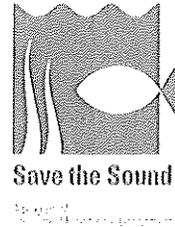




Testimony of:
Save the Sound, a program of
Connecticut Fund for the Environment

In Support of Raised Bill No. 388
AAC CONNECTICUT'S
ECONOMIC AND ENVIRONMENTAL FUTURE



Before the Environment Committee

March 12, 2010
Submitted by Leah Schmalz

Save the Sound is a regional program dedicated to the restoration and protection of Long Island Sound; together with its parent organization, Connecticut Fund for the Environment ("CFE"), a statewide non-profit environmental advocacy organization, it represents over 6,500 members. Since 1978, CFE has used law, science and education to improve Connecticut's environment.

Dear Sen. Meyer, Representative Roy, and members of the Environment Committee:

Save the Sound, a program of Connecticut Fund for the Environment and Audubon CT submit this testimony in *support* of Raised Bill 388, An Act Concerning Connecticut's Economic and Environmental Future.¹ Of particular interest are the three provisions that maximize job creation while providing environmental benefits to Long Island Sound: increases to the Clean Water Fund, enhancements to the Stormwater Authorities program, and the creation of a Habitat Restoration Matching Fund.

A. Long Island Sound Related Provisions

Clean Water Fund: RB 388 Section 1 and Section 2

This bill would enhance the rebuilding of Connecticut's Clean Water Fund ("CWF") while creating high quality, local jobs. As written, Section 1 would increase FY 2011 general obligation bonds to \$90 MM and FY 2011 revenue bonds to a much needed \$150MM. In addition to funding critical water quality projects like separating combined sewer overflows ("CSOs") and upgrading sewage treatment facilities, this increase would support the *creation of between 1500 and 3000 direct and indirect jobs.*

¹ CFE also opposes Senate Bill 386, An Act Concerning the Adoption of Regulations Relating to Water Use, Planning and Protection. This bill would delay and possibly derail the passage of updated streamflow regulations that are nearly completed.

1) The Clean Water Fund Need

The DEP estimates that \$5 billion is needed over the next twenty years to adequately meet our sewage infrastructure demands. Many of these projects, like combined sewer overflow separation and denitrification, are legally required and bind both our municipalities and the state. For example:

- a number of sewage treatment plants have not yet moved forward on nitrogen reduction construction to comply with the 2014 nitrogen removal requirements;
- EPA intends to require 28 facilities in the state comply with newly promulgated regulations for phosphorus removal; and
- increasing water quality regulations under the Clean Water Act's Phase II requirements could increase demands on the CWF as towns and cities move beyond sewage treatment discharge and are forced to confront stormwater runoff.

2) The Benefit of Investing in Clean Water

The vision for healthy Connecticut waters that sustain a vibrant wildlife population, promote the local fishing and dining industry and support tourism with open and clean beaches has the added benefit of producing high quality jobs. While these are projects that ultimately protect human health and the environment, like the \$8 billion/year economic-driver Long Island Sound, they are also short and long term job producers and enhancers. Authorizations for FY 2008 and FY2009 are expected to have created nearly 6000 jobs. And once certain projects are complete existing industries can begin to grow job capacity. For example, once Bridgeport's CSO separation is finished local shell fishing companies will once again be allowed to farm prime state beds currently closed by raw sewage discharges.

