

Legislation Related to the Metropolitan District Commission (MDC) and Hartford Flooding

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Issue

What provisions in the 2023 budget implementer act establish programs to help North Hartford residents impacted by sewer system flooding? **This report has been generally updated by OLR Report [2024-R-0129](#).**

Summary

The 2023 budget implementer act contains several provisions aimed at reducing future damage done by flooding to property in portions of Hartford ([PA 23-204](#), §§ 141-146). Broadly, the act:

1. requires the Department of Energy and Environmental Protection (DEEP) to use available funds, including certain Clean Water Act funds, for a financial assistance program for the Metropolitan District Commission (MDC) to make sewerage system upgrades and repairs in Hartford;
2. requires the comptroller to establish the Hartford Sewerage System Repair and Improvement Fund to be used for a financial assistance program for Hartford residents impacted by flooding on or after January 1, 2021; and
3. requires Hartford and MDC to report to DEEP and the legislature on sewer and stormwater projects and flooding prevention plans.

Assistance to MDC for Sewer Upgrades and Repairs

The new law requires DEEP to use available funding to operate a program that gives financial assistance to MDC for repairs and improvements to Hartford's sewerage systems. DEEP must develop the program by January 1, 2024, and it must jointly identify projects with MDC, prioritizing

those that will mitigate or prevent flooding and sewerage back-ups in residential dwellings (including repairing components on private property).

Under the new law, funding must come from Clean Water Act or other funds (but it cannot be the funding MDC receives for capital costs associated with complying with certain consent agreements involving the federal Environmental Protection Agency and Connecticut).

By February 1, 2024, and then generally monthly, the new law requires MDC to submit a report to DEEP and the Environment and Planning and Development committees with:

1. a description of any repairs and improvements begun or completed in the previous month under this program;
2. an itemized accounting of expenditures; and
3. a list of projects the district started but has been unable to complete due to permitting issues, including the nature of the issues.

MDC's first report must also have a detailed description of the scope of all projects it anticipates undertaking, with the estimated schedule for each project. (After the first report, MDC does not need to submit a report in months that it does not undertake repairs or improvements under the DEEP program.)

A June 2023 [press release](#) from the Governor's Office reports that 12 projects have been proposed, with a total estimated cost of \$170 million. [According to MDC](#), some of these sewer upgrades and repairs are already underway.

Report on Sewerage and Stormwater Projects by Hartford and MDC

In addition to the abovementioned requirement that MDC report on its activities under the DEEP program, the new law requires Hartford and MDC to jointly submit a report by January 1, 2024, to DEEP and the Environment and Planning and Development committees that describes:

1. the status of any planned or underway long-term projects in Hartford that are intended to improve the city's sewerage or stormwater infrastructure and
2. their plan to mitigate or prevent future flooding issues, including the feasibility of investing in green infrastructure.

The report must be published on DEEP's and MDC's websites.

Comptroller's Flood Compensation Program

The new law requires the comptroller to establish the Hartford Sewerage System Repair and Improvement Fund, which may contain public or private funds, and requires the fund to be used to administer and operate a grant program to provide:

1. financial assistance to eligible owners of real property in Hartford to pay for necessary repairs from flood damage caused on or after January 1, 2021, and
2. reimbursement to Hartford residents for costs associated with damage to personal property due to flooding occurring on or after that date.

Program funds are also to be used to compensate the program's administrator and reimburse costs for inspection (see below).

The new law specifies that the grant program must be administered by a gubernatorially appointed administrator who is a Hartford resident with experience in environmental justice issues and insurance policy claims determinations. The Comptroller's Office [announced in August](#) that Dr. Gary Rhule is the administrator of the \$5 million program and applications [will be available](#) beginning September 1, 2023. The [Comptroller's Office also notes](#) that while there is no deadline for application submissions, it is a first come, first served program until funds are depleted.

Application and Grant Awards

The new law requires the administrator to develop the application process and eligibility criteria, subject to the comptroller's approval. The eligibility criteria must require that the property owner is a Hartford resident and owned real or personal property in the city that was damaged by flooding on or after January 1, 2021. The application must include, if applicable, a copy of any determination made on a claim against any property and casualty insurance policy, including the amounts paid under the claim. The Comptroller's Office has provided a [flow chart](#) explaining the established application process.

The new law specifies that no applicant is ineligible solely because (1) their property was uninsured at the time the damage occurred or (2) the applicant did not receive payment under an insurance claim. The administrator must review applications and make eligibility decisions within 30 days of receipt.

If the applicant is eligible for assistance to pay for real property repairs, an inspector must evaluate the damage to the applicant's property and provide a report to the administrator describing the damage and estimated repair costs. The inspector must be employed by MDC, or, if the applicant

chooses to hire their own inspector, must have experience in assessing flood damage and be approved by the administrator. (The Comptroller's Office [has specified](#) that any non-MDC inspector must be licensed by the Department of Consumer Protection.)

Within 30 days after receiving the report, the administrator may award the applicant a grant, pursuant to a formula the comptroller sets. The formula must deduct from the grant any amount paid out by an insurance company for the damage. Applicants who hire their own inspector can seek reimbursement for reasonable inspection costs (also as prescribed by the administrator), and the administrator must reimburse them for it.

Within 30 days of determining an applicant is eligible for reimbursement for costs associated with personal property damage, the administrator must award it, in conformity with the comptroller's formula. The formula may deduct from the grant any amount paid out by an insurance company for the damage.

Applicants may appeal the administrator's eligibility or award amount decisions to the comptroller within 30 days after a decision, in accordance with procedures he sets.

Notice to Landlords

If requested by a tenant residing in a residential building that was damaged by flooding on or after January 1, 2021, the administrator must inform the building's owner about the program by mail or email, if the administrator knows the owner's mailing address or email address.

Community Outreach

The new law requires the comptroller, for FY 24, to give a \$75,000 grant to the Blue Hills Civic Association using funds from the Hartford Sewerage System Repair and Improvement Fund. The grant must be used for a community outreach effort to inform residents about assistance for property repair and reimbursement for flooding damage costs.

The new law also requires MDC to designate an employee by January 1, 2024, to serve as a community outreach liaison, responsible for answering questions about the grant program, helping people apply for assistance, and promoting community awareness about the program. The awareness efforts must include contacting individuals known to have had real or personal property damage from flooding and sewerage back-ups to provide information on the grant program and the availability of licensed inspectors.

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