



House of Representatives

General Assembly

File No. 230

February Session, 2024

Substitute House Bill No. 5277

House of Representatives, April 3, 2024

The Committee on Planning and Development reported through REP. KAVROS DEGRAW of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT AMENDING THE CHARTER OF THE SOUTH CENTRAL CONNECTICUT WATER AUTHORITY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 1 of special act 77-98, as amended by section 5 of
2 special act 99-12, section 2 of public act 02-85, section 1 of special act 13-
3 20 and section 1 of special act 17-5, is amended to read as follows
4 (*Effective from passage*):

5 It is found and declared as a matter of legislative determination that
6 the creation of the South Central Connecticut Regional Water Authority
7 for the primary purpose of providing and assuring the provision of an
8 adequate supply of pure water and the safe disposal of wastewater at
9 reasonable cost within the South Central Connecticut Regional Water
10 District and such other areas as may be served pursuant to cooperative
11 agreements and acquisitions authorized by section 11 of special act 77-
12 98, as amended by section 5 of special act 78-24, section 3 of special act
13 84-46, section 7 of public act 02-85 and section 3 of [this act] special act

14 17-5, and, to the degree consistent with the foregoing, of advancing
15 water conservation and the conservation and compatible recreational
16 use of land held by the authority, conducting or investing in noncore
17 businesses, provided, at the time of any investment in such businesses,
18 the authority's investment, less returns of or on such investments in
19 such businesses made on and after June 30, 2013, shall not exceed the
20 greater of five per cent of the authority's net utility plant devoted to its
21 water and wastewater utility businesses or such higher amount
22 approved by a majority of the total weighted votes of the membership
23 of the representative policy board, excluding vacancies, and the
24 carrying out of its powers, purposes, and duties under sections 1 to 33,
25 inclusive, of special act 77-98, as amended by special act 78-24, special
26 act 84-46, sections 5 to 7, inclusive, of special act 99-12, sections 2 to 21,
27 inclusive, of public act 02-85, special act 13-20, special act 17-5 and this
28 act, and for the benefit of the people residing in the South Central
29 Connecticut Regional Water District and the State of Connecticut, and
30 for the improvement of their health, safety and welfare, that said
31 purposes are public purposes, and that the authority will be performing
32 an essential governmental function in the exercise of its powers under
33 sections 1 to 33, inclusive, of special act 77-98, as amended by special act
34 78-24, special act 84-46, sections 5 to 7, inclusive, of special act 99-12,
35 section 2 of public act 02-85, special act 13-20, special act 17-5 and this
36 act. The authority shall have the power to conduct or invest in noncore
37 businesses authorized pursuant to this section, either directly or
38 through an affiliated business entity.

39 Sec. 2. Section 2 of special act 77-98, as amended by section 1 of special
40 act 78-24, section 3 of public act 02-85, section 2 of special act 13-20 and
41 section 2 of special act 17-5, is amended to read as follows (*Effective from*
42 *passage*):

43 As used in sections 1 to 33, inclusive, of special act 77-98, as amended
44 by special act 78-24, public act 02-85, special act 13-20, special act 17-5
45 and this act, unless a different meaning appears in the context:
46 "Authority" means the South Central Connecticut Regional Water
47 Authority created by section 5 of special act 77-98, as amended by

