



House of Representatives

General Assembly

File No. 572

February Session, 2022

Substitute House Bill No. 5476

House of Representatives, April 21, 2022

The Committee on Finance, Revenue and Bonding reported through REP. SCANLON of the 98th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

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.

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

1 Section 1. Section 22a-498 of the 2022 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2022*):

4 (a) Any municipality may, by ordinance adopted by its legislative
5 body, designate any existing board or commission or establish a new
6 board or commission as the stormwater authority for such municipality.
7 If a new board or commission is created, such municipality shall, by
8 ordinance, determine the number of members thereof, their
9 compensation, if any, whether such members shall be elected or
10 appointed, the method of their appointment, if appointed, and removal
11 and their terms of office, which shall be so arranged that not more than

12 one-half of such terms shall expire within any one year.

13 (b) The purposes of the stormwater authority shall be to: (1) Develop
14 a stormwater management program, including, but not limited to, (A) a
15 program for construction and post-construction site stormwater runoff
16 control, including control detention and prevention of stormwater
17 runoff from development sites; or (B) a program for control and
18 abatement of stormwater pollution from existing land uses, and the
19 detection and elimination of connections to the stormwater system that
20 threaten the public health, welfare or the environment; (2) provide
21 public education and outreach in the municipality relating to
22 stormwater management activities and to establish procedures for
23 public participation; (3) provide for the administration of the
24 stormwater management program; (4) establish geographic boundaries
25 of the stormwater authority district; and (5) recommend to the
26 legislative body of the municipality in which such district is located the
27 imposition of a fee upon the interests in real property within such
28 district, subject to the fifteen per cent limitation on, or alternative
29 election to exempt, properties owned by hospitals described in
30 subdivision (3) of subsection (c) of this section, the revenues from which
31 shall be used in carrying out any of the powers of such district. In
32 accomplishing the purposes of this section, the stormwater authority
33 may plan, layout, acquire, construct, reconstruct, repair, maintain,
34 supervise and manage stormwater control systems.

35 (c) (1) Any stormwater authority created by a municipality pursuant
36 to subsection (a) of this section may levy fees, approved by the
37 legislative body of the municipality in accordance with the provisions
38 of subdivision (3) of this subsection, on property owners of the
39 municipality, except as specified in subdivision (2) of this subsection,
40 for the purposes described in subsection (b) of this section. In
41 establishing fees for properties in its district, the stormwater authority
42 shall consider criteria, including, but not limited to, [the following: The]
43 the area of the property containing impervious surfaces from which
44 stormwater runoff is generated [,] and land use types that result in
45 higher or lower concentrations of stormwater pollution. [and the grand

46 list valuation of the property.] In establishing fees for property in its
47 district, the stormwater authority shall [offer] provide for:

48 (A) A partial fee reduction, in the form of a credit proportional to the
49 reduction in stormwater runoff, for any property in its district whose
50 owner maintains and operates a stormwater management system that
51 complies with state and local stormwater management standards that
52 were in effect at the time such system was approved and which system
53 effectively reduces, retains or treats stormwater onsite and is approved
54 by the stormwater authority;

55 (B) An additional partial fee reduction, in the form of a credit
56 proportional to the reduction in stormwater runoff, for any property
57 [owner] in its district [who] whose owner has installed and is operating
58 and maintaining current stormwater best management practices that
59 reduce, retain [,] or treat stormwater onsite and that are approved by the
60 stormwater authority; [,] and

61 (C) An additional partial fee reduction, in the form of a credit
62 proportional to the reduction in stormwater runoff, for any property in
63 its district whose owner has installed and is operating and maintaining
64 infrastructure that reduces, retains or treats stormwater onsite and
65 which infrastructure exceeds any requirements that may be applicable
66 to the property under any provision of the general statutes, regulation
67 adopted by the Commissioner of Energy and Environmental Protection
68 or local stormwater control ordinance.

69 (2) In the case of land classified as, and consisting of, farm, forest or
70 open space land, or property owned by the state government, or any of
71 its political subdivisions or respective agencies, the stormwater
72 authority may only [levee] levy such fees on areas of such land that
73 contain impervious surfaces from which stormwater discharges to a
74 municipal separate storm sewer system.

