



Senate

General Assembly

File No. 558

January Session, 2013

Substitute Senate Bill No. 461

Senate, April 18, 2013

The Committee on Planning and Development reported through SEN. CASSANO, S. of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONFERRING CORPORATE POWERS ON CERTAIN MUNICIPAL STORMWATER AUTHORITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2013*) A municipal stormwater
2 authority created pursuant to section 22a-498 of the general statutes
3 and located in a distressed municipality, as defined in subsection (b) of
4 section 32-9p of the general statutes, having a population of not more
5 than twenty-eight thousand shall constitute a body politic and
6 corporate and the ordinance establishing such authority may confer
7 upon such authority the following powers: (1) To sue and be sued; (2)
8 to acquire, hold and convey any estate, real or personal; (3) to contract;
9 (4) to borrow money, including by the issuance of bonds, provided the
10 issuance of such bonds is approved by the legislative body of the
11 municipality in which such authority district is located; (5) to
12 recommend to the legislative body of such municipality the imposition
13 of a levy upon the taxable interests in real property within such
14 authority district, the revenues from which may be used in carrying

15 out any of the powers of such authority; (6) to deposit and expend
 16 funds; and (7) to enter property to make surveys, soundings, borings
 17 and examinations to accomplish the purposes of section 22a-498 of the
 18 general statutes.

19 Sec. 2. (NEW) (*Effective October 1, 2013*) Any charge due to a
 20 municipal stormwater authority and not paid within thirty days of the
 21 due date shall thereupon be delinquent and shall bear interest from the
 22 due date at the rate and in the manner provided by the general statutes
 23 for delinquent property taxes. Any such unpaid charge shall constitute
 24 a lien upon the real estate against which such charge was levied from
 25 the date it became delinquent. Each such lien may be continued,
 26 recorded and released in the manner provided by the general statutes
 27 for continuing, recording and releasing property tax liens.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	New section
Sec. 2	<i>October 1, 2013</i>	New section

PD *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 14 \$	FY 15 \$
Various Municipalities	Potential Revenue Gain/Potential Savings	See Below	See Below

Explanation

The bill authorizes certain powers to municipal stormwater authorities. Under the bill, stormwater authorities are allowed to levy fees on property owners and to recommend to municipalities a tax levy. These provisions could result in increased revenues to cover the costs of authorities. Municipalities may realize a savings as certain infrastructure and maintenance costs may be covered by the stormwater authority.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 461*****AN ACT CONFERRING CORPORATE POWERS ON CERTAIN MUNICIPAL STORMWATER AUTHORITIES.*****SUMMARY:**

This bill designates a municipal stormwater authority that meets certain conditions as a municipal quasi-public authority and allows the municipality, by ordinance, to grant it specific powers to carry out its duties.

The bill also subjects municipal stormwater authority charges that are more than 30 days overdue to interest in the same manner as delinquent property taxes (1.5% per month or part of a month or 18% per year). Under the bill, any unpaid stormwater authority charge is a lien on the property against which it was levied, running from the date it became delinquent. The lien may be continued, recorded, and released like a property tax lien.

EFFECTIVE DATE: October 1, 2013

MUNICIPAL STORMWATER AUTHORITY POWERS

PA 07-154 (1) required what is now the Department of Energy and Environmental Protection to create a municipal stormwater authority pilot program in up to four municipalities adjoining Long Island Sound and (2) authorized up to \$1 million in grants to the participating towns to reimburse a portion of the planning, engineering, and legal costs associated with creating a stormwater authority and developing a stormwater program (see BACKGROUND). Three municipalities, New Haven, New London, and Norwalk, participated in the program, but have not yet created stormwater authorities.

The bill designates a stormwater authority created under this pilot

program and located in a distressed municipality with a population of 28,000 or less as a “body corporate and politic” (i.e., a quasi-public authority). New London is the only municipality that meets these conditions and thus the only one affected.

The bill allows the ordinance establishing New London’s stormwater authority to grant it the power to:

1. sue and be sued;
2. acquire, hold, and convey any real and personal property;
3. contract;
4. borrow money, including issuing bonds, with municipal legislative approval;
5. (a) recommend, to the legislative body, the imposition of a tax on real property within the authority's district and (b) use the tax revenues to carry out the authority's powers;
6. deposit and expend funds; and
7. enter property to make surveys, soundings, borings, and examinations to accomplish the authority’s purposes.

BACKGROUND

Stormwater Authorities

By law, stormwater authorities created under the pilot program must:

1. develop and administer a stormwater management program;
2. provide public education and outreach relating to stormwater management activities and establish procedures for public participation;
3. set boundaries for the stormwater authority district; and

4. 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.

To achieve these purposes, stormwater authorities may levy fees on property owners. In doing so, they 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.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 12 Nay 7 (04/01/2013)