48 section 4 of special act 78-24, public act 02-85 and special act 13-20;
49 "district" means the South Central Connecticut Regional Water District
50 created by section 3 of special act 77-98, as amended by section 2 of
51 special act 78-24; ["Representative policy board"] "representative policy
52 board" means the representative policy board of the South Central
53 Connecticut Regional Water District created by section 4 of special act
54 77-98, as amended by section 3 of special act 78-24; "chief executive
55 officer" means that full time employee of the authority responsible for
56 the execution of the policies of the authority and for the direction of the
57 other employees of the authority; "treasurer" means the treasurer of the
58 authority; "customer" means any person, firm, corporation, company,
59 association or governmental unit furnished water or wastewater service
60 by the authority or any owner of property who guarantees payment for
61 water or wastewater service to such property; "properties" means the
62 water supply and distribution system or systems, wastewater collection
63 and treatment systems and other real or personal property of the
64 authority; "bonds" means bonds, notes and other obligations issued by
65 the authority; "revenues" means all rents, charges and other income
66 derived from the operation of the properties of the authority;
67 "wastewater" means any substance, liquid or solid, which may
68 contaminate or pollute or affect the cleanliness or purity of any water;
69 "water supply system" means plants, structures and other real and
70 personal property acquired, constructed or operated for the purpose of
71 supplying water, including [land, reservoirs,] basins, dams, canals,
72 aqueducts, standpipes, [conduits, pipelines, mains,] pumping stations,
73 water distribution systems, including land, reservoirs, conduits,
74 pipelines, mains, compensating reservoirs, waterworks or sources of
75 water supply, wells, purification or filtration plants or other plants and
76 works, connections, rights of flowage or diversion and other plants,
77 structures, conveyances, real or personal property or rights therein and
78 appurtenances necessary or useful and convenient for the accumulation,
79 supply or distribution of water or for the conduct of water or
80 environment related activities; "wastewater system" means plants,
81 structures and other real and personal property acquired, constructed
82 or operated for the purpose of collecting, treating and discharging or

83 reusing wastewater, whether or not interconnected, including
84 wastewater treatment plants, pipes and conduits for collection of
85 wastewater, pumping stations and other plants, works, structures,
86 conveyances, real or personal property or rights therein and
87 appurtenances necessary or useful and convenient for the collection,
88 transmission, treatment and disposition of wastewater; "subsidiary
89 corporation" means a corporation organized under the general statutes
90 or by special act which owns or operates all or part of a water supply
91 system or a wastewater system within the district and all of the voting
92 stock of which is owned by the authority, "noncore business" means an
93 activity, [to be located on property other than class I or class II land
94 owned by the authority] including an activity conducted outside the
95 state of Connecticut, that is related to water, environment, agriculture,
96 sustainable manufacturing support, or an energy project consisting of
97 either a class I renewable energy source, as defined in subdivision (20)
98 of subsection (a) of section 16-1 of the general statutes, or a class III
99 source, as defined in subdivision (38) of said section, but excluding wind
100 sources located within the district [;] and any activity located on
101 property that is class I or class II land owned by the authority; and
102 "affiliated business entity" means a corporation, a limited liability
103 company or a limited partnership controlled directly or indirectly by the
104 authority that conducts or invests in a noncore business. A reference in
105 sections 1 to 33, inclusive, of special act 77-98, as amended by special act
106 78-24, special act 84-46, public act 02-85 and [this act] special act 13-20,
107 to any general statute, public act or special act shall include any
108 amendment or successor thereto.

109 Sec. 3. Section 4 of special act 77-98, as amended by section 3 of special
110 act 78-24, section 2 of special act 84-46, section 5 of public act 02-85,
111 section 2 of special act 03-11 and section 10 of special act 13-20, is
112 amended to read as follows (*Effective from passage*):

113 (a) There shall be a representative policy board of the South Central
114 Connecticut Regional Water District which shall consist of one elector
115 from each city and town within the district who shall be appointed by
116 the chief elected official of such city or town, with the approval of its

117 legislative body, and one elector of the state who shall be appointed by
118 the governor. Members shall serve for a term of three years commencing
119 July 1, except that the members first appointed shall serve terms
120 commencing July 1, 1977, and such members appointed from Bethany,
121 East Haven, Killingworth, New Haven, Orange and West Haven shall
122 serve until June 30, 1978, such members appointed from Branford,
123 Guilford, Madison, North Branford, Prospect and Woodbridge shall
124 serve until June 30, 1979, such members appointed from Cheshire,
125 Hamden, Milford, North Haven and Wallingford shall serve until June
126 30, 1980, and the member first appointed by the governor shall serve for
127 a term commencing upon appointment and ending on the third June
128 thirtieth thereafter; provided members shall continue to serve until their
129 successors are appointed and have qualified. In the event of the
130 resignation, death or disability of a member from any city or town or the
131 state, a successor may be appointed by the chief elected official of such
132 city or town, or in the case of the member appointed by the governor,
133 for the unexpired portion of the term. The chief elected official of each
134 such city or town may appoint a provisional member to serve until
135 December 1, 1977, with full authority to act as a member until said date.
136 Members and provisional members shall receive [one] two hundred
137 fifty dollars, adjusted as provided in this subsection, for each day in
138 which they are engaged in their duties and shall be reimbursed for their
139 necessary expenses incurred in the performance of their duties. Such
140 [one-hundred-dollar-per-day] two-hundred-fifty-dollar compensation
141 amount shall be adjusted on January 1, [2015] 2027, and every [fifth]
142 third year thereafter to reflect changes [since 2012] in the Consumer
143 Price Index for All Urban Consumers, Northeast Urban, All Items (1982-
144 84=100) published by the United States Bureau of Labor Statistics or a
145 comparable successor index. They shall elect a chairman and a vice-
146 chairman, who shall be members or provisional members of the
147 representative policy board, and a secretary. The chairman shall receive
148 a per diem payment of [1.5] one and one-half times the amount paid to
149 members and provisional members. The representative policy board
150 shall meet at least quarterly with the authority and such members of the
151 staff of the authority as the representative policy board deems