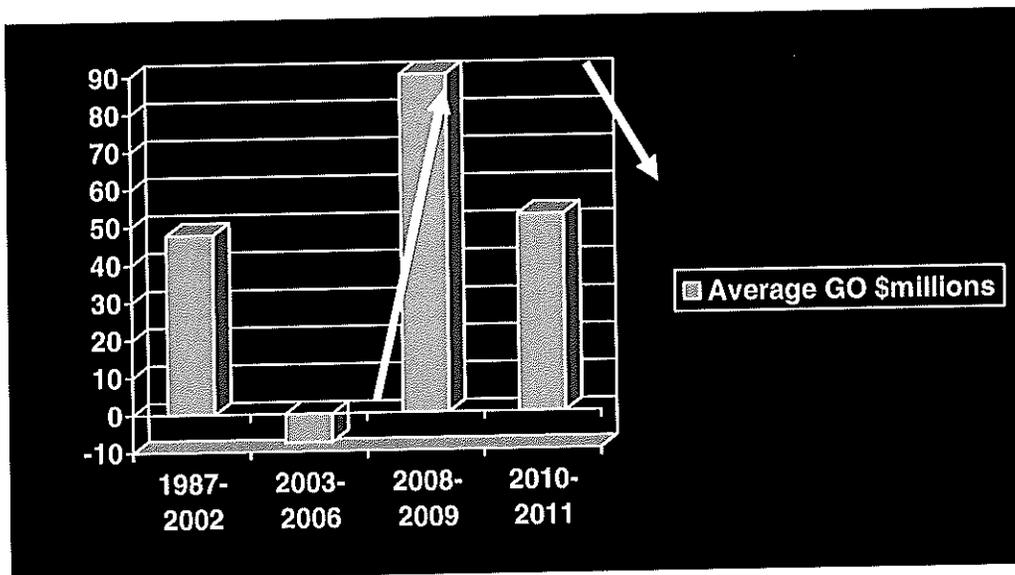
3) The Issue this Year

Current authorizations—\$65M GO & \$80M revenue bond for 2010 and \$40M GO bonds and \$80 M rev bonds in 2011—are inadequate to accomplish the required upgrades. Two issues are clear: first, the CWF does not have sufficient funding to cover the cost of CSO and treatment plant upgrades that will be ready to proceed by June 2011;

and second, as things sit today, the CWF authorizations are low on revenue bonds, so when more Clean Water State Revolving Funds are set aside, Connecticut will be unable to leverage those federal dollars and we will leaving much needed money on the Federal Table. A \$70MM increase in revenue bonds for 2011 (for a total of \$150MM in FY '11 revenue bonds) will address both issues while creating high quality jobs here in Connecticut.

4) The Clean Water Fund History

From 2002 to 2007, the Clean Water Fund was in serious trouble. It was created to ensure that towns and cities can afford to undertake sewage treatment projects to protect the health of its citizens and to clean up Connecticut's rivers and Long Island Sound. Despite years of great progress, the slow erosion of the Clean Water Fund escalated to a collapse in 2002. Because of your action in 2007, there is hope for the fate of the Clean Water Fund.



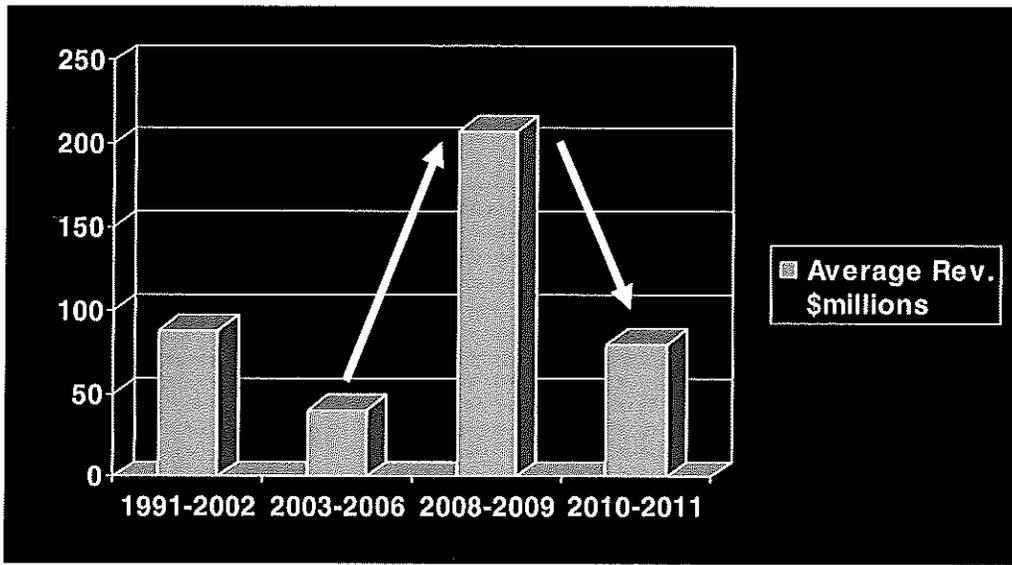


Figure 1: CWF G.O. Bond Authorizations

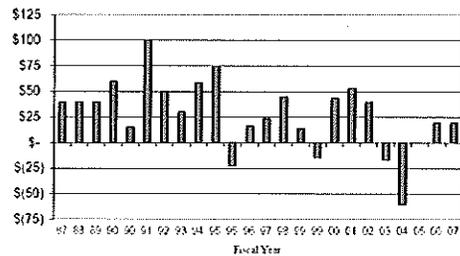
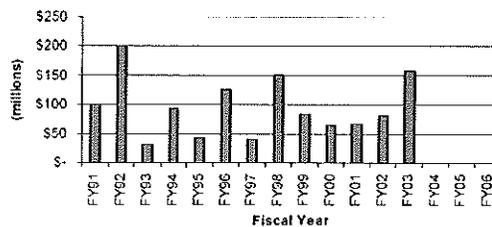


