



General Assembly

February Session, 2018

Raised Bill No. 415

LCO No. 1296



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING GRANTS FOR COMBINED SEWER PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 22a-478 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2018*):

4 (c) The funding of an eligible water quality project shall be pursuant
5 to a project funding agreement between the state, acting by and
6 through the commissioner, and the municipality undertaking such
7 project and shall be evidenced by a project fund obligation or grant
8 account loan obligation, or both, or an interim funding obligation of
9 such municipality issued in accordance with section 22a-479. A project
10 funding agreement shall be in a form prescribed by the commissioner.
11 Eligible water quality projects shall be funded as follows:

12 (1) A nonpoint source pollution abatement project shall receive a
13 project grant of seventy-five per cent of the cost of the project

14 determined to be eligible by the commissioner.

15 (2) A combined sewer project shall receive (A) a project grant of
16 [fifty] not less than eighty per cent of the cost of the project, and (B) a
17 loan for the remainder of the costs of the project, not exceeding one
18 hundred per cent of the eligible water quality project costs.

19 (3) A construction contract eligible for financing awarded by a
20 municipality on or after July 1, 2012, as a project undertaken for
21 nutrient removal shall receive a project grant of thirty per cent of the
22 cost of the project associated with nutrient removal, a twenty per cent
23 grant for the balance of the cost of the project not related to nutrient
24 removal, and a loan for the remainder of the costs of the project, not
25 exceeding one hundred per cent of the eligible water quality project
26 costs. Nutrient removal projects under design or construction on July
27 1, 2012, and projects that have been constructed but have not received
28 permanent, Clean Water Fund financing, on July 1, 2012, shall be
29 eligible to receive a project grant of thirty per cent of the cost of the
30 project associated with nutrient removal, a twenty per cent grant for
31 the balance of the cost of the project not related to nutrient removal,
32 and a loan for the remainder of the costs of the project, not exceeding
33 one hundred per cent of the eligible water quality project costs.

34 (4) If supplemental federal grant funds are available for Clean Water
35 Fund projects specifically related to the clean-up of Long Island Sound
36 that are funded on or after July 1, 2012, a distressed municipality, as
37 defined in section 32-9p, may receive a combination of state and
38 federal grants in an amount not to exceed fifty per cent of the cost of
39 the project associated with nutrient removal, a twenty per cent grant
40 for the balance of the cost of the project not related to nutrient removal,
41 and a loan for the remainder of the costs of the project, not exceeding
42 one hundred per cent of the allowable water quality project costs.

43 (5) A municipality with a water pollution control project, the
44 construction of which began on or after July 1, 2003, which has (A) a
45 population of five thousand or less, or (B) a population of greater than

46 five thousand which has a discrete area containing a population of less
47 than five thousand that is not contiguous with the existing sewerage
48 system, shall be eligible to receive a grant in the amount of twenty-five
49 per cent of the design and construction phase of eligible project costs,
50 and a loan for the remainder of the costs of the project, not exceeding
51 one hundred per cent of the eligible water quality project costs.

52 (6) Any contract entered into by a municipality prior to, on or after
53 May 26, 2016, but before July 1, 2019, that is eligible for financing as a
54 project undertaken for phosphorus removal to at or below thirty-one
55 one hundredths milligrams per liter, provided such amount is
56 specified as the average monthly effluent total phosphorous limit in a
57 discharge permit issued to such municipality by the commissioner
58 pursuant to section 22a-430, shall receive (A) a project grant of fifty per
59 cent of the cost of the project associated with such phosphorus
60 removal, (B) except as provided in subdivision (3) of this subsection, a
61 twenty per cent grant for the balance of the cost of the project, and (C)
62 a loan for the remainder of the costs of the project, not exceeding one
63 hundred per cent of the eligible water quality project costs, provided
64 nothing in this subdivision shall affect any requirement or schedule in
65 any discharge permit issued by the commissioner pursuant to said
66 section.

67 (7) A municipality with a 2012 population of not less than forty
68 thousand but not more than forty-two thousand with a municipal
69 sewerage system that provides a regional sewerage treatment capacity
70 to not less than five abutting communities, each with 2012 populations
71 of less than five thousand, shall receive funding levels consistent with
72 subdivisions (1) to (6), inclusive, of this subsection plus an additional
73 five per cent for the design and construction phase costs of an eligible
74 water quality project and a loan for the remainder of the costs of such
75 eligible water quality project, provided such loan shall not exceed one
76 hundred per cent of the costs of such eligible water project.

77 (8) Any other eligible water quality project shall receive (A) a project
78 grant of twenty per cent of the eligible cost, and (B) a loan for the

79 remainder of the costs of the project, not exceeding one hundred per
80 cent of the eligible project cost.

81 (9) Project agreements to fund eligible project costs with grants from
82 the Clean Water Fund that were executed during or after the fiscal year
83 beginning July 1, 2003, shall not be reduced according to the provisions
84 of the regulations adopted under section 22a-482.

85 (10) On or after July 1, 2002, an eligible water quality project that
86 exclusively addresses sewer collection and conveyance system
87 improvements may receive a loan for one hundred per cent of the
88 eligible costs provided such project does not receive a project grant.
89 Any such sewer collection and conveyance system improvement
90 project shall be rated, ranked, and funded separately from other water
91 pollution control projects and shall be considered only if it is highly
92 consistent with the state's conservation and development plan, or is
93 primarily needed as the most cost effective solution to an existing area-
94 wide pollution problem and incorporates minimal capacity for growth.

95 (11) All loans made in accordance with the provisions of this section
96 for an eligible water quality project shall bear an interest rate of two
97 per cent per annum. The commissioner may allow any project fund
98 obligation, grant account loan obligation or interim funding obligation
99 for an eligible water quality project to be repaid by a borrowing
100 municipality prior to maturity without penalty.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2018	22a-478(c)

Statement of Purpose:

To increase the amount of a project grant for a combined sewer project from fifty per cent to not less than eighty per cent of the cost of the project.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]