152 appropriate.

153 (b) In voting upon all matters before the representative policy board,
154 the vote of each member from a city or town shall be accorded a weight,
155 determined as follows: The sum of (1) the quotient obtained by dividing
156 the number of customers in the city or town from which such member
157 is appointed by the total number of customers in all cities and towns
158 from which members have been appointed, taken twice, and (2) the
159 quotient obtained by dividing the number of acres of land owned by the
160 authority within the city or town from which such member is appointed
161 by the total number of acres of land owned by the authority in all cities
162 and towns from which members have been appointed, shall be divided
163 by three, the quotient thereof multiplied by one hundred and the
164 product thereof shall be rounded to the nearest whole number. The
165 weighted vote of the member appointed by the governor shall be one.
166 For the purposes of this section, "number of customers" means the
167 number of premises or groups of premises treated as units for ordinary
168 billing or other ordinary receipt of charges by the authority and shall be
169 determined from the records of the authority on the last day of its
170 preceding fiscal year and "number of acres of land" means the number
171 of acres of land rounded to the nearest whole number as may appear on
172 the records of the authority on the last day of its preceding fiscal year.
173 Notwithstanding the foregoing, prior to the first day of the fiscal year of
174 the authority commencing after the acquisition by the authority of a
175 water supply system, the weighted vote of each member of the
176 representative policy board from a city or town shall be as follows:
177 Bethany, four; Branford, seven; Cheshire, three; East Haven, six;
178 Guilford, four; Hamden, twelve; Killingworth, one; Madison, six;
179 Milford, eleven; New Haven, seventeen; North Branford, eight; North
180 Haven, four; Orange, three; Prospect, one; Wallingford, one; West
181 Haven, ten; and Woodbridge, two. Whenever a vote is taken on any
182 matter by the representative policy board, the vote shall be determined
183 in accordance with this subsection. Members of the representative
184 policy board holding a majority of the votes so weighted shall constitute
185 a quorum.

186 (c) The representative policy board shall adopt and may amend such
187 rules of procedure and bylaws for the conduct of its affairs as it deems
188 appropriate. It shall establish (1) a standing committee on land use and
189 management to consult with the authority on all matters of land use and
190 management, including acquisition and sale, recreational use, cutting of
191 timber and other products, mining and quarrying; (2) a standing
192 committee on finance to consult with the authority on matters relating
193 to financial and budgetary matters and the establishment of rates; and
194 (3) a standing committee on consumer affairs to consult with the
195 authority and the officer of consumer affairs established pursuant to
196 section 15 of special act 77-98 on matters concerning the interests of
197 people residing within the district. The representative policy board may
198 appoint such other committees as it considers convenient from time to
199 time.

