



House of Representatives

General Assembly

File No. 642

February Session, 2024

Substitute House Bill No. 5189

House of Representatives, May 1, 2024

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING A SMALL HARBOR IMPROVEMENT PROJECTS ACCOUNT.

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

1 Section 1. (NEW) (*Effective from passage*) (a) The Connecticut Port
2 Authority shall establish an account to be known as the "small harbor
3 improvement projects account". There shall be deposited in the account:
4 (1) The proceeds of notes, bonds or other obligations issued by the state
5 for the purpose of deposit therein and used in accordance with the
6 permissible uses thereof; (2) funds appropriated by the General
7 Assembly for the purpose of deposit therein and used in accordance
8 with the permissible uses thereof; and (3) any other funds required or
9 permitted by law to be deposited in the account. The funds in said
10 account shall be expended by the authority for the purpose of initiating
11 small harbor improvement projects in accordance with section 13b-55a
12 of the general statutes and for the purposes described in subsection (b)
13 of this section.

14 (b) The small harbor improvement projects account may be used (1)

15 for federal and nonfederal dredging projects to (A) support, in full or in
 16 part, local and state matching requirements for such projects; (B) cover
 17 the incremental costs associated with applicable environmental
 18 regulatory requirements or management practices, including beneficial
 19 use; and (C) cover part or all of the costs of such projects in the absence
 20 of adequate federal funds; and (2) to fund private maritime
 21 infrastructure projects. If the account is used for the purpose described
 22 in subparagraph (C) of subdivision (1) of this subsection, the authority
 23 shall pursue reimbursement to the account from the federal
 24 government.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

APP *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: None

Explanation

The bill requires the Connecticut Port Authority (CPA) to establish a "small harbor improvement projects account" and to spend any funds that may be deposited into such account on small harbor improvement projects. This does not have a fiscal impact because any spending is contingent on future action outside the scope of this bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 5189*****AN ACT CONCERNING A SMALL HARBOR IMPROVEMENT PROJECTS ACCOUNT.*****SUMMARY**

This bill requires the Connecticut Port Authority (CPA) to establish the “Small Harbor Improvement Projects Account” and to spend funds deposited or appropriated in it to initiate small harbor improvement projects consistent with state law.

Neither the law nor the bill defines “small harbor improvement projects.” However, under existing law, unchanged by the bill, CPA may initiate harbor improvement projects in various ways, including by preparing plans, studies, and construction for altering and improving various state, municipal, and other properties in or next to state waters to improve the state economy and infrastructure (CGS § 13b-55a). In practice, CPA administers the Small Harbor Improvement Projects Program (SHIPP, see BACKGROUND).

Under the bill, the following funds must be deposited into the account: (1) proceeds of notes, bonds, or other state-issued obligations; (2) appropriated funds; and (3) any other funds required or permitted by law.

The bill authorizes the account to be used for federal and nonfederal dredging projects to fund private maritime infrastructure projects. For dredging projects, it may be used to:

1. support local and state matching requirements fully or partially;
2. cover the incremental costs associated with applicable environmental regulatory requirements or management practices, including beneficial use; and

- 3. cover all or part of these project costs in the absence of adequate federal funds.

Under the bill, if the account is used due to inadequate federal funding, then CPA must pursue federal reimbursement.

EFFECTIVE DATE: Upon passage

BACKGROUND

Small Harbor Improvement Projects Program (SHIPP)

SHIPP is a competitive grant program, established and administered by CPA, that provides funds for harbor improvement projects that are not related to the deep water ports in Bridgeport, New Haven, and New London. Harbor improvement projects generally must be within, near, or on an active navigational channel and include dredging, marina repair, boat ramp facilities improvement, harbor management plans, and feasibility studies. SHIPP is funded with state general obligation bonds.

Legislative History

The House referred the bill (File 437) to the Appropriations Committee, which reported a substitute that removes a requirement in the original bill for the Department of Economic and Community Development commissioner to study the state’s “blue economy” and ways to promote and grow economic activity on coastlines and waterways.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute
 Yea 24 Nay 0 (03/26/2024)

Appropriations Committee

Joint Favorable Substitute
 Yea 53 Nay 0 (04/22/2024)