Testimony
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The Connecticut Council of Small Towns (COST) opposes the provisions in Section 2 of SB-797, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR PUBLIC HEALTH PROGRAMS, which will impose additional regulatory burdens and costs on municipalities and property taxpayers during a period of unprecedented fiscal challenges.

As drafted, Section 2 of SB-797 imposes a significant unfunded mandate on small towns and cities served by municipal water departments, including Berlin, Colchester, East Hampton, East Lyme, New London, Portland, and Putnam.

The bill requires all public water systems, including municipal water departments that have been operating for generations, to obtain a license to operate and remit fees to the state which will be unilaterally determined by the Office of Policy & Management. For municipal water departments, such fees will directly impact operating expenses, resulting in reductions in available revenues to support critical utility operations.

Moreover, subjecting municipal and other water companies to licensing requirements is duplicative and unnecessary given that such water companies are already heavily regulated by state, federal and local laws, regulations, and charters.