200 (d) The representative policy board of the South Central Connecticut
201 Regional Water District shall also include a member from each of the
202 cities of Ansonia and Derby and the towns of Beacon Falls, Oxford and
203 Seymour, each appointed in the manner set forth in subsection (a) of this
204 section. The members first appointed shall serve from the date of their
205 appointment until June 30, 1985, in the case of Seymour; until June 30,
206 1986, in the case of Beacon Falls; and until June 30, 1987, in the case of
207 Ansonia, Derby and Oxford. Such members may participate in meetings
208 of the representative policy board notwithstanding such towns and
209 cities will not become members of the South Central Connecticut
210 Regional Water District until the effective date of the acquisition of the
211 Ansonia Derby Water Company by the South Central Connecticut
212 Regional Water Authority but, until such effective date, such members
213 may vote only on matters concerning the fixing of rates and charges to
214 support the financing of such acquisition. The weighted vote of such
215 members shall be determined in the manner set forth in subsection (b)
216 of this section as if such acquisition had occurred. This subsection shall
217 have no further force and effect after the effective date of such
218 acquisition or June 30, 1987, whichever occurs first.

219 (e) Upon the expansion of the South Central Connecticut Regional

220 Water District to include the area and territory of the town of Wolcott,
221 the representative policy board shall include one member from the town
222 of Wolcott appointed in the manner described in subsection (a) of this
223 section. Such member shall serve for an initial term ending on June 30,
224 2005, or such later time as the member's successor shall be appointed
225 and qualified. The weighted vote of such member shall be determined
226 in the manner set forth in subsection (b) of this section, provided in no
227 event shall such weighted vote be less than one.

228 Sec. 4. Section 5 of special act 77-98, as amended by section 4 of special
229 act 78-24, is amended to read as follows (*Effective from passage*):

230 A public corporation, to be known as the "South Central Connecticut
231 Regional Water Authority," constituting a public instrumentality and
232 political subdivision, is created for the purposes, charged with the
233 duties and granted the powers provided in sections 1 to 33, inclusive, of
234 special act 77-98, as amended by special act 78-24 and this act. [The] On
235 and before December 31, 2024, the authority shall consist of five
236 members who shall be residents of the district and not be members of
237 the representative policy board. [, who] On and after January 1, 2025,
238 the authority shall consist of seven members who shall reside in
239 Connecticut and not be members of the representative policy board, and
240 not fewer than five such members shall be residents of the district. [and
241 who shall] All members shall be appointed without regard to political
242 affiliation by a majority of the total votes of those members of the
243 representative policy board present at a meeting at which [members of
244 said board holding two-thirds of the total votes are present] at least two-
245 thirds of the weighted vote, excluding vacancies, is present, for terms of
246 five years, not to exceed four consecutive full terms, and until their
247 successors are appointed and have qualified, except that of the members
248 first appointed, one shall be appointed for a term ending January 1, 1983,
249 one for a term ending January 1, 1982, one for a term ending January 1,
250 1981, one for a term ending January 1, 1980, and one for a term ending
251 January 1, 1979. The sixth member first appointed shall be appointed for
252 a three-year term ending January 1, 2028, and the seventh member first
253 appointed shall be appointed for a five-year term ending January 1,

254 2030. Any vacancy occurring on the authority shall be filled in the same
255 manner for the unexpired portion of the term. Any member of the
256 authority may be removed from office by the representative policy
257 board for cause. Members of the authority shall receive such
258 compensation [for their services as shall be fixed by the representative
259 policy board] to be adjusted every three years by the Consumer Price
260 Index factor, as described in section 4 of special act 77-98, as amended
261 by special act 78-24, special act 84-46, public act 02-85, special act 03-11,
262 special act 13-20 and this act, if approved by the majority of weighted
263 votes of the membership of the representative policy board, excluding
264 vacancies, and shall be reimbursed for their necessary expenses
265 incurred in performance of their duties.

266 Sec. 5. Section 9 of special act 77-98 is amended to read as follows
267 (*Effective from passage*):

268 The authority shall meet at least [monthly] quarterly. Except as the
269 bylaws of the authority may provide in emergency situations, the
270 powers of the authority shall be exercised by the members at a meeting
271 duly called and held. [Three] On and before December 31, 2024, three
272 members shall constitute a quorum, and on and after January 1, 2025,
273 four members shall constitute a quorum, and no action shall be taken
274 except pursuant to the affirmative vote of [at least three members] a
275 quorum. The authority may delegate to one or more of its members,
276 officers, agents or employees such powers and duties as it may deem
277 proper.

