



71 Raymond Road
West Hartford, CT 06107
(860) 678-0005
www.theccic.org

**Testimony for the
Finance, Revenue and Bonding Committee
Jennifer Widness, President
Connecticut Conference of Independent Colleges
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On behalf of the Connecticut Conference of Independent Colleges (CCIC), I am submitting testimony in favor of **H.B. 5476: AN ACT CONCERNING THE PROVISION OF PARTIAL FEE REDUCTIONS BY MUNICIPAL STORMWATER AUTHORITIES AND THE INCLUSION OF HEATING, VENTILATING AND AIR CONDITIONING SYSTEMS IN SCHOOL BUILDING PROJECT GRANT PAYMENTS**, which in Section one seeks to ensure Stormwater Authorities have a thorough process in place for awarding credit in the form of a fee reduction for investments that property owners have made to reduce or eliminate stormwater runoff. The bill also eliminates “grand list assessment” as one of the factors a municipality should consider when determining the Stormwater assessment on a property.

In 2021, the legislature, as part of the [Governor’s Climate Change bill](#), passed a law authorizing any municipality in the state to create a Stormwater Authority that could levy a fee on real property based upon the amount of impervious surface contained on the property. Fees collected by the Authority are to be used by the municipality to offset the cost of stormwater mitigation efforts. Uniquely, Stormwater Authorities may assess fees on both taxable *and* non-taxable property.

We appreciate that the Committee has raised this bill as it will both incentivize private investment in limiting run-off on private property and it will help limit the exposure for tax-exempt non-profit organizations. In New London, the only city with a Stormwater Authority currently in place, two of our member institutions are paying significant annual fees.

First, the bill seeks to ensure that Stormwater Authorities provide property owners appropriate opportunity to receive credit in the form of a fee reduction for mitigation investments. It is sound public policy to incentivize private investment in areas such as this. However, municipalities must be required to have a thorough process in place to adequately incentive and reward this work.

The independent colleges in Connecticut have long sought to be good environmental neighbors. Many of our member institutions have robust sustainability plans and have invested significantly to mitigate or eliminate run-off, as the testimony they have submitted articulates.

The bill also eliminates grand list assessment as a factor that municipalities shall consider in determining the fees that the Stormwater Authority assess. The value of a property has no bearing on that property's level of run-off.

Like many non-profit organizations, the pandemic has challenged the majority of CCIC's member institutions. Between March 2020 and today, more than half of our member institutions have faced enrollment declines and all have experienced rising costs due to investments in testing and other safety protocols to ensure we could remain open and keep our students, staff and communities as safe as possible. While federal stimulus dollars have been helpful, they have covered only a portion of our lost revenue and expenses. Further, while institutions are working to recover, it is important to note that a drop in freshman enrollment for two or three years in a row at a four-year institution will have fiscal consequences for the next four to seven years.

The legislature significantly increased PILOT funding for municipalities in 2021, which we greatly appreciate. Further, municipalities are seeing a significant influx in federal funding over the next few years. At the same time, many non-profit entities are struggling due to the pandemic. As such, we are concerned about the consequences of allowing municipalities to assess fees such as these on the property of tax-exempt institutions and very much appreciate the opportunity to support this legislation today.

Background on CCIC

Connecticut's 15 private, non-profit colleges that comprise the membership of CCIC enroll nearly 80,000 students in Connecticut annually. They award nearly 50% of the bachelor's degree earned in the state each year and over 60% of the graduate degrees earned. Of the degrees awarded in key areas that are targets for economic growth –computer science, bioscience and the health professions – the majority are earned at the state's independent colleges.

Our member institutions are incredibly diverse in their size, mission and student body. Total student enrollment range in size from 500 to over 14,000. Three of our member institutions enroll nearly all Connecticut residents and four enroll over 5,500 international students, combined. Collectively, we enroll 50% of the minority, non-white students that are enrolled in a bachelor's degree program at a public or private, non-profit institution of higher education. Two-thirds of our member institutions have endowments smaller than UConn; seven have endowments smaller than Central Connecticut State University.