
OLR Bill Analysis

sHB 5492

AN ACT PROVIDING MUNICIPAL STORMWATER AUTHORITIES WITH CERTAIN CORPORATE POWERS.

SUMMARY:

This bill makes a municipal stormwater authority authorized under a pilot program (PA 07-154) a body politic and corporate and requires the municipality, by ordinance, to grant it powers including the power to issue bonds.

The bill specifies that any charge due to any municipal stormwater authority that is not paid within 30 days of the due date is delinquent and collects interest from the due date at the rate, and is delinquent as, property taxes are under existing law. Any unpaid charge constitutes a lien on the property from the date it became delinquent and the lien may be continued, recorded, and released as under existing law for property tax liens.

EFFECTIVE DATE: October 1, 2012

MUNICIPAL STORMWATER AUTHORITIES

PA 07-154 required the then Department of Environmental Protection (now Department of Energy and Environmental Protection) commissioner to create a municipal stormwater authority pilot program in up to four municipalities adjoining Long Island Sound by September 1, 2007, and authorized the commissioner to provide up to \$1 million in grants to the participating towns. Under the law, New Haven, New London, Norwalk, and Stonington were the eligible municipalities.

The bill outlines certain powers that the ordinances establishing authorities in each municipality must grant.

Powers

The bill requires a municipal ordinance to grant a municipal stormwater authority the power to:

1. sue and be sued;
2. acquire, hold, and convey any real estate or personal property;
3. contract;
4. recommend to the municipality's legislative body where the authority is located to tax real property within the authority's district and use those revenues to carry out the authority's powers;
5. construct, own, operate, and maintain public or common improvements;
6. provide, within the authority district, some or all of the other services which the municipality is authorized to provide, excluding elementary and secondary education and services any multi-town body or authority are providing within the authority district;
7. deposit and expend funds;
8. enter property to make surveys, soundings, borings and examinations to accomplish the law's purposes (e.g., control and abatement of stormwater pollution) (see BACKGROUND); and
9. borrow money, including issuing bonds.

The bill does not specify the type of bonds (revenue or general obligation bonds) the stormwater authority may issue but typically, entities with powers similar to those the bill grants a stormwater authority would issue revenue bonds.

Additionally, current law authorizes a stormwater authority to levy fees. It appears those fees would be separate from a tax the authority recommends under the bill and which it already has the power to recommend under current law (CGS § 22a-498(b)).

BACKGROUND

Stormwater Authorities

PA 07-154 set population criteria that four priority municipalities had to meet to participate in the stormwater authority pilot program, and allowed other, non-priority municipalities to apply if a priority town chooses not to participate. New Haven, New London, Norwalk, and Stonington met the criteria.

Stormwater Management Program

By law, the authority must develop and administer a stormwater management program. The program must include provisions for (1) construction and post-construction site stormwater runoff control, including control detention and prevention of stormwater runoff from development sites, or (2) controlling and abating pollution from existing land uses, and detecting and eliminating connections to the stormwater system that threaten the public health, welfare, or the environment.

The authority must also (1) provide public education and outreach relating to stormwater management activities and establish procedures for public participation; (2) set boundaries for the stormwater authority district; and (3) recommend to the town's legislative body a levy on taxable real property in the stormwater district to permit the authority to plan, lay out, acquire, construct, reconstruct, repair, maintain, supervise, and manage stormwater control systems.

Assessment of Fees

By law, a stormwater authority may levy fees on property owners to achieve its purposes. In setting fees, it may consider (1) the amount of impervious surfaces generating stormwater runoff, (2) land use types that result in higher concentrations of stormwater pollution, and (3) the property's grand list valuation. The authority may reduce or defer such fees for land classified as, or consisting of, farm, forest, or open space. This apparently refers to land classified as "490" land for property tax purposes, as well as land not so classified.

Property Tax Lien

By law, the interest of each person in real estate that has been legally included on a municipality's assessment list is subject to a lien for taxes. The tax is based on the value of the real estate, and the lien exists from October 1 or another assessment date in the year before the tax became due until two years after the tax became due. The lien may be enforced by levy and sale of the real estate (CGS § 12-172).

The law allows a municipality to assign, for consideration, any liens filed to secure unpaid taxes on real property (CGS § 12-195h).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 11 Nay 9 (03/23/2012)