278 Sec. 6. Section 14 of special act 77-98, as amended by section 6 of
279 special act 78-24, section 6 of special act 99-12, section 10 of public act
280 02-85 and section 5 of special act 17-5, is amended to read as follows
281 (*Effective from passage*):

282 With the approval of the representative policy board, the authority
283 shall establish just and equitable rates or charges for the use of the water
284 supply system and the wastewater system authorized herein, to be paid
285 by any customer, including rates of interest on unpaid rates or charges,
286 and may change such rates, [or] charges or rates of interest from time to

287 time. Such water supply system rates or charges shall be established so
288 as to provide funds sufficient in each year, with other water supply
289 related revenues, if any, (a) to pay the cost of maintaining, repairing and
290 operating the water supply system and each and every portion thereof,
291 to the extent that adequate provision for the payment of such cost has
292 not otherwise been made, (b) to pay the principal of and the interest on
293 outstanding water supply bonds of the authority as the same shall
294 become due and payable, (c) to meet any requirements of any resolution
295 authorizing, or trust agreement securing, such bonds of the authority,
296 (d) to make payments in lieu of taxes as provided in section 21 of special
297 act 77-98, as amended by section 8 of special act 78-24 and public act 02-
298 85, as the same become due and payable, upon the water supply system
299 properties of the authority or of a subsidiary corporation to the
300 municipalities in which such properties are situated, (e) to provide for
301 the maintenance, conservation and appropriate recreational use of the
302 land of the authority, and (f) to pay all other reasonable and necessary
303 expenses of the authority and of the representative policy board to the
304 extent that such expenses are allocable to the water supply system
305 activities of the authority and the representative policy board. Such
306 wastewater system rates or charges shall be established so as to provide
307 funds sufficient in each year with other wastewater related revenues, if
308 any, (1) to pay the cost of maintaining, repairing and operating the
309 wastewater system and each and every portion thereof, to the extent that
310 adequate provision for the payment of such cost has not otherwise been
311 made, (2) to pay the principal of and the interest on outstanding
312 wastewater bonds of the authority as the same shall become due and
313 payable, (3) to meet any requirements of any resolution authorizing, or
314 trust agreement securing, such bonds of the authority, (4) to pay all
315 other reasonable and necessary expenses of the authority and of the
316 representative policy board to the extent that such expenses are
317 allocable to the wastewater activities of the authority and of the
318 representative policy board. No such rate or charge shall be established
319 until it has been approved by the representative policy board, after said
320 board has held a public hearing at which all the users of the waterworks
321 system or the wastewater system, the owners of property served or to

322 be served and others interested have had an opportunity to be heard
323 concerning such proposed rate or charge. The representative policy
324 board shall approve such rates and charges unless it finds that such rates
325 and charges will provide funds in excess of the amounts required for the
326 purposes described previously in this section, or unless it finds that such
327 rates and charges will provide funds insufficient for such purposes. The
328 rates or charges so established for any class of users or property served
329 shall be extended to cover any additional premises thereafter served
330 which are within the same class, without the necessity of a hearing
331 thereon. Any change in such rates or charges shall be made in the same
332 manner in which they were established. The rates or charges levied
333 upon any customer of any water supply system acquired pursuant to
334 subsection (d) of section 11 of special act 77-98, as amended by section 5
335 of special act 78-24, section 3 of special act 84-46, public act 02-85 and
336 [this act] special act 17-5 or served pursuant to a cooperative agreement
337 pursuant to subsection (m) of said section 11 shall not be required to be
338 equalized with the authority's existing rates, but may be set on a
339 separate basis, provided such rates are just, equitable and
340 nondiscriminatory. Such rates or charges, if not paid when due, shall
341 constitute a lien upon the premises served and a charge against the
342 owners thereof, which lien and charge shall bear interest [at the same]
343 not to exceed the maximum rate as would be allowed for unpaid taxes.
344 Such lien shall take precedence over all other liens or encumbrances
345 except taxes and may be foreclosed against the lot or building served in
346 the same manner as a lien for taxes, provided all such liens shall
347 continue until such time as they shall be discharged or foreclosed by the
348 authority without the necessity of filing certificates of continuation, but
349 in no event for longer than fifteen years. The amount of any such rate or
350 charge which remains due and unpaid [for thirty days may] after
351 twenty-eight days, which number of days may be changed with the
352 approval of the majority of the weighted votes of the membership of the
353 representative policy board, excluding vacancies, with interest thereon
354 at a rate approved by the representative policy board but not to exceed
355 the maximum interest rate allowed pursuant to the Connecticut general
356 statutes for unpaid property taxes and with reasonable attorneys' fees,

