



Connecticut Fund  
for the Environment

Save the Sound®

**Testimony of Connecticut Fund for the Environment  
Before the Committee on Commerce**

***In opposition to, unless substantially amended***  
**S.B. No. 399, AN ACT REQUIRING A COST-BENEFIT ANALYSIS AND ECONOMIC  
IMPACT STATEMENT ON PROPOSED LEGISLATION.**

***In opposition to***  
**S.B. No. 818, AN ACT AUTHORIZING THE SUSPENSION OF CIVIL PENALTIES  
IMPOSED ON CERTAIN BUSINESS ENTITIES PURSUANT TO STATE  
REGULATIONS.**

Submitted by Claire Coleman  
Climate & Energy Attorney  
February 23, 2017

*Connecticut Fund for the Environment (CFE) is a non-profit environmental organization with over 4,700 members statewide. The mission of CFE, and its bi-state program Save the Sound, is to protect and improve the land, air, and water of Connecticut and Long Island Sound. We use legal and scientific expertise and bring people together to achieve results that benefit our environment for current and future generations.*

Dear Senator Hartley, Senator Frantz, Representative Simmons and honorable members of the Commerce Committee:

**I. Senate Bill No. 399**

Connecticut Fund for the Environment (CFE) submits this testimony in opposition to proposed Senate Bill No. 399 as drafted, which seeks to require a cost-benefit analysis and economic impact statement on all proposed legislation.

A mandatory cost-benefit analysis has significant risk of hindering the passage of important legislation designed to protect public health, the environment, and our climate, all of which produce enormous social and quality of life benefits. These laws, and the regulations that follow to implement these laws, are proposed to protect the health and welfare of the public, yet the benefits of health and environmental laws and regulations are frequently underestimated and the negative alternative scenarios are ignored.<sup>1</sup> Without specifying that a cost-benefit analysis should consider impacts that may be difficult to monetize in dollar value, like reduced human mortality, and improved water or air quality, the legislature risks disregarding important criteria

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<sup>1</sup> Frank Ackerman, Synapse Energy Economics, Inc., A History of Opposition to Federal Regulation: The Perpetual Asymmetry of Cost-Benefit Analysis (Oct. 22, 2015) available at <http://www.synapse-energy.com/about-us/blog/history-opposition-federal-regulation-perpetual-asymmetry-cost-benefit-analysis>

and conducting an analysis unfairly biased against legislation where the long-term benefits of protecting our environment and health far outweigh the monetary costs of implementation.

CFE also recommends that any legislation requiring a cost-benefit analysis should also include analysis on climate change impacts. Given how critical it is to Connecticut's health and safety that we reduce Greenhouse Gas (GHG) emissions in Connecticut, climate change adaptation should be mainstreamed into the lawmaking and agency planning processes. Specifically, all new legislation, as well as new policies promulgated by state agencies, should include consideration of GHG emissions and climate change impacts. CFE recommends that all bills that would have an impact on climate change mitigation or resiliency include a climate change impact note that identifies whether and to what extent the proposed bill contributes to or mitigates greenhouse gas emissions and whether and to what extent the proposed bill enhances or reduces state or municipal resiliency to climate change impacts.

In summary, CFE believes that S.B. No. 399 should be amended to require that any cost-benefit analysis include consideration of positive environmental and health impacts of legislation, and to require a climate change impact note identifying whether and to what extent the proposed bill contributes to or mitigates greenhouse gas emissions, and whether and to what extent the proposed bill enhances or reduces state or municipal resiliency to climate change impacts.

## **II. Senate Bill No. 818**

CFE submits this testimony in opposition to proposed Senate Bill No. 818, which proposes suspending civil penalties imposed on certain business entities pursuant to state regulations. Specifically, the bill proposes that “a state agency shall suspend any civil penalty assessed against any business entity for a first violation of any provision of the regulations of Connecticut state agencies, upon the written request of such business entity, if such business entity takes measures that remedy the condition that resulted in such violation not later than thirty days after the assessment of such penalty.”

In essence, S.B. No. 818 would—at the discretion of the relevant state agency—grant business entities a “second chance” at complying with an otherwise applicable regulation. Although the proposed bill exempts violations that result in personal injury, are willful or grossly negligent, or are mandatory under federal law, these exemptions are inadequate to fully protect Connecticut's environment and public health. Permitting state agencies to suspend the imposition of civil penalties on an ad hoc basis will have a net negative impact on Connecticut's environment, natural resources, wildlife, public lands, and the health of our air and climate. Given that the employees and leadership at state agencies necessarily change over time, the application of the unstructured “free pass” proposed by S.B. No. 818 could be applied in a haphazard and imbalanced manner.

Furthermore, S.B. No. 818 will place new, additional burdens on state agencies that are already resource strapped and short staffed in the state's ongoing financial climate. If S.B. No. 818 is enacted, state agencies will undoubtedly be flooded with requests by entities seeking suspension of civil penalties that have been assessed against them. Valuable staff time and resources will be diverted away from ensuring compliance with regulations to address such petitions. And as civil penalties often serve as a source of revenue for various state programs and

initiatives, every petition that is granted exempting a violator from penalty will ensure that fewer dollars are generated for these dwindling budgets. Since S.B. No. 818 proposes to grant violators the right to appeal agency denials of suspension, it also risks clogging the already swollen dockets of the state court system with appeals.

S.B. No. 818 also seeks to provide business entities with privileges and opportunities that members of the public do not possess. A private citizen does not get more than one chance to attempt compliance with the law. If she fails to obtain the appropriate zoning or wetlands permits to carry out a personal project, or fails to properly dispose of hazardous waste on her private property, for example, the appropriate agency orders a citation and the citizen pays a penalty. Business entities should not receive special protections.

Finally, by prioritizing the desire of the regulated business community to avoid complying with properly assessed civil penalties for regulatory violations, S.B. No. 818 endangers the public welfare by subjecting private citizens, the environment, and our state's irreplaceable natural resources to the very harms regulations were promulgated to address.

Thank you for your time and consideration in this testimony.

Respectfully submitted,

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