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**Testimony of Nathan Frohling
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Before the Environment Committee
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In support of the Governor's Bill, HB 6441

AN ACT CONCERNING CLIMATE CHANGE ADAPTATION

Thank you Co-Chairs Senator Cohen and Representative Gresko, Ranking Members Representative Harding and Senator Miner, and honorable members of the Environment Committee for this opportunity to testify on HB 6441.

The Nature Conservancy (TNC) expresses strong support for HB-6441 *AN ACT CONCERNING CLIMATE CHANGE ADAPTATION*. Our support extends to all sections of the bill and we urge full passage of this Governor's bill essentially as it is currently drafted with the exception of a need to add a missing section to stormwater authorities.

The Nature Conservancy of CT has been concerned with climate adaptation and actively engaged with municipalities to enhance community resilience for many years. Over the past decade, we have provided Community Resilience Building workshops to over 425 communities across 9 states and D.C., with 12,750 participants and 90,000 hours committed to resilience at the local level. We see first-hand with those we've worked - and in the state-of-the-art climate models we work with - the need to enhance our State's preparation for a changing climate. Increasingly severe weather and storm events are already happening, and we know that regardless of how successful we are in addressing carbon emissions, significant change is already built into the system. There is no doubt about the need to adapt while we work toward a zero-carbon future. Given that CT remains hyper local, climate resilience must be built at the municipal level and this proposed legislation offers urgently needed tools to help towns begin meeting the climate adaptation challenge. It also enhances the role of the CT Green Bank and the multiple forms of support they can provide more broadly to climate adaptation work.

Another key and timely benefit of the proposed bill is the potential it enables to access significant federal funding. Typically, the greatest constraint on federal funding already available within federal programs is non-federal match. The State and towns are often not able to afford such funds or have a mechanism to generate them. The programs afforded by this bill will not only provide such mechanisms, but they do so in ways that are not burdensome or unfair to taxpayers and consumers. Additionally, we anticipate increasing federal funding opportunities through current interest in federal level economic stimulus, infrastructure improvements and the current Administration's commitment to climate mitigation and adaptation spending.

It is our pleasure to add a few comments regarding each of the major components of the bill.

We strongly support Sections 1 and 2 pertaining to enabling the establishment of municipal stormwater authorities.

This part of the bill gives municipalities the authority they need to be able to establish a stormwater authority but not the obligation to do so. We note that this is the same bill as **HB 6497** heard before the Environment Committee on March 3 with the exception that HB 6497 contains important language clarifying what a municipality is considered to be under this bill and the current form of HB 6441 does not. We assume this to be an oversight, not intentional, and urge that HB 6441 be amended to include Section 1 (g) of HB 6497.

We are very excited to support this bill because stormwater authorities are a fair and effective tool for helping address the serious issue of stormwater management – an issue that will be a focal and critical issue in a changing climate – one of the primary problems that will be greatly exacerbated with greater storm severity.

Stormwater runoff is already one of the worst problems affecting our lakes, rivers, and Long Island Sound, contributing to violations of water quality standards and low-oxygen dead zones. Our region loses hundreds of beach days a year, millions in tourist income, and water-dependent businesses are adversely affected. Storm runoff also causes flooding and significant physical damage to property and infrastructure.

Stormwater Authorities provide a reasonable approach to funding what is needed to address stormwater problems. They provide a dedicated, self-sustaining source of revenue to fund needed projects from rain gardens to sewer pipe repairs. Fees collected from landowners are small in comparison to the costs of the problem and are small for the vast majority of landowners. For most residential property owners, monthly charges are minimal—about \$2 to \$7.

There are about 2000 such authorities across the country – the Bill is not pushing a new and untried approach.

Stormwater authorities are equitable: because they charge property owners a user fee based on how much runoff they produce all types of developed property pay appropriately.

Stormwater authorities can be flexible to account for local concerns. For example, if a municipality wants to provide consideration for low-income property owners or other local priorities they are able to do so.

The costs for not addressing stormwater runoff are great and end up being borne by the same folks who pay the fees – it is financially frugal to address stormwater issues before they necessitate expensive repairs.

Stormwater authorities help create good jobs and sustain a healthy environment essential for tourism, fishing, oystering, and waterfront businesses.

We strongly support Section 3 enabling the establishment of a municipal buyer's conveyance fee.

We have historically been supportive of a municipal conveyance fee for open space especially given that it is discretionary and has been shown to be so effective in other New England locations such as Martha's Vineyard and Long Island. The proposed bill would expand the uses a town could make of such funds to include climate resilience projects and other environmentally beneficial uses. This is consistent with the recommendations of the Governor's Council on Climate Change and is a very welcome measure to support local efforts at climate resiliency.

This bill would enable – **but not force** – municipalities to **choose** whether or not to impose an additional real estate conveyance tax ranging from a half percent to 1.5% depending on the price of the house and **only** on the portion of property sales over \$150,000. The towns could use the resulting funds for the open space, climate resilience and other environmentally beneficial uses outline in the bill.

We would note that voters on Long Island, which has had a dedicated 2% conveyance tax for land preservation since 1999, voted overwhelmingly in November 2016 – by at least 69% in all towns – to extend their program until 2050.

The exemption of portions of sales up to \$150,000 would ensure that lower-income purchasers of property would not be significantly affected, and that for all buyers, the tax would only be on a portion of their transaction. The proposed bill would provide a means for these specific communities to decide how they want to fund critical climate resilience and conservation initiatives. If they want to continue to fund them through their property tax, they can do so. If they wish, however, to fund them partially through another alternative means, this legislation would let them choose to do that.

We strongly support Sections 4 through 18 enhancing a municipalities ability to address climate resilience by expanding the role of flood and erosion control boards and particularly expanding the measures and projects such boards and municipalities can undertake.

A few years ago, in my work with The Nature Conservancy as Director of Coastal and Marine Initiatives, I helped lead one of the first efforts in the State to create and establish a **Coastal Resilience Plan**. This was with the Town of Guilford. I'm proud of the Town leadership and cooperation we had, the interest and participation of the town residents, especially those on the shoreline who we worked closely with. Together we accomplished important but preliminary results re coastal/climate resilience. It was clear that the whole enterprise was a new and largely unrecognized priority for how the Town should approach assuring the well-being of the community into the future. Although it broke new ground, it could have been much stronger and more successful with the measures and clarity now proposed through HB 6441. HB 6441 addresses many of the different issues that come into play from funding to planning and administering climate resilience efforts.

We strongly support Sections 19 through 23 enhancing the role of the CT Green Bank in helping the State enable “environmental infrastructure” projects and other ways to support climate resilience and climate mitigation (carbon offsets).

The CT Green Bank has proven itself a critical entity for making important and relevant climate-related projects a reality without which it would be much more difficult if not impossible for the State to do on its own. The proposed bill recognizes the valuable and capable resource of the Green Bank to leverage greater climate results for the State including climate resilience. By establishing the “Environmental Infrastructure Fund” within the Connecticut Green Bank the Bill establishes a foundation for supporting, managing and realizing climate resiliency projects. We also appreciate establishing the definition of the "Environmental Infrastructure" which means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services. This is exactly the direction the State needs to be going in moving toward the future of recognizing and dealing with the profound challenges of climate resiliency.