357 be recovered by the authority in a civil action in the name of the
358 authority against such owners. Any municipality shall be subject to the
359 same rate or charges under the same conditions as other users of the
360 water supply system or the wastewater system. The assets or the
361 revenues of the water system shall not be available to satisfy debts,
362 judgments or other obligations arising out of the operation of the
363 wastewater system and the assets or the revenues of the wastewater
364 system shall not be available to satisfy debts, judgments or other
365 obligations arising out of the operation of the water system.

366 Sec. 7. Section 19 of special act 77-98, as amended by section 15 of
367 public act 02-85, section 6 of special act 13-20 and section 9 of special act
368 17-5, is amended to read as follows (*Effective from passage*):

369 The authority shall not (1) acquire, by purchase, lease or otherwise,
370 any existing water supply system or parts thereof or any wastewater
371 system or parts thereof, (2) commence any project costing more than
372 [two] three and one-half million dollars to repair, improve, construct,
373 reconstruct, enlarge and extend any of its properties or systems, or (3)
374 acquire or make a subsequent investment in any noncore business in an
375 amount more than one and one-half million dollars without the
376 approval, following a public hearing, of a majority of the total weighted
377 votes of the membership of the representative policy board, excluding
378 vacancies. The dollar amounts specified in subdivisions (2) and (3) of
379 this section shall be adjusted every three years by the Consumer Price
380 Index factor, as described in section 4 of special act 77-98, as amended
381 by special act 78-24, special act 84-46, public act 02-85, special act 03-11,
382 special act 13-20 and this act, with the approval of a majority of the
383 weighted votes of the membership of the representative policy board,
384 excluding vacancies. In the case of the first acquisition by the authority
385 of an existing water supply system or part thereof, after such approval
386 by the representative policy board the authority shall file with the town
387 clerk of each city and town in the district its plan for such acquisition.
388 The legislative body of each such city and town shall approve or
389 disapprove such acquisition plan within sixty days after such filing,
390 provided failure to disapprove within such sixty days shall be deemed

391 approval of such acquisition plan. The authority shall not first acquire
392 an existing water supply system or part thereof except in accordance
393 with an acquisition plan approved by at least sixty per cent of such
394 legislative bodies.

395 Sec. 8. Section 20 of special act 77-98 is amended to read as follows
396 (*Effective from passage*):

397 (a) The authority shall have an annual audit of its accounts, books
398 and records by a certified public accountant selected by the
399 representative policy board. A copy of the audit shall be filed in the
400 office of the town clerk in each town within the district [and with the
401 public utilities control authority,] and shall be available for public
402 inspection during the ordinary business hours of the authority at the
403 principal office of the authority. A concise financial statement shall be
404 [published annually, at least once, in a newspaper of general circulation
405 in the municipality where the principal office of the authority is located.
406 If such publication is not made by the authority, the representative
407 policy board shall publish such statement at the expense of the
408 authority] posted annually on the South Central Connecticut Water
409 Authority's Internet web site.

410 (b) The attorney general may examine the books, accounts and
411 records of the authority.

412 Sec. 9. Subsection (a) of section 21 of special act 77-98, as amended by
413 special act 78-24 and section 16 of public act 02-85, is amended to read
414 as follows (*Effective from passage*):

415 (a) Neither the authority nor a subsidiary corporation or an affiliated
416 business entity shall be required to pay taxes or assessments upon any
417 of the properties acquired by it or under its jurisdiction, control or
418 supervision, provided in lieu of such taxes or assessments the authority
419 shall make annual payments to each municipality in which it or a
420 subsidiary corporation owns property related to the water supply
421 system equal to the taxes which would otherwise be due for the
422 property of the authority or such subsidiary corporation in such

423 municipality, excluding any improvements made to or constructed on
424 any such real property by the authority or such subsidiary corporation,
425 provided land owned by the authority or a subsidiary corporation
426 related to the water supply system shall be assessed in accordance with
427 section 12-63 of the general statutes, and provided further payments for
428 property acquired by the authority or a subsidiary corporation during
429 any tax year shall be adjusted for such fractional year in accordance with
430 the customary practice in such municipality for adjusting taxes between
431 the buyer and seller of real property. In addition, the authority or a
432 subsidiary corporation shall reimburse each such municipality for its
433 expenses in providing municipal services to any improvements made to
434 or constructed on any real property by the authority or such subsidiary
435 corporation within such municipality. As used in this section,
436 "improvements" does not include water pipes or improvements to water
437 pipes.