75 (3) Each stormwater authority shall present its budget annually to the
76 legislative body of the municipality for approval. Such budget shall
77 include the specific programs the authority proposes to undertake

78 during the fiscal year for which the budget is presented, the projected
79 expenditures for such programs for the fiscal year and the amount of the
80 fee or fees the authority proposes to levy to pay for such expenditures.
81 In no event shall the aggregate amount of the fees proposed for the fiscal
82 year exceed the aggregate amount of such projected expenditures for
83 the fiscal year and in no event shall more than fifteen per cent of the
84 aggregate amount of the fees proposed for any fiscal year prior to July
85 1, 2026, be generated from properties located in the municipality that
86 are owned by hospitals that are parties to the settlement agreement with
87 the state approved pursuant to special act 19-1 of the December 2019
88 special session. The legislative body of the municipality shall ensure that
89 the aggregate amount of the fees approved comply with such fifteen per
90 cent limitation. For each such fiscal year prior to July 1, 2026, the
91 authority shall, not later than thirty days after the conclusion of the fiscal
92 year, (A) conduct a review to ensure that not more than fifteen per cent
93 of the aggregate fees received for such fiscal year were generated from
94 real property located in the municipality that is owned by one or more
95 hospitals that are parties to the settlement agreement described in this
96 subdivision, (B) in the event that the fees received from all such
97 hospitals together exceed fifteen per cent of the aggregate fees received
98 for such fiscal year, the stormwater authority shall rebate any amounts
99 received in excess of fifteen per cent, proportionately, to such hospitals,
100 and (C) provide the results of the stormwater authority's review, in
101 writing to each hospital, regardless of whether a rebate is due. As an
102 alternative to imposing the fee on properties located in the municipality
103 that are owned by hospitals that are parties to such settlement
104 agreement described in this subdivision, the legislative body may
105 approve exemption of such properties from the fee until July 1, 2026.
106 The legislative body of the municipality may approve fee amounts that
107 are less than the amounts proposed by the authority but in no event shall
108 the legislative body of the municipality approve fee amounts that are
109 greater than the amounts proposed by the authority.

110 (d) Any person aggrieved by the action of a stormwater authority
111 under this section shall have the same rights and remedies for appeal
112 and relief as are provided in the general statutes for taxpayers claiming

113 to be aggrieved by the doings of the assessors or board of assessment
114 appeals.

115 (e) The authority may adopt municipal regulations to implement the
116 stormwater management program.

117 (f) The authority may, subject to the commissioner's approval, enter
118 into contracts with any municipal or regional entity to accomplish the
119 purposes of this section.

120 (g) For purposes of this section and sections 22a-498a and 22a-498b,
121 "municipality" means any town, city, borough, consolidated town and
122 city or consolidated town or borough. "Municipality" does not include
123 any local school district, regional school district, metropolitan district,
124 district, as defined in section 7-324, or any other municipal corporation
125 or authority authorized to issue bonds, notes or other obligations under
126 the provisions of the general statutes or any special act.

127 Sec. 2. Section 10-283 of the 2022 supplement to the general statutes
128 is repealed and the following is substituted in lieu thereof (*Effective July*
129 *1, 2022*):

130 (a) (1) Each town or regional school district shall be eligible to apply
131 for and accept grants for a school building project as provided in this
132 chapter. Any town desiring a grant for a public school building project
133 may, by vote of its legislative body, authorize the board of education of
134 such town to apply to the Commissioner of Administrative Services and
135 to accept or reject such grant for the town. Any regional school board
136 may vote to authorize the supervising agent of the regional school
137 district to apply to the Commissioner of Administrative Services for and
138 to accept or reject such grant for the district. Applications for such grants
139 under this chapter shall be made by the superintendent of schools of
140 such town or regional school district on the form provided and in the
141 manner prescribed by the Commissioner of Administrative Services.
142 The application form shall require the superintendent of schools to
143 affirm that the school district considered the maximization of natural
144 light, the use and feasibility of wireless connectivity technology and, on