Figure 2: CWF Revenue Bond Authorizations



The authorizations for FY 2008 and FY 2009 were some of the largest in a decade, but it is only the first step in rebuilding the state's clean water legacy. It took only five years to decimate the fund, but it will take consistent levels of substantial funding to repair the damage. For example, despite the significant allocations in 2007, there are CSO problems that remain unfunded. The value of a well-financed CWF to protect the public's health, particularly sufficient funding to separate CSOs, became clear in 2005 when Hartford's city sewer flooded the basements of local residents with raw sewage and the number of beach closings increased to 200, a near 10 percent increase from the previous year.

After pulling the CWF back from the brink in 2007, Connecticut put itself on the right path but failure to maintain that investment will force the state to fall behind on its commitments to safe beaches and healthy waters while sacrificing federal money and local jobs. Inadequate long-term CWF commitments could result in lakes and streams remaining impacted by sewage-laden water from combined sewer overflows for 100

years beyond the 2020 deadline and a 20-year delay in the clean-up of Long Island Sound (based on publicly available DEP data). And without these grants, construction delays for already approved projects will mean higher costs for residents and businesses. Failure to adequately invest in the CWF is a failure the state simply cannot afford.

Simply put, Clean Water Funding makes Connecticut a better place to live and do business. We urge you to ensure clean water and green jobs remains a priority for the state by supporting RB 388.

Habitat Restoration Fund: RB 388 Section 3, Section 5 and Section 9

Section 3 of RB 388 establishes a new revenue stream, and Section 5 recommits one, to finance a new Habitat Restoration Matching Fund subaccount of the Long Island Sound Fund. These allocations can then be used to leverage federal dollars available through a wide of restoration and coastal acquisition programs—like NOAA’s Community Based Restoration Program, the NOAA Open Rivers Initiative and the Long Island Sound Stewardship Act—that require a non-federal match.

By capitalizing on these federal programs with a state matching fund, *Connecticut can improve public access to the shore, provide environmental benefits through restored habitats, and create local, high quality jobs.* Job-creation benefits include opportunities in engineering, landscaping, hydrology and specialized labor force, typically calculated at 20.3 jobs per \$1 million, and construction jobs, calculated at 15.6 jobs per \$1 million. The proposed request would create a fund which could leverage federal funding, resulting in a minimum of approximately 65 jobs per year.²

1) The Restoration Matching Fund Need

The Long Island Sound Stewardship Initiative is a program that has been developing for years. The DEP, the State of New York, the EPA Office of Long Island Sound and a wide array of stakeholders, with the benefit of input from several public hearings, have identified inaugural Long Island Stewardship sites in need of

² Based on \$3,450,000 which was developed by allocating \$10/plate renewal for each LIS plate DEP has sold (138,000) and calculating that total as a 40% match. This is a conservative figure as it only uses the LIS plates (does not add the Wildlife plate potential and it is based on a federal 40% match requirement, which is an exceptionally high threshold for restoration projects.

improvements for both the enjoyment and recreation of our citizens and to improve wildlife habitat values. In 2006, Congress passed the Long Island Sound Stewardship Act ("LISSA"), codifying this agreed upon regional priority to improve and protect Long Island Sound. LISSA recognized

(1) Long Island Sound is a national treasure of great cultural, environmental, and ecological importance;

