
OLR Bill Analysis**HB 5081*****AN ACT CONCERNING PHOSPHOROUS REDUCTION REIMBURSEMENTS TO MUNICIPALITIES.*****SUMMARY:**

This bill expands the number of municipalities eligible to receive increased Clean Water Fund grants for phosphorus removal projects (those that result in levels at or below 0.2 milligrams per liter of effluent discharge, meaning the phosphorus is no more than .00002% of the effluent by weight). It does so by extending eligibility for the increased grants, which cover 50% of phosphorus removal costs, to all those with contracts entered into by July 1, 2018.

Current law limits eligibility to the first three construction contracts awarded by municipalities by that date, but if there are more than three eligible projects, the Department of Energy and Environmental Protection must prioritize them based on permitted phosphorus discharge limits and the amount of phosphorus removed each year. The bill retains this prioritization for issuing the funds.

By law, other phosphorus removal projects are eligible for clean water financing as nutrient removal projects. They receive a (1) project grant of 30% of costs associated with nutrient removal, (2) 20% grant for costs unrelated to nutrient removal, and (3) loan for the rest.

The Clean Water Fund provides financial aid to municipalities through grants and loans for planning, designing, and constructing water pollution control facilities. It is financed through a combination of federal funding, state general obligation bonds for the grant portion, and state revenue bonds for the loan portion.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Environment Committee

Joint Favorable Change of Reference

Yea 28 Nay 0 (02/28/2014)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 50 Nay 0 (04/01/2014)