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The Connecticut Council of Small Towns (COST) ***supports with revisions*** HB-6441, **AN ACT CONCERNING CLIMATE CHANGE ADAPTATION**, as follows:

Stormwater Authorities

Under the U.S. EPA's Stormwater Phase II Rules, many municipalities are required to comply with the General Permit for the Discharge of Stormwater from Small Municipal Separate Storm Sewer Systems (MS4 General Permit), which is administered and enforced by the state Department of Energy & Environmental Protection (DEEP). Currently, approximately 121 municipalities are subject to the General Permit, including many smaller communities due to the definition of urbanized area contained in the federal law.

Complying with the MS4 General Permit, which was reissued in 2017, is a complex undertaking, requiring municipalities to budget significant resources to purchase trucks and other equipment, retain attorneys and engineering firms, and hire staff or consultants to implement stormwater management programs. To assist municipalities in funding stormwater management programs, many states authorize municipalities to establish stormwater authorities to generate revenues to support implementation of stormwater management programs and address concerns related to pollution runoff.

Given the ongoing fiscal challenges facing municipalities and the uncertain economic impact that COVID-19 will have on residents and businesses, the state must provide municipalities with reliable revenue streams to fund the delivery of critical services and facilitate compliance with state and federal mandates, such as the MS4 General Permit. **By authorizing municipalities to create stormwater authorities, municipalities can rely on a dedicated funding source to ensure permit compliance and address stormwater issues that threaten to impair the state's water resources.**

In addition, DEEP has provided funding to NEMO (Nonpoint Education for Municipal Officials) within the UConn Center for Land Use Education and Research (CLEAR) to provide guidance, training, tools and other support to help Connecticut MS4 communities and institutions comply with the reissued MS4 general permit. NEMO does an outstanding job in assisting municipalities in complying with permit requirements and COST supports efforts to ensure that NEMO may continue to serve in this capacity.



Buyer's Conveyance Tax

As indicated, municipalities need reliable revenue streams to fund increasing costs associated with the delivery of critical services and compliance with state and federal environmental goals, such as open space preservation, climate resiliency and adaptation, and stormwater management.

Accordingly, COST supports provisions in the bill which authorize municipalities to establish, with the approval of their local legislative body, a buyer's conveyance fee that will allow them to generate revenues to support efforts to address the need for climate resiliency and adaptation programs, open space preservation, stormwater management and water resource protection.

However, COST urges lawmakers to delete language in lines 127 – 134 which unduly restrict the use of such funds in municipalities which are unable to meet the 10% affordable housing threshold. This unfairly penalizes municipalities that are unable to meet the threshold because of insufficient wastewater or water capacity, inadequate soil conditions to support waste removal, lack of available building lots, or a significant percentage of environmentally sensitive lands, such as watershed and forested lands protected by conservation easements.

It is our understanding that the Governor's Office intends to revise this language to provide that the funds can be used for any of the referenced uses in the bill except land acquisition. Rather than limit the use of funds for land acquisition to whether a town meets the 10% affordable housing threshold, COST believes it would be more appropriate to tie this to whether a town has met its 20% open space threshold. Or, as an alternative, COST recommends that the language be revised to reflect a more realistic affordable housing threshold for municipalities that takes into account various factors such as land use conditions and water and wastewater capacity rather than relying on the arbitrary 10% threshold that triggers the Affordable Housing Appeals Act.

Green Infrastructure Funding

COST ***supports*** provisions in the bill which authorize the Green Bank to invest in green infrastructure projects to address water and wastewater issues, strengthen resiliency, address stormwater issues and enhance waste management and recycling.

Connecticut's small towns recognize the importance of protecting natural resources in our communities by preserving open space and watershed lands, addressing non-point source pollution, implementing waste management and recycling programs, and meeting state and federal environmental standards. However, limited capital and



resources available to municipalities undermine efforts to fully address many of these challenges.

By positioning the Connecticut Green Bank to leverage investments and federal funding to support these initiatives, this proposal will assist the state and municipalities in meeting the infrastructure needs of our communities and revitalize our local economies.

Thank you for the opportunity to comment.

Founded in 1975, COST is the state's only organization dedicated exclusively to advocating on behalf of the interests of Connecticut's smaller towns in the legislative process.