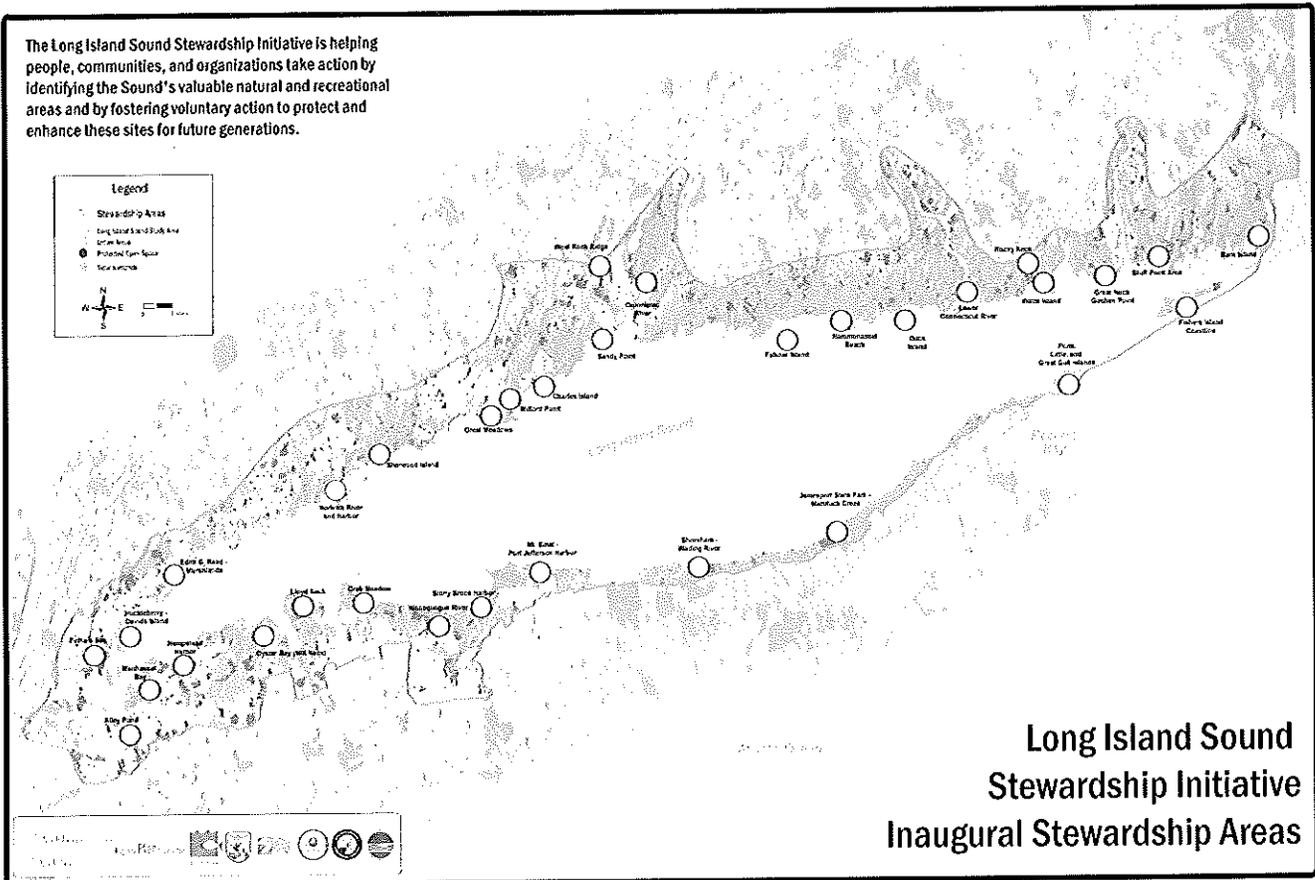
(6) large parcels of open space already in public ownership are strained by the effort to balance the demand for recreation with the needs of sensitive natural resources; and that

(8) much of the remaining exemplary natural landscape is vulnerable to further development.

LISSA §2(a)(1, 6, & 8).

Authorized at \$25 million per year in federal funding for 4 years, it will provide a structure and funding source for the restoration and conservation of some of the region's last great coastal spaces. However, that act will only provide for 60% grants for qualified projects. Both Connecticut and New York can help leverage those federal funds for the benefit of the states' citizens by setting aside a small matching fund as proposed in RB 388.

The Long Island Sound Stewardship Initiative is helping people, communities, and organizations take action by identifying the Sound's valuable natural and recreational areas and by fostering voluntary action to protect and enhance these sites for future generations.