145 and after July 1, 2014, the school safety infrastructure criteria, developed
146 by the School Safety Infrastructure Council, pursuant to section 10-292r,
147 in projects for new construction and alteration or renovation of a school
148 building. The Commissioner of Administrative Services shall review
149 each grant application for a school building project for compliance with
150 educational requirements and on the basis of categories for building
151 projects established by the Commissioner of Administrative Services in
152 accordance with this section. The Commissioner of Education shall
153 evaluate, if appropriate, whether the project will assist the state in
154 meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238
155 Conn. 1 (1996), or any related stipulation or order in effect, as
156 determined by the Commissioner of Education. The Commissioner of
157 Administrative Services shall consult with the Commissioner of
158 Education in reviewing grant applications submitted for purposes of
159 subsection (a) of section 10-65 or section 10-76e on the basis of the
160 educational needs of the applicant. The Commissioner of
161 Administrative Services shall review each grant application for a school
162 building project for compliance with standards for school building
163 projects pursuant to regulations, adopted in accordance with section 10-
164 287c, and, on and after July 1, 2014, the school safety infrastructure
165 criteria, developed by the School Safety Infrastructure Council pursuant
166 to section 10-292r. Notwithstanding the provisions of this chapter, the
167 Board of Trustees of the Community-Technical Colleges on behalf of
168 Quinebaug Valley Community College and Three Rivers Community
169 College and the following entities that will operate an interdistrict
170 magnet school that will assist the state in meeting its obligations
171 pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any
172 related stipulation or order in effect, as determined by the
173 Commissioner of Education, may apply for and shall be eligible to
174 receive grants for school building projects pursuant to section 10-264h
175 for such a school: (A) The Board of Trustees of the Community-
176 Technical Colleges on behalf of a regional community-technical college,
177 (B) the Board of Trustees of the Connecticut State University System on
178 behalf of a state university, (C) the Board of Trustees for The University
179 of Connecticut on behalf of the university, (D) the board of governors

180 for an independent institution of higher education, as defined in
181 subsection (a) of section 10a-173, or the equivalent of such a board, on
182 behalf of the independent institution of higher education, (E)
183 cooperative arrangements pursuant to section 10-158a, and (F) any other
184 third-party not-for-profit corporation approved by the Commissioner of
185 Education.

186 (2) The Commissioner of Administrative Services shall assign each
187 school building project to a category on the basis of whether such project
188 is primarily required to: (A) Create new facilities or alter existing
189 facilities to provide for mandatory instructional programs pursuant to
190 this chapter, for physical education facilities in compliance with Title IX
191 of the Elementary and Secondary Education Act of 1972 where such
192 programs or such compliance cannot be provided within existing
193 facilities or for the correction of code violations which cannot be
194 reasonably addressed within existing program space; (B) create new
195 facilities or alter existing facilities to enhance mandatory instructional
196 programs pursuant to this chapter or provide comparable facilities
197 among schools to all students at the same grade level or levels within
198 the school district unless such project is otherwise explicitly included in
199 another category pursuant to this section; and (C) create new facilities
200 or alter existing facilities to provide supportive services, provided in no
201 event shall such supportive services include swimming pools,
202 auditoriums, outdoor athletic facilities, tennis courts, elementary school
203 playgrounds, site improvement or garages or storage, parking or
204 general recreation areas. All applications submitted prior to July first
205 shall be reviewed promptly by the Commissioner of Administrative
206 Services. The Commissioner of Administrative Services shall estimate
207 the amount of the grant for which such project is eligible, in accordance
208 with the provisions of section 10-285a, provided an application for a
209 school building project determined by the Commissioner of Education
210 to be a project that will assist the state in meeting its obligations
211 pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any
212 related stipulation or order in effect, as determined by the
213 Commissioner of Education, shall have until September first to submit
214 an application for such a project and may have until December first of

215 the same year to secure and report all local and state approvals required
216 to complete the grant application. The Commissioner of Administrative
217 Services shall annually prepare a listing of all such eligible school
218 building projects listed by category together with the amount of the
219 estimated grants for such projects and shall submit the same to the
220 Governor, the Secretary of the Office of Policy and Management and the
221 General Assembly on or before the fifteenth day of December, except as
222 provided in section 10-283a, with a request for authorization to enter
223 into grant commitments. On or before December thirty-first annually,
224 the Secretary of the Office of Policy and Management may submit
225 comments and recommendations regarding each eligible project on
226 such listing of eligible school building projects to the school construction
227 committee, established pursuant to section 10-283a. Each such listing
228 shall include a report on the following factors for each eligible project:
229 (i) An enrollment projection and the capacity of the school, (ii) a
230 substantiation of the estimated total project costs, (iii) the readiness of
231 such eligible project to begin construction, (iv) efforts made by the local
232 or regional board of education to redistrict, reconfigure, merge or close
233 schools under the jurisdiction of such board prior to submitting an
234 application under this section, (v) enrollment and capacity information
235 for all of the schools under the jurisdiction of such board for the five
236 years prior to application for a school building project grant, (vi)
237 enrollment projections and capacity information for all of the schools
238 under the jurisdiction of such board for the eight years following the
239 date such application is submitted, and (vii) the state's education
240 priorities relating to reducing racial and economic isolation for the
241 school district. For the period beginning July 1, 2006, and ending June
242 30, 2012, no project, other than a project for a technical education and
243 career school, may appear on the separate schedule of authorized
244 projects which have changed in cost more than twice. On and after July
245 1, 2012, no project, other than a project for a technical education and
246 career school, may appear on the separate schedule of authorized
247 projects which have changed in cost more than once, except the
248 Commissioner of Administrative Services may allow a project to appear
249 on such separate schedule of authorized projects a second time if the

