

Environment Committee JOINT FAVORABLE REPORT

Bill No.: HB-6497

Title: AN ACT CONCERNING STORMWATER AUTHORITIES.

Vote Date: 3/12/2021

Vote Action: Joint Favorable

PH Date: 3/3/2021

File No.:

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SPONSORS OF BILL:

Rep. David Michel, 146th Dist.
Rep. Dorinda Borer, 115th Dist.

REASONS FOR BILL:

Municipalities can not afford the cost to comply with the General Permit for the discharge of Stormwater from Small Municipal Separate Storm Sewer Systems (MS4 General Permit). Proposed legislation allows municipalities to create stormwater authorities to generate revenue to address the associated costs of MS4 General Permit Costs.

RESPONSE FROM ADMINISTRATION/AGENCY:

Kevin Dillon, Executive Director, Connecticut Airport Authority

The Connecticut Airport Authority (CAA) opposes HB6497. CAA runs six airports across the state and complies with Department of Energy and Environmental Protection requirements for stormwater runoff from impermeable surfaces. CAA revenues are down 80% over the last six months reported and no exemptions for state or quasi-public agencies, CAA cannot afford the cost under HB6497.

The CAA feels that paying for a fee to maintain an unutilized municipal stormwater system constitutes unlawful revenue diversion.

NATURE AND SOURCES OF SUPPORT:

Michael Hayden, First Selectman, Town of Granby

Towns face fiscal challenges; the state must provide municipalities with reliable streams of revenue to fund the delivery of services to follow federal and state mandates.

M. Randall Collins Jr., Advocacy Manager, Connecticut Council of Municipalities

Regressive property tax accounts for 40% of all taxes collected in the state but is undermined by mandated property tax exemptions. The need for local revenue diversification is continuously debated. HB9497 provides a fair measure to enable municipalities to raise funds target at stormwater runoff and meeting cost and requirements of MS4.

Fees established by a Stormwater authority is subject to the local municipality and establishes a process by the owner may appeal the fee for which they are charged. The process equivalent to how an assessor and zoning board of appeals works.

Nathan Frohling, Director of External Affairs, The Nature Conservancy

Stormwater Authorities are an effective and local tool to address stormwater problems. Protection and mitigation from stormwater runoff protect our local waterways and Long Island Sound, as is done in New London.

A municipality can assess stormwater needs, study and plan, then implement the required project. Fees collected by the Stormwater authority are small in comparison to the problem. Those with large impervious surfaces would pay the most, and there is an incentive to reduce their runoff by capturing and filtering the runoff.

Bill Lucey, Soundkeeper, Save the Sound

Stormwater runoff pollutes Connecticut's lakes, streams and estuaries from oil, fertilizer and chemicals. The only way to address the issue is to redirect stormwater flow where it will leach back into the ground trapping the pollutants. Good stormwater practices on a large scale can reduce local flooding and tidal backwatering.

Creation of a municipal stormwater authority is a transparent process with an entire community decision to clean Connecticut's waters. HB6497 continues to exclude portions considered farmland or open space and defines enabling legislation considers a municipality.

Betsy Gara, Executive Director, Connecticut Council of Small Towns

Compliance with MS4 General Permit, reissued in 20107, is complex. MS4 Permit requires extensive financial outlay for capital equipment, staff, contractors and legal support. Several states have allowed municipalities to establish stormwater authorities.

Covid-19 has created even more uncertain economic challenges for municipalities. Authorization of municipalities to create a stormwater authority would create a dedicated

funding source to address permit compliance and address stormwater issues that threaten Connecticut's waterways.

The Environment Committee received in excess of seven more testimonials in support of HB 6497.

NATURE AND SOURCES OF OPPOSITION:

Connecticut Hospital Association

HB6497 authorizes a municipal stormwater authority to levy a property fee on property owners approved by the municipal legislative body. HB6497 removes taxable property limitation and applies to all interests in real property.

Under an agreement between hospitals and the Connecticut (signed December 19, 2019), the state agreed not to impose any new tax or modify any tax exemptions effective the date of the agreement. To avoid any conflict with the agreement, it is suggested the limitation of taxable real property be re-instated or exclude hospital owned property.

Home Builders & Remodelers Association of Connecticut

The Home Builders & Remodelers Association of Connecticut (HBRA-CT) provides too much power to municipalities. Some "unscrupulous actors" have shirked their responsibilities for fair housing obligations and may use their additional powers to prevent the development of dense multi-family housing.

The additional bureaucracy creates new fees, time length, and increased costs, "exacerbating Connecticut's affordability housing crisis".

Sara LeMaster, Manager of Government Relations and Public Policy, Community Health Center Association of Connecticut

HB6497 requires health centers that are currently exempt from taxation to pay a municipal service fee. The services reduce funds away from the services that health centers offer to Connecticut's communities. Community health centers address many issues within the community, reduction of resources reduces access to care.

Jeff Shaw, Senior Director of Public Policy & Advocacy, The Alliance

HB6497 makes current tax-exempt property owned by nonprofits subject to the stormwater authority fee. Increased demand for services on nonprofits, though nonprofits have been underfunded for decades, the stormwater authority fee diverts funding for critical needs and services.

Many nonprofits contract with the state to provide services, the stormwater fee paid to the municipality is reallocation of money paid by the state to the municipality. Additional concern

is that donor want money to go to people for services, not fees. Finding and retaining donors new donors is a current challenge and will increase that challenge in the future.

Reported by: Steve Smith

Date: 3/23/2021