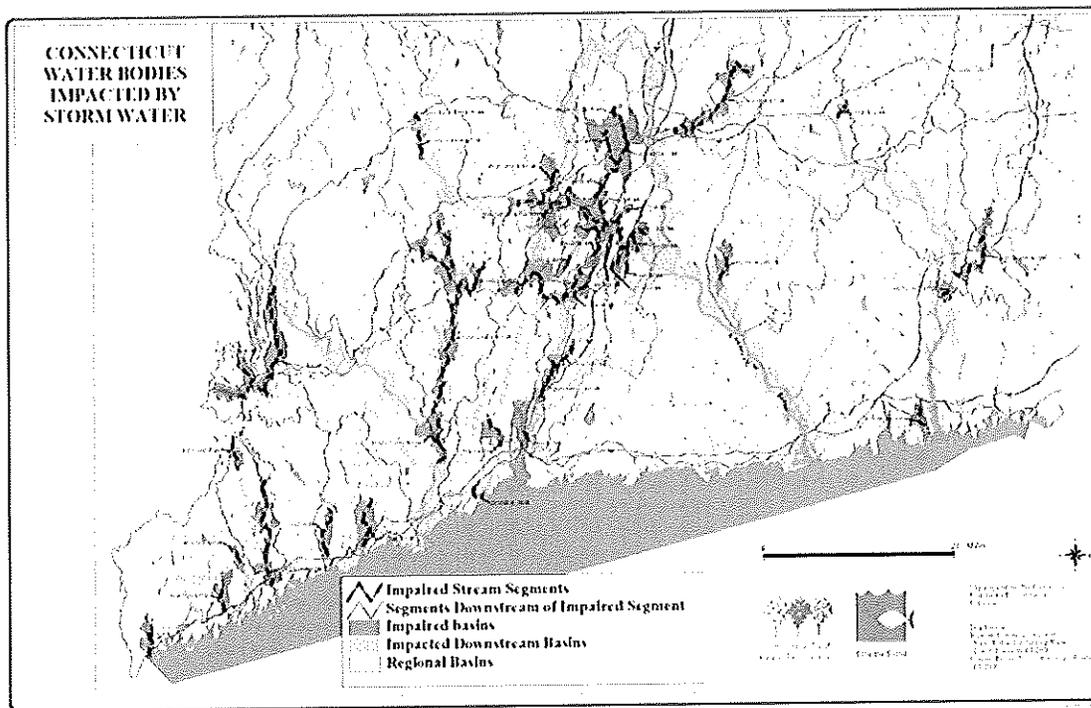
2) The Issue This Year

Not only is the new matching fund needed, renewal fees of \$10 per Long Island Sound license plate (\$15 total, with \$5 provided to the Department of Motor Vehicles for administrations) is way to gather these funds without unduly burdening the public. Not only are these plates voluntary and logically connected to the new initiative, adding this renewal fee will help address declining additions to the Long Island Sound account and create new jobs. At 21,003 plates sold, 1993 marked the height of the Long Island Sound license plate fund. Since then, there as been a steady decline, with only 3,634 plates being sold in 2008. Instituting a habitat restoration fund contribution from renewal fees will allow Connecticut to re-up contributions from all plate holders each year—providing a wider pool of funders and a more stable and predictable level of funding.

As we invest in tools, like Stormwater Authority bonding, necessary to advance urban green infrastructure retrofits and low impact development techniques, Connecticut can position itself as a leader in the new “green gardeners” field, which is comprised of engineers, landscape architects and skilled laborers. The resulting improved water quality will: 1) grow local businesses’ access to sustainable fisheries and open prime state shellfish beds, and 2) promote healthy tourism by maintaining open beaches—last year alone sewage and stormwater resulted in 135 lost or advisories beach days.

1) Stormwater Pollution – A Major Threat to Our Rivers and Streams

Polluted runoff, or stormwater pollution, is a major reason why people cannot enjoy many miles of rivers and streams in Connecticut. Below you will find a map that graphically portrays rivers, throughout the state, that the DEP has identified as being primarily impaired by stormwater-- these are waterbodies that the citizens can no longer use for fishing and swimming. This map underscores the opinion of both our DEP and the EPA: Stormwater pollution remains a large un-abated source of water pollution for our state and our country.



2) Expanded Stormwater Authorities Pilot Program Tools

The good news is that the state's destiny is in its own hands. Connecticut has the power to provide municipalities with the tools they need, and it has taken the first step. Recently, the legislature provided clear authority to a few municipalities, allowing them to voluntarily establish stormwater authorities. RB 388 would expand the tools at these towns' disposal by providing Stormwater Authority with bonding authority, explicitly suggesting opportunities for fee waivers, and incentivizing green infrastructure development. These tools could provide for engineering improvements like, Norwalk's proven stormdrain filter technology which removed bacteria by 75% to 95%, oils and grease by nearly 70% and prevented 19 tons of sediment from being deposited in the Norwalk harbor, and investments in urban and sub-urban green infrastructure projects.