250 town or regional school district for such project can demonstrate that
251 exigent circumstances require such project to appear a second time on
252 such separate schedule of authorized projects. Notwithstanding any
253 provision of this chapter, no projects which have changed in scope or
254 cost to the degree determined by the Commissioner of Administrative
255 Services, in consultation with the Commissioner of Education, shall be
256 eligible for reimbursement under this chapter unless it appears on such
257 list. The percentage determined pursuant to section 10-285a at the time
258 a school building project on such schedule was originally authorized
259 shall be used for purposes of the grant for such project. On and after July
260 1, 2006, a project that was not previously authorized as an interdistrict
261 magnet school shall not receive a higher percentage for reimbursement
262 than that determined pursuant to section 10-285a at the time a school
263 building project on such schedule was originally authorized. The
264 General Assembly shall annually authorize the Commissioner of
265 Administrative Services to enter into grant commitments on behalf of
266 the state in accordance with the commissioner's categorized listing for
267 such projects as the General Assembly shall determine. The
268 Commissioner of Administrative Services may not enter into any such
269 grant commitments except pursuant to such legislative authorization.
270 Any regional school district which assumes the responsibility for
271 completion of a public school building project shall be eligible for a
272 grant pursuant to subdivision (5) or (6), as the case may be, of subsection
273 (a) of section 10-286 when such project is completed and accepted by
274 such regional school district.

275 (3) (A) All final calculations completed by the Department of
276 Administrative Services for school building projects shall include a
277 computation of the state grant for the school building project amortized
278 on a straight line basis over a twenty-year period for school building
279 projects with costs equal to or greater than two million dollars and over
280 a ten-year period for school building projects with costs less than two
281 million dollars. Any town or regional school district which abandons,
282 sells, leases, demolishes or otherwise redirects the use of such a school
283 building project to other than a public school use during such
284 amortization period shall refund to the state the unamortized balance of

285 the state grant remaining as of the date the abandonment, sale, lease,
286 demolition or redirection occurs. The amortization period for a project
287 shall begin on the date the project was accepted as complete by the local
288 or regional board of education. A town or regional school district
289 required to make a refund to the state pursuant to this subdivision may
290 request forgiveness of such refund if the building is redirected for public
291 use. The Department of Administrative Services shall include as an
292 addendum to the annual school construction priority list all those towns
293 requesting forgiveness. General Assembly approval of the priority list
294 containing such request shall constitute approval of such request. This
295 subdivision shall not apply to projects to correct safety, health and other
296 code violations or to remedy certified school indoor air quality
297 emergencies approved pursuant to subsection (b) of this section or
298 projects subject to the provisions of section 10-285c.

299 (B) If the board of governors for an independent institution of higher
300 education, as defined in subsection (a) of section 10a-173, or the
301 equivalent of such a board, on behalf of the independent institution of
302 higher education, that operates an interdistrict magnet school makes
303 private use of any portion of a school building in which such operator
304 received a school building project grant pursuant to this chapter, such
305 operator shall annually submit a report to the Commissioner of
306 Education that demonstrates that such operator provides an equal to or
307 greater than in-kind or supplemental benefit of such institution's
308 facilities to students enrolled in such interdistrict magnet school that
309 outweighs the private use of such school building. If the commissioner
310 finds that the private use of such school building exceeds the in-kind or
311 supplemental benefit to magnet school students, the commissioner may
312 require such institution to refund to the state the unamortized balance
313 of the state grant.

