



CCM 2015 Testimony

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GOVERNMENT ADMINISTRATION & ELECTIONS 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 845, "An Act Concerning the Fiscal Impact of Proposed Agency Regulations"

CCM supports SB 845, which would require a fiscal note to be prepared by a state agency proposing new or amended regulations that include potential costs municipalities or businesses in the state prior to the Regulations Review Committee meeting to consider such regulation.

CCM recommends the scope of SB 845 be expanded to (1) require the preparation of fiscal note to determine the impact of a proposed new or expanded general permit such as the current proposed General Permit for Municipal Small Separate Storm Sewer Systems (MS4 Permit) and (2) require that any general permit proposed by a state agency 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 proposed by the Department of Energy and Environmental Protection 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 for an estimate on the cost to municipalities, or a cost benefit analysis for a permit that that would impose an unprecedented unfunded mandate on towns and cities. DEEP staff indicated upon the 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 provide information on any efforts made to identify the true extent of those costs and staffing requirements, the ability of municipalities to pay for them and conduct a comprehensive cost-benefit analysis of proposed regulations and permits to ensure that costs will result in the desired and measurable improvements at a reasonable cost to local taxpayers.

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 845 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 an 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 in some or all instances, an agency such as DEEP should explain why it is choosing to set in motion the legislative process at the local level and rather than seeking approval for the desired legal authority statewide, through the legislative of regulatory process.

Local zoning authority is delegated from the state to each municipality by statute or special act. The Department cannot usurp the zoning authority of towns or the legislature by imposing zoning requirements through a general permit or convert various guidance manuals into regulations through the permit process. If the Department'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 845.

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If you have any questions, please contact Randy Collins, Senior Legislative Associate of CCM at rcollins@ccm-ct.org or (860) 707-6446.