



# CCM 2015 Testimony

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## ***FINANCE REVENUE & BONDING COMMITTEE***

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The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 96% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

### **SB 7055, "An Act Concerning Connecticut First"**

CCM supports SB 7055, which would among other things, (1) incentivize investment in brownfield remediation, encourage the development of renewable energy facilities on remediated brownfields and former solid waste disposal sites, (2) authorize the establishment of special taxing districts for the purpose of developing community broadband systems, and (3) require an analysis on deviations from federal law as part of the legislative regulation review process.

CCM would recommend the Committee amend Section 12 to (1) require the preparation of federal deviation analysis for proposed agency permits in addition to proposed regulations, (2) require a fiscal note to determine the impact of proposed new or expanded regulations and general permits such as the current proposed General Permit for Municipal Small Separate Storm Sewer Systems (MS4 Permit) and (3) require that any general permit proposed by a state agency that is beyond the scope of federal standards or with a fiscal impact of more than an established threshold receive legislative approval in order to prevent state agencies from regulating through a permit.

The MS4 Permit as currently proposed by the Department of Energy and Environmental Protection (DEEP) is a timely example of why further review and oversight is needed of regulations and permits proposed by state agencies.

### **The need for fiscal analysis:**

The current proposed MS4 Permit would impose new or expanded mandates upon every town and city and, as originally proposed would have cost municipalities more than \$100 million in capital, and operating expenses.

The MS4 Permit as proposed by DEEP did not provide any estimate on the potential cost that municipalities would incur in order to be in compliance, or a cost benefit analysis for a permit that that would impose an unprecedented unfunded mandate on towns and cities. DEEP staff indicated upon issuing the draft permit that there was no fiscal analysis, nor was there any indication that they intended to determine the statewide cost of the

proposed permit or that they would conduct what many would consider proper due diligence to determine the cost.

When a regulation or permit will require a significant investment of taxpayer money, we should expect at the least, that the proposing agency would stop and ask these simple and fundamental questions -- How much does it cost? Can we afford it? Who will pay for it?

Agencies should be required to provide information that identifies the true extent of the costs, staffing and capital requirements, and conduct a comprehensive cost-benefit analysis of proposed regulations and permits to ensure any costs will result in the desired and measurable improvements at a reasonable expense to local taxpayers. This detailed analysis will better allow municipal and legislative leaders to understand the scope of proposed permits and regulations and the fiscal impact they may impose.

Furthermore, CCM requests that agencies such as DEEP establish a collaborative process with towns and cities to fully vet the issues and costs associated with regulations and permits related to municipalities. A collaborative process between the State and municipalities would lead to a more effective and cost efficient process for the adoption of regulations and permits.

**Legislative oversight of general permits:**

SB 7055 should be amended to establish clear standards for agencies and prohibit them from using permits to circumvent the regulatory process and the necessary oversight provided by that process.

The current proposed MS4 permit is a blatant attempt by DEEP to regulate by permit. Several of the measures within the proposed permit would impose requirements that each municipality in order, to comply, would need to adopt new ordinances and regulations. If a permit intends to establish uniform requirements and standards, an agency such as DEEP should explain why it is choosing to set this in motion at the local level and rather than seeking the required authority through the Legislative regulatory process.

Local zoning authority is delegated from the State to each municipality by statute or special act. State agencies should not be permitted to usurp the land use regulation and zoning authority of towns and cities or the legislature by imposing these requirements through a general permit or convert various guidance manuals into regulations through the permit process. If an agency's goal is to create land use rules of general applicability that implement a law or policy then it should do so at the state level through regulation or statute.

CCM urges the Committee to favorably report SB 7055 with the referenced changes.



If you have any questions, please contact Randy Collins, Senior Legislative Associate at [rcollins@ccm-ct.org](mailto:rcollins@ccm-ct.org) or (860) 707-6446 or Bob Labanara, State Relations Manager at [rlabanara@ccm-ct.org](mailto:rlabanara@ccm-ct.org) (203) 498-3023.