



# House of Representatives

General Assembly

**File No. 256**

February Session, 2026

House Bill No. 5503

*House of Representatives, March 30, 2026*

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 bill ought to pass.

## **AN ACT REQUIRING MUNICIPALITIES TO REPORT EXCESS WASTEWATER CAPACITY.**

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

1 Section 1. Section 7-246 of the general statutes is amended by adding  
2 subsection (d) as follows (*Effective October 1, 2026*):

3 (NEW) (d) Not later than January 1, 2027, and annually thereafter, the  
4 water pollution control authority for a municipality or, for a  
5 municipality that has not established a water pollution control  
6 authority, the board of selectmen, shall submit a report to the Secretary  
7 of the Office of Policy and Management, in a form and manner  
8 prescribed by the secretary, detailing the current wastewater capacity in  
9 such municipality at the time such report is filed, and any expected  
10 projected excess in such wastewater capacity for the year following such  
11 report. If a water pollution control authority or a board of selectmen, as  
12 applicable, fails to submit an annual report as required by this section,  
13 the secretary may withhold any state funding allocated to such

- 14 authority or municipality for wastewater infrastructure improvements
- 15 until such authority or board submits such report.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	7-246(d)

**PD**      *Joint Favorable*

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 27 \$	FY 28 \$
All Municipalities	Potential Cost	See Below	See Below
All Municipalities	Potential Revenue Loss	See Below	See Below

**Explanation**

The bill requires all municipalities and water pollution control authorities to annually report certain information on wastewater capacity to the Office of Policy and Management (OPM) each year with the first report being due by January 1, 2027. This results in a potential cost to municipalities beginning in FY 27 that is dependent on the resources necessary to compile this information and submit the report in the way OPM sets. This information is currently reported to the Department of Energy and Environmental Protection (DEEP) on a monthly basis. Any cost to municipalities is dependent on if OPM requires the information to be submitted in a different format.

The bill also allows OPM to withhold any state funding allocated for wastewater infrastructure improvements if and until such report is submitted.<sup>1</sup> To the extent allocation of future state funds is limited

<sup>1</sup> The state's primary wastewater infrastructure funding comes through the Clean Water Fund grants (which are funded through General Obligation bonds) and loans (funded through Clean Water Fund revenue bonds), though other programs may be used or awarded for wastewater infrastructure improvements. Most related programs are bond-funded; the bill does not change overall General Obligation bond authorization levels.

because of failure to submit the report, this results in a potential revenue loss to municipalities and water pollution control authorities beginning in FY 27 that would have otherwise received funding if such funds are ultimately withheld. This impact would be limited to a delay in funding, rather than a loss, if reports are later submitted.

No state impact is expected as any funds withheld are likely to be awarded to other eligible projects.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis**

**HB 5503**

***AN ACT REQUIRING MUNICIPALITIES TO REPORT EXCESS WASTEWATER CAPACITY.***

**SUMMARY**

This bill requires each municipality’s water pollution control authority (WPCA) or, if it does not have one, its board of selectmen to annually report to the Office of Policy and Management (OPM) on: (1) the municipality’s current, at the time of the report, wastewater capacity and (2) any excess capacity it expects to have the following year. The first report is due by January 1, 2027, and reports must be submitted in a way OPM sets.

Under the bill, if a WPCA or municipality does not report this information, OPM may withhold any state funding for wastewater infrastructure that was allocated to it until it complies.

EFFECTIVE DATE: October 1, 2026

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 14    Nay 7    (03/13/2026)