438 Sec. 10. Subsection (b) of section 22 of special act 77-98, as amended
439 by section 17 of public act 02-85, is amended to read as follows (*Effective*
440 *from passage*):

441 (b) The bonds shall be authorized by resolution of the authority and
442 shall bear such date or dates, mature at such time or times, [not
443 exceeding forty years from their respective dates,] bear interest at such
444 rates per annum, not exceeding statutory limitations, be payable at such
445 times, be in such denomination, be in such form, either coupon or
446 registered, carry such registration privileges, be executed in such
447 manner, be payable in lawful money of the United States of America, at
448 such place or places, and be subject to such terms of redemption as such
449 resolution or resolutions may provide. All bonds of the authority shall
450 be sold through a negotiated sale or a public sale to the bidder who shall
451 offer the lowest true interest cost to the authority, to be determined by
452 the authority.

453 Sec. 11. Subsection (h) of section 22 of special act 77-98, as amended
454 by section 17 of public act 02-85, is amended to read as follows (*Effective*
455 *from passage*):

456 (h) The authority shall have the power out of any funds available to
457 purchase, as distinguished from the power of redemption above,
458 [provided, any bonds issued by it at a price of not more than the
459 principal amount thereof and accrued interest,] and all bonds so
460 purchased shall be cancelled.

461 Sec. 12. Section 28 of special act 77-98, as amended by section 9 of
462 special act 78-24, is amended to read as follows (*Effective from passage*):

463 Nothing in sections 1 to 33, inclusive, of special act 77-98, as amended
464 by special act 78-24, special act 84-46 and this act shall be construed to
465 deprive the commissioner of environmental protection, the
466 commissioner of health or any successor commissioner or board of any
467 jurisdiction which such commissioners or boards may now or hereafter
468 have. Neither the public utilities control authority nor any successor
469 board or commissioner shall have jurisdiction of any kind over the
470 authority, a subsidiary corporation, the representative policy board or
471 the rates fixed or charges collected by the authority. [The authority shall
472 annually file the report required of municipalities pursuant to section
473 16-29 of the general statutes with the public utilities control authority or
474 any successor board and the clerks of the towns and cities within the
475 district.]

476 Sec. 13. Subsection (a) of section 30 of special act 77-98, as amended
477 by section 10 of special act 78-24 and section 20 of public act 02-85, is
478 amended to read as follows (*Effective from passage*):

479 (a) The authority or any person who is aggrieved by a decision of the
480 representative policy board with respect to the establishment of rates or
481 charges, the establishment of land use standards and disposition
482 policies, the sale or other transfer or change of use of real property, the
483 location of purification, filtration or wastewater treatment plants, the
484 commencement of any project costing more than [two] three and one-
485 half million dollars, and as adjusted by the Consumer Price Index factor,
486 as described in section 4 of special act 77-98, as amended by special act
487 78-24, special act 84-46, public act 02-85, special act 03-11, special act 13-
488 20 and this act, and subject to the approval of a majority of the weighted

489 votes of the membership of the representative policy board, excluding
490 vacancies, to repair, improve, construct, reconstruct, enlarge or extend
491 any of the properties or systems of the authority or the acquisition by
492 purchase, lease or otherwise of any existing water supply system,
493 wastewater system or part thereof, other than the purchase of all or any
494 part of the properties and franchises of the New Haven Water
495 Company, is entitled to review by the Superior Court as provided in this
496 section. For the purposes of this section, the holders of any bonds or
497 notes of the authority and any trustee acting on behalf of such holders
498 shall be deemed aggrieved persons with respect to any decision of the
499 representative policy board which violates any covenant or other
500 provision of the resolution or resolutions authorizing such bonds or
501 notes.