314 (C) Any moneys refunded to the state pursuant to subparagraphs (A)
315 and (B) of this subdivision shall be deposited in the state's tax-exempt
316 proceeds fund and used not later than sixty days after repayment to pay
317 debt service on, including redemption, defeasance or purchase of,
318 outstanding bonds of the state the interest on which is not included in

319 gross income pursuant to Section 103 of the Internal Revenue Code of
320 1986, or any subsequent corresponding internal revenue code of the
321 United States, as from time to time amended.

322 (b) (1) Notwithstanding the application date requirements of this
323 section, at any time within the limit of available grant authorization and
324 within the limit of appropriated funds, the Commissioner of
325 Administrative Services, in consultation with the Commissioner of
326 Education, may approve applications for grants and make payments for
327 such grants, for any of the following reasons: (A) To assist school
328 building projects to remedy damage from fire and catastrophe, (B) to
329 correct safety, health and other code violations, (C) to replace roofs,
330 including the replacement or installation of skylights as part of the roof
331 replacement project, (D) to remedy a certified school indoor air quality
332 emergency, (E) to install insulation for exterior walls and attics, (F) to
333 purchase and install a limited use and limited access elevator, windows,
334 photovoltaic panels, wind generation systems, building management
335 systems, a public school administrative or service facility or portable
336 classroom buildings, provided portable classroom building projects
337 shall not create a new facility or cause an existing facility to be modified
338 so that the portable buildings comprise a substantial percentage of the
339 total facility area, as determined by the commissioner, [or] (G) for school
340 security projects, including, but not limited to, making improvements to
341 existing school security infrastructure or installing new school security
342 infrastructure, or (H) to install, replace or repair a heating, ventilation
343 or air conditioning system.

344 (2) Not later than seven calendar days following the discovery of a
345 reason described in subparagraphs (A) to (F), inclusive, of subdivision
346 (1) of this subsection, the superintendent of schools of a town or regional
347 school district shall notify the Commissioner of Administrative Services
348 in writing of such reason in order to be eligible for a grant under this
349 subsection. Such superintendent shall submit an application to the
350 commissioner not later than six months following such notification in
351 order to receive a grant under this subsection.

352 (c) No school building project shall be added to the list prepared by
 353 the Commissioner of Administrative Services pursuant to subsection (a)
 354 of this section after such list is submitted to the committee of the General
 355 Assembly appointed pursuant to section 10-283a unless (1) the project
 356 is for a school placed on probation by the New England Association of
 357 Schools and Colleges and the project is necessary to preserve
 358 accreditation, (2) the project is necessary to replace a school building for
 359 which a state agency issued a written notice of its intent to take the
 360 school property for public purpose, (3) it is a school building project
 361 determined by the Commissioner of Education to be a project that will
 362 assist the state in meeting its obligations pursuant to the decision in
 363 *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order
 364 in effect, as determined by the Commissioner of Education. The
 365 provisions of this subsection shall not apply to projects previously
 366 authorized by the General Assembly that require special legislation to
 367 correct procedural deficiencies.

368 (d) No school building project shall be added to the list prepared by
 369 the Commissioner of Administrative Services pursuant to subsection (a)
 370 of this section, unless the applicant, prior to submitting an application,
 371 has (1) secured funding authorization for the local share of the project
 372 costs and such authorization has become effective pursuant to the
 373 general statutes and local ordinance or charter, or (2) scheduled and
 374 prepared a referendum, if required, the results of which shall be
 375 submitted on or before the fifteenth day of November in the year of
 376 application. The reimbursement percentage for a project covered by this
 377 subsection shall reflect the rates in effect during the fiscal year in which
 378 such local funding authorization is secured.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2022	22a-498
Sec. 2	July 1, 2022	10-283

Statement of Legislative Commissioners:

In Section 1(c)(1)(C), "the Department of" was deleted for consistency with standard drafting conventions.

FIN *Joint Favorable Subst. -LCO*

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:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Treasurer, Debt Serv.	GF - Cost	Significant	Significant

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Municipal Stormwater Authorities	See Below	See Below	See Below
Local and Regional School Districts	Potential Cost/Revenue	See Below	See Below

Explanation

The bill 1) expands the types of fee reductions that municipal stormwater authorities must provide to properties in their districts and; 2) makes installing, replacing, or repairing heating, ventilation, or air conditioning systems eligible for emergency school building project grants.

