out that Connecticut hospitals treat everyone who comes through their doors 24 hours a day, regardless of ability to pay.

This is a time of unprecedented change in healthcare, and Connecticut hospitals are leading the charge to transform the way care is provided. They are focused on providing safe, accessible, equitable, affordable, patient-centered care for all, and they are finding innovative solutions to integrate and coordinate care to better serve their patients and communities.

SB 1 seeks to "tier" payment in lieu of taxes (PILOT) reimbursements based on the percentage of exempt property in a municipality. Municipalities with more exempt properties would receive a higher percentage of funds from the PILOT grant program, while those municipalities with fewer exempt properties would receive less.

CHA appreciates the proposal to assist municipalities with the underlying problem of underfunding of the PILOT grant program without taxing not-for-profit hospitals and colleges to make up for the shortfall. Should the Committee take action on SB 1, we ask that a commitment be made to ensure that all municipalities continue to receive payments that are no less than what they would have received under the current PILOT program. The commitment to fund the current PILOT program adequately has waned in recent years, thus placing budget pressure on local municipalities. Any changes to the current PILOT program should come with an iron-clad commitment to our local municipalities, both large and small.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.