502 Sec. 14. Subsection (a) of section 1 of special act 03-12 is amended to
503 read as follows (*Effective from passage*):

504 (a) Notwithstanding any provision of the general statutes or any
505 public or special act, the South Central Connecticut Regional Water
506 Authority, created by special act 77-98, as amended, may sell, lease,
507 assign or otherwise dispose of any class I or class II land, as defined in
508 section 25-37c of the general statutes, upon which a single-family
509 dwelling or barn owned by the South Central Connecticut Regional
510 Water Authority is situated provided (1) such single-family dwelling or
511 barn was so situated prior to January 1, 1976, (2) any underground
512 storage tanks on such property have been removed, (3) the property is
513 not greater than the minimum acreage required to meet zoning
514 requirements plus any allowance necessary for setback allowances and
515 access or egress consistent with local zoning and use requirements, and,
516 if the single-family dwelling or barn is located on class I land, such
517 minimum acreage is met by utilizing class II or class III land, as defined
518 in section 25-37c of the general statutes, to the greatest extent possible,
519 (4) a restrictive covenant that would limit the expansion of the single-
520 family dwelling or barn and restrict any activity or expansion of any
521 activity that would have a significant adverse [affect] effect on the public
522 water supply is placed on the property, and (5) for class I land, the

523 single-family dwelling or barn has historical significance, as confirmed,
 524 in writing, by the Connecticut Trust for Historic Preservation or its
 525 successor organization.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	SA 77-98, Sec. 1
Sec. 2	<i>from passage</i>	SA 77-98, Sec. 2
Sec. 3	<i>from passage</i>	SA 77-98, Sec. 4
Sec. 4	<i>from passage</i>	SA 77-98, Sec. 5
Sec. 5	<i>from passage</i>	SA 77-98, Sec. 9
Sec. 6	<i>from passage</i>	SA 77-98, Sec. 14
Sec. 7	<i>from passage</i>	SA 77-98, Sec. 19
Sec. 8	<i>from passage</i>	SA 77-98, Sec. 20
Sec. 9	<i>from passage</i>	SA 77-98, Sec. 21(a)
Sec. 10	<i>from passage</i>	SA 77-98, Sec. 22(b)
Sec. 11	<i>from passage</i>	SA 77-98, Sec. 22(h)
Sec. 12	<i>from passage</i>	SA 77-98, Sec. 28
Sec. 13	<i>from passage</i>	SA 77-98, Sec. 30(a)
Sec. 14	<i>from passage</i>	SA 03-12, Sec. 1(a)

Statement of Legislative Commissioners:

In Section 3(a), "1.5" was changed to "one and one-half" to conform with standard drafting conventions; in Section 4, the second and third sentences were reorganized for clarity; in Section 5, the second sentence was reorganized for clarity; in Section 6, in the first sentence, "including rates of interest on unpaid rates or charges," was added and "such rates or charges" was changed to "such rates, [or] charges or rates of interest" for clarity; and Section 7 was reorganized for clarity.

PD *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Potential Cost	Minimal	Minimal
Various Municipalities	Grand List Reduction	None	Minimal

Explanation

The bill expands property tax exemptions granted to the South-Central Connecticut Water Authority (the Authority) to include affiliated business entities and establishes interest rates for delinquent charges.

This results in a potential grand list reduction to various municipalities beginning in FY 26 to the extent these properties were otherwise taxable. Water authorities currently make payments in lieu of taxes (PILOTs) for tax-exempt water supply property. To the extent the Authority makes additional PILOTs on the exempt property it may offset any anticipated fiscal impact.

There is also a potential cost to municipalities beginning in FY 25 for the interest on delinquent charges as municipalities are subject to rates and charges as users of the water supply or wastewater system.

The bill makes other various changes to the Authority's enabling legislation. This has no fiscal impact on the state or municipalities as the Authority is a non-profit public corporation and political subdivision of

the State of Connecticut.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to interest on delinquent charges.

OLR Bill Analysis

sHB 5277

AN ACT AMENDING THE CHARTER OF THE SOUTH CENTRAL CONNECTICUT WATER AUTHORITY.

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/15/2024)