Most transportation and utility infrastructure projects depend upon years—even decades—of planning and billions of dollars in implementation costs. Across Connecticut, however, green infrastructure projects can be accomplished site by site as affordable property-improvement projects. By reducing the volume of rainwater that is shunted into the sewer system, green infrastructure reduces the need for expensive expansions of centralized wastewater treatment.

Simply explained, hard surfaces (rooftops, roadways and parking lots) ought to first drain into vegetated catchment areas, before overflowing into the sewer system. The challenge is to design the catchment so that its soil and vegetation can absorb standing water within 36 hours. While centralized wastewater treatment cannot be eliminated, green infrastructure can reduce costs dramatically—for grassroots gain. Green infrastructure is a decentralized method that intercepts and absorbs rain naturally—such as water for trees and shrubs or ground water recharge. Utilizing strategies outlined by low impact development (LID) research, the term “green infrastructure” emphasizes the value of living systems, especially plants, as an economic infrastructure asset. On-site stormwater management strategies contribute to regional watershed-based planning goals. While watershed-based planning can maximize regional and municipal cost benefits, any property owner can learn to manage rainwater on-site with green infrastructure. Homeowners can divert rooftop downspouts into rain gardens or rain barrels. Corporate and institutional property managers can create scenic landscape features and install permeable pavement in parking areas to capture stormwater run-off.

Municipal planners can protect and restore stream buffers that soak up rainwater and mitigate downstream flooding. Green infrastructure refines the functional relationships between building and nature at any scale of development and in any setting, urban or rural.

An impressive range of projects from across the country were presented during the July 2009 US EPA workshop “Managing Wet Weather with Green Infrastructure” in Hartford. The affordable benefits of green infrastructure were presented through real world case studies built by large property owners as well as municipal and state government agencies.

Presentations included landscape design drawings, photographs of the construction process, and testing data from three different types of retrofit projects in Portland, Oregon. One—a \$17,000 green street designed to handle 80% of 25-year-storm rainfall over a catchment of 10,000 square feet—also serves as a traffic calming feature and has been outlined in a “green streets and parking lots” guidebook to show other municipalities how to save money, manage stormwater, and benefit city planning. Other projects combine tree planting for co-benefits like control of flooding and runoff pollution, urban greening, carbon sequestration and to cool urban heat islands. In new developments, field visits to a Connecticut LID project reveals how the ground plane can be designed to mitigate stormwater run-off. Paving surface slope, pavement materials, threshold design, area and depth of catchment, soil composition, and vegetation are fundamental design decisions made with respect to site conditions. Success requires accurate calculations of surrounding hard surfaces and knowledge of average rainfall rates, as well as practical considerations like the capacity to amend soil and select plants that can thrive in both saturated and drought conditions.

Planning successful green infrastructure demands coordination among a range of experts. New professional partnerships are needed in the green design process to choose attractive, low maintenance vegetation that absorbs rainwater effectively. Specialists qualified to verify soil amendment and planting plans can work with town planners and engineers who may be concerned that vegetated swales will not be as fail-safe as conventional curbs and drains. Collaborative efforts of professionals, non-profits, scientists, and community members are needed to assess complex urban environmental

conditions and cultural interests that influence realistic opportunities. From this cooperation, lasting and productive partnerships and a new “green gardener” workforce can grow.

B. Other Suggestions for RB 388 Provisions

Green Jobs: Inclusion of Job Creating Energy Policies

While RB 388 is a great start on a multi-sector approach to building a healthy economy and sustainable environment, it is missing some critical components. For instance, increasing our commitment to energy efficiency and clean distributed generation can provide a significant boost to the state’s economy, not only by keeping consumer dollars in the state rather than spending them on imported energy fuel stock, but also through the direct stimulant of job creation. Energy efficiency and renewable energy programs require and create jobs for skilled and experienced engineers, technicians and installers to identify and implement energy saving opportunities and strategies. At the same time, these programs can significantly reduce emissions of greenhouse gases and other air pollutants such as NOx and Sulfur Dioxide and decrease electricity costs for consumers.

There are a number of green jobs-related proposals making their way through the legislature this year. As we look to the imminent 40th anniversary of Earth Day, it may make sense to consider consolidating these proposals into one bill, the passage of which can demonstrate Connecticut’s recognition that the key to maintaining a robust and healthy economy depends on maintaining the environmental quality of our air, land and water.

Thank you for your consideration

Sincerely,

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