



House of Representatives

General Assembly

File No. 149

January Session, 2019

House Bill No. 7194

House of Representatives, March 26, 2019

The Committee on Public Health reported through REP. STEINBERG of the 136th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S
RECOMMENDATIONS REGARDING PUBLIC DRINKING WATER.***

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

1 Section 1. Section 22a-483f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2019*):

3 (a) For the purposes described in subsection (b) of this section, the
4 State Bond Commission shall have the power from time to time to
5 authorize the issuance of bonds of the state in one or more series and
6 in principal amounts not exceeding in the aggregate twenty million
7 dollars.

8 (b) The proceeds of the sale of said bonds, to the extent of the
9 amount stated in subsection (a) of this section, shall be used by the
10 Department of Public Health for the purpose of providing grants-in-
11 aid, which may be provided in the form of principal forgiveness, to
12 eligible public water systems for eligible drinking water projects for
13 which a project funding agreement is made on or after July 1, 2014,

14 between the Commissioner of Public Health and the eligible public
15 water system pursuant to sections 22a-475 to 22a-483, inclusive, under
16 the public water system improvement program established in
17 subsection (c) of this section.

18 (c) (1) For purposes of the public water system improvement
19 program established pursuant to this section:

20 (A) "Eligible drinking water project" has the same meaning as
21 provided in section 22a-475;

22 (B) "Eligible project costs" has the same meaning as provided in
23 section 22a-475;

24 (C) "Eligible public water system" has the same meaning as
25 provided in section 22a-475; [, except "eligible public water system"
26 does not include eligible public water systems that are public service
27 companies, as defined in section 16-1.] and

28 (D) "Public service company" has the same meaning as provided in
29 section 16-1.

30 (2) All provisions applicable to drinking water projects under
31 sections 22a-475 to 22a-483, inclusive, shall be applicable to the public
32 water system improvement program, including eligibility of public
33 water systems, eligible project costs, application procedures for
34 financial assistance, and procedures for approving and awarding such
35 financial assistance. The department shall comply with all allocation
36 goals for smaller eligible public water systems and with the priorities
37 for awarding financial assistance, as provided in sections 22a-475 to
38 22a-483, inclusive.

39 (3) An eligible public water system applying for financial assistance
40 pursuant to this section shall submit to the department, along with the
41 application submitted under sections 22a-475 to 22a-483, inclusive, a
42 fiscal and asset management plan. The department shall provide
43 financial assistance as follows:

44 (A) [Eligible] An eligible public water [systems] system that [serve]
45 serves ten thousand or fewer persons may receive financial assistance
46 pursuant to this section for up to fifty per cent of eligible project costs;

47 (B) [Eligible] An eligible public water [systems] system that [serve]
48 serves more than ten thousand persons may receive financial
49 assistance pursuant to this section for up to thirty per cent of eligible
50 project costs; [and]

51 (C) [Eligible] An eligible public water [systems] system that [are] is
52 a for-profit [companies] company, other than a for-profit company that
53 is a public service company, may not receive additional financial
54 assistance pursuant to this section; and

55 (D) An eligible public water system that is a public service company
56 may not receive financial assistance pursuant to this section unless (i)
57 such financial assistance is for eligible project costs of an eligible
58 drinking water project, (ii) such financial assistance is used by the
59 public service company for such eligible drinking water project, and
60 (iii) the department has consulted with the Public Utilities Regulatory
61 Authority regarding the public service company's receipt of such
62 financial assistance.

63 (d) All provisions of section 3-20, or the exercise of any right or
64 power granted thereby, which are not inconsistent with the provisions
65 of this section are hereby adopted and shall apply to all bonds
66 authorized by the State Bond Commission pursuant to this section, and
67 temporary notes in anticipation of the money to be derived from the
68 sale of any such bonds so authorized may be issued in accordance with
69 section 3-20 and from time to time renewed. Such bonds shall mature
70 at such time or times not exceeding twenty years from their respective
71 dates as may be provided in or pursuant to the resolution or
72 resolutions of the State Bond Commission authorizing such bonds.
73 None of said bonds shall be authorized except upon a finding by the
74 State Bond Commission that there has been filed with it a request for
75 such authorization which is signed by or on behalf of the Secretary of
76 the Office of Policy and Management and states such terms and

77 conditions as said commission, in its discretion, may require. Said
78 bonds issued pursuant to this section shall be general obligations of the
79 state and the full faith and credit of the state of Connecticut are
80 pledged for the payment of the principal of and interest on said bonds
81 as the same become due, and accordingly and as part of the contract of
82 the state with the holders of said bonds, appropriation of all amounts
83 necessary for punctual payment of such principal and interest is
84 hereby made, and the State Treasurer shall pay such principal and
85 interest as the same become due.