The bill results in a significant cost to the state and potential cost and revenue gain to municipalities. It does so by expanding allowable non-priority list expenses for school building projects to include installation, remediation, and replacement of HVAC systems.

The school construction program is funded using General Obligation (GO) bonds, in two large tracts: priority list projects (i.e., larger projects approved in legislation) and non-priority list projects. Non-priority list projects currently include emergency items, such as fire or catastrophe damage, leaking roofs, or code violations. The bill expands the non-priority list projects to include HVAC installation, replacement, and

repair.

Non-priority list projects are allowed at the discretion of the Commissioner of Administrative Services within available resources of the program. As of April 1, 2022, the unallocated bond balance available under the school construction authorization is \$636 million, with another \$550 million effective under current law to start FY 23. The bill is expected to result in an increase in the use of GO bond funds for non-priority list reimbursable expenses, which would expedite anticipated debt service from existing bond authorizations.

The bill does not change GO bond authorizations relevant to the program. However, those funds are necessary to support both priority list and non-priority list projects. The most recent estimate by DAS indicated approximately \$2.6 billion worth of outstanding long-term liability for current grant commitments, to be paid over the next several years.¹ The expanded use of current authorizations for HVAC upgrades through the non-priority list program will necessitate increased bond authorization for the program in the future, which will increase long-term debt service costs.

To the extent local and regional school districts choose to pursue additional HVAC projects allowed under the bill, there would be increased costs and revenues to the same districts.

Specific costs from eligible projects, including the marginal increase from expanded eligibility, can only be determined as project expenses are incurred by municipalities and state reimbursements are sought and offered.

The bill also results in a revenue loss to municipal stormwater authorities. It is anticipated that such revenue loss would be offset by increases in fees assessed to users who do not receive the credit under the bill's provisions.

¹ Source: <http://143ld24rzjx265ftv4dyehdx-wpengine.netdna-ssl.com/wp-content/uploads/2021/12/CTState04a-FIN.pdf>

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the terms of any bonds issued for the school construction program, and subject to the value of any credits issued by municipal stormwater authorities.

OLR Bill Analysis**HB 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.****SUMMARY**

The bill (1) expands the types of fee reductions that municipal stormwater authorities (see BACKGROUND) must provide to properties in their districts and (2) makes installing, replacing, or repairing heating, ventilation, or air conditioning (HVAC) systems eligible for emergency school building project grants (which do not require legislative approval).

The bill requires authorities to provide partial fee reductions for any property in their districts whose owner:

1. maintains and operates an authority-approved stormwater management system that (a) complies with state and local standards in effect when the system was approved and (b) effectively reduces, retains, or treats stormwater onsite or
2. has installed, and operates and maintains, infrastructure that reduces, retains, or treats stormwater onsite and exceeds any requirements applicable to the property under state and local laws and regulations.

Existing law already requires authorities to provide a credit for any property whose owner has installed and is maintaining current authority-approved stormwater best management practices that reduce, retain, or treat stormwater onsite.

Under the bill, all of these fee reductions must be in the form of a credit proportional to the reduction in stormwater runoff.

The bill also eliminates the requirement that stormwater authorities

consider a property’s grand list valuation when setting fees. Existing law, unchanged by the bill, requires authorities to consider (1) the amount of impervious surface generating stormwater runoff and (2) land use types that result in higher concentrations of stormwater pollution.

The bill also makes conforming and technical changes.

EFFECTIVE DATE: July 1, 2022

BACKGROUND

Stormwater Authorities

PA 21-115, §§ 1-3, authorized all municipalities (rather than just those participating in a pilot program) to establish a municipal stormwater authority. The purpose of a local stormwater authority is to, among other things, develop a stormwater management program and recommend fees to levy on real property to fund the program. A municipality’s legislative body must approve a stormwater authority’s annual budget and the fees it plans to levy, and the total amount of fees the authority plans to collect cannot exceed its projected spending.

Only New London, which participated in the pilot program, has established a stormwater authority to date.

Related Bills

sSB 423 (File 320), favorably reported by the Labor and Public Employees Committee, makes certain school HVAC projects eligible to receive state reimbursement grants.

sSB 428 (File 449), favorably reported by the Education Committee, requires the Department of Administrative Services (DAS) to administer a grant reimbursement program for the cost of school indoor air quality improvements, including the installation, replacement, or upgrading of HVAC systems, beginning in FY 23.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 46 Nay 5 (04/05/2022)