OLR Bill Analysis
HB 6497

AN ACT CONCERNING STORMWATER AUTHORITIES.

SUMMARY

This bill authorizes all municipalities to establish a municipal stormwater authority, rather than just the three municipalities (i.e., New Haven, New London, and Norwalk) that participated in the Department of Energy and Environmental Protection’s (DEEP) municipal stormwater authority pilot program (authorized under PA 07-154).

The bill also expands the authorities’ powers to assess fees by having them recommend to the municipal legislative body in which they are located a fee on most real property interests in the district, rather than only on taxable real property. The bill prohibits the fee on pervious farm, forest, or open space land.

Additionally, the bill establishes the process by which municipal legislative bodies approve these fees. It subjects unpaid fees to the same interest rate as delinquent property taxes. Unpaid fees and interest are a lien on the property owner’s property on which the fee was levied and may be recorded and released just like property tax liens.

Under the bill, anyone aggrieved by an authority’s action has the same rights and remedies for appeal and relief as the law provides for property taxpayers aggrieved by an assessor’s or a board of assessment appeal’s action (see BACKGROUND).

The bill applies to any town, city, borough, consolidated town and city, or consolidated town or borough. It does not apply to local or regional school districts; municipal fire, sewer, fire and sewer, lighting, village, beach, improvement association, or other districts or
associations wholly within a town that have the power to levy taxes; metropolitan districts; or other municipal corporations or authorities that may issue bonds, notes, or other obligations.

EFFECTIVE DATE: July 1, 2021

**MUNICIPAL STORMWATER AUTHORITIES**

**Fee Assessment**

Under current law, stormwater authorities created under the pilot program must, among other things, recommend to the municipality’s legislative body a levy on taxable real property in the stormwater district. The bill instead requires stormwater authorities to recommend a fee to be imposed on all real property in the district except as described below. The bill explicitly requires, rather than authorizes, the authorities to use the revenue generated to carry out any of the district’s powers. It makes conforming changes to an existing provision about a stormwater authority created under the DEEP pilot program and located in a distressed municipality with a population of 28,000 or fewer (i.e., New London).

Under the bill, each stormwater authority must present its budget annually to the municipality’s legislative body for approval. The budget must include (1) the specific programs the authority proposes to undertake during the fiscal year, (2) its projected expenditures for such programs, and (3) the fee amount it proposes to levy to pay for such expenditures.

The total fees proposed for the fiscal year may not exceed the total projected expenditures. Under the bill, the legislative body may approve fee amounts that are less than the authority’s proposed amounts. In setting fees, the bill requires, rather than allows, authorities to consider (1) the amount of impervious surfaces generating stormwater runoff, (2) land use types that result in higher concentrations of stormwater pollution, and (3) the property’s grand list valuation. The bill additionally requires them to consider land use types that result in lower concentrations of stormwater pollution.
**Exempt Properties**

Current law authorizes the authorities to reduce or defer such fees for land classified as, or consisting of, farm, forest, or open space. The bill instead prohibits them from imposing fees on such land except for areas containing impervious surfaces from which stormwater is generated.

**Delinquent Fees**

Under the bill, fees that are not paid in full on or before 30 days after they are due are subject to the same interest rate as delinquent property taxes (i.e., 1.5% per month). Unpaid fees and interest are a lien on the property owner’s real or personal property on which the fee was levied and may be recorded and released in the same manner as property tax liens.

**BACKGROUND**

**Property Tax Assessment Appeals**

By law, property owners can appeal their assessments to a municipality’s board of tax review or assessment appeals. The appeals board must hold a hearing on each appeal except for those for commercial, industrial, utility, or apartment properties assessed at over $1 million. A taxpayer aggrieved by an appeals board's decision can appeal to Superior Court (CGS § 12-117a). The law provides the following two circumstances under which a taxpayer may appeal directly to Superior Court:

1. when the appeals board declines to hear an appeal on commercial, industrial, utility, or apartment properties assessed at over $1 million (CGS § 12-111) and

2. when the taxpayer alleges that the tax was illegal (i.e., assessed on property not taxable in the municipality or “computed on an assessment which, under all circumstances, was manifestly excessive and could not have been arrived at except by disregarding the provisions of the statutes for determining the valuation of such property”) (CGS § 12-119).
COMMITTEE ACTION

Environment Committee

Joint Favorable
Yea   25   Nay   8   (03/12/2021)