86 Sec. 2. Subdivision (1) of subsection (n) of section 25-32 of the
87 general statutes is repealed and the following is substituted in lieu
88 thereof (*Effective October 1, 2019*):

89 (n) (1) On and after the effective date of regulations adopted under
90 this subsection, no person may operate any water treatment plant,
91 water distribution system or small water system that treats or supplies
92 water used or intended for use by the public, test any backflow
93 prevention device, or perform a cross connection survey without a
94 certificate issued by the commissioner under this subsection. The
95 commissioner shall adopt regulations, in accordance with chapter 54,
96 to provide: (A) Standards for the operation of such water treatment
97 plants, water distribution systems and small water systems; (B)
98 standards and procedures for the issuance of certificates to operators
99 of such water treatment plants, water distribution systems and small
100 water systems, including, but not limited to, standards and procedures
101 for the department's approval of third parties to administer
102 certification examinations to such operators; (C) procedures for the
103 renewal of such certificates every three years; (D) standards for
104 training required for the issuance or renewal of a certificate; (E)
105 standards and procedures for the department's approval of course
106 providers and courses of study as they relate to certified operators of
107 water treatment plants, water distribution systems and small water
108 systems and certified persons who test backflow prevention devices or
109 perform cross connection surveys for initial and renewal applications;
110 and ~~[(E)]~~ (F) standards and procedures for the issuance and renewal of

111 certificates to persons who test backflow prevention devices or
112 perform cross connection surveys. Such regulations shall be consistent
113 with applicable federal law and guidelines for operator certification
114 programs promulgated by the United States Environmental Protection
115 Agency. For purposes of this subsection, "small water system" means a
116 public water system, as defined in section 25-33d, that serves less than
117 one thousand persons and has no treatment or has only treatment that
118 does not require any chemical treatment, process adjustment,
119 backwashing or media regeneration by an operator.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	22a-483f
Sec. 2	<i>October 1, 2019</i>	25-32(n)(1)

PH *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill, which allows water systems that are also public service companies to receive grants from the Department of Public Health's Public Water System Improvement program, does not result in a fiscal impact to the State or municipalities.

Public Water System Improvement projects are funded through bonds. The bill does not change the level of bonding that is authorized for the program. To the extent that the eligibility expansion under the bill results in an increase in financial assistance grants, beyond what would otherwise have been granted, there will be an acceleration of the state debt service commensurate to any increase in bond allocations to the program.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**HB 7194*****AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING PUBLIC DRINKING WATER.*****SUMMARY**

This bill allows public water system public service companies regulated by the Public Utilities Regulatory Authority (PURA) to receive grants from the Department of Public Health's (DPH) Public Water System Improvement Program. Current law limits program eligibility to municipal water companies and nonprofit non-community water systems (i.e., facilities served by their own water supply).

Under the bill, the water system may receive a program grant only if (1) it serves at least 25 people or at least 15 year-round service connections, (2) the grant is used for an eligible drinking water project approved for financial assistance under DPH's Drinking Water State Revolving Fund (DWSRF) Program (see BACKGROUND), and (3) DPH consulted with PURA about the grant.

Existing law, unchanged by the bill, limits program grants to (1) 50% of eligible project costs for systems serving up to 10,000 people and (2) 30% of eligible project costs for systems serving more than 10,000 people.

Additionally, the bill requires DPH to amend its regulations to include standards and procedures for it to approve third-parties to administer certification exams to operators of water treatment plants, water distribution systems, and small water systems. The regulations must also include standards and procedures for DPH to approve study courses and course providers related to these operators, as well as those who test backflow prevention devices and perform cross-

connection surveys.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2019

BACKGROUND

Drinking Water State Revolving Fund (DWSRF)

Under the DWSRF program, DPH awards loans equal to 100% of eligible project costs to eligible drinking water projects, based on a priority list for funding it establishes and maintains. Eligible project costs include, among other things, labor, materials, machinery, land, or easements. DPH's Public Water System Improvement Program grants may be used to forgive the principal on DWSRF loans.

COMMITTEE ACTION

Public Health Committee

Joint Favorable

Yea 23 Nay 0 (03/08/2019)