
OLR Bill Analysis

sSB 1559

AN ACT CONCERNING CAPITAL CITY REDEVELOPMENT AND ESTABLISHING THE SOUTH MEADOWS DEVELOPMENT DISTRICT BOUNDARIES.

SUMMARY

This bill makes several changes related to two Hartford properties located at 300 Maxim Road and 100 Reserve Road that the bill designates collectively as the “South Meadows site.” (The site contains closed resource recovery and jet turbine facilities.)

Primarily, the bill:

1. transfers the ownership, functions, powers, duties, permits, and licenses related to the South Meadows site, along with associated personal property, money, and a non-lapsing account, from the Materials Innovation and Recycling Authority (MIRA) and the MIRA Dissolution Authority (MDA) to the Capital Region Development Authority (CRDA) instead of the Department of Administrative Services (DAS);
2. subjects the work CRDA performs on the site (e.g., development, redevelopment, and remediation) to licensing, permitting, and other regulatory processes that differ from those in existing law;
3. requires any state tax revenue generated by completed projects within the site to be retained and reinvested by CRDA there;
4. exempts the site and any personal property located there from property tax until a development or redevelopment project is started there; and
5. terminates MDA on July 1 of this year, instead of 2026.

The bill also creates a South Meadows development district and

delineates the district's geographic boundaries (§ 8). (The bill does not provide a purpose for or authority over this district.)

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: June 30, 2025

§§ 1-3 & 5 — SOUTH MEADOWS SITE PROPERTY AND MONETARY TRANSFERS

The bill makes CRDA the successor authority to MIRA with respect to MIRA's ownership, functions, powers, and duties for the South Meadows site. On June 30, 2025, the bill requires \$5 million of MDA's resources to be transferred and deposited into an existing nonlapsing account administered by the Office of Policy and Management (OPM). It changes the account's purpose from, generally, winding down MIRA, to operating, maintaining, remediating, or taking any other action associated with MDA's former activities or properties other than the South Meadows site and its activities associated with it. The bill also requires the (1) site and any tangible or intangible personal property associated with it to be transferred from MDA to CRDA and (2) balance of MDA's resources, after the \$5 million transfer, to be transferred to CRDA. This transfer must then be deposited in a bank account or accounts separate from all other CRDA funds and used for maintaining, remediating, developing, redeveloping, or taking any other action associated with the South Meadows site that CRDA deems necessary.

The bill authorizes CRDA to (1) hire former MDA employees to carry out any activity CRDA is authorized or required to undertake for the South Meadows site and (2) enter into memorandums of understanding (MOUs) with any state agency to facilitate its functions, powers, and duties with respect to the site.

Under the bill, when MDA's ownership or oversight of a permitted facility transfers to CRDA, the permits or licenses it holds are correspondingly transferred to CRDA and remain in full force and effect.

§§ 1 & 4 — SOUTH MEADOWS SITE PROJECT PROCESSES AND TAXES***Licensing, Permitting, Approvals, and Administrative Actions***

The bill sets procedures and requirements for CRDA's work at the South Meadows site, including any development, redevelopment, or remediation (i.e. "projects"). If a state agency is supervising this work, it must issue licenses, permits, or approvals or take administrative actions following the bill's procedures even if doing so conflicts with most other state laws. But the agency must only do so to the extent they are not inconsistent with the state's delegated authority under federal law and the state law governing liabilities and conveyances related to MDA.

Similarly, any agreement or MOU CRDA enters with a state agency or a Connecticut political subdivision (e.g., a municipality) to do work for any part of a project, including, licensing, permitting, receiving governmental approvals, and the construction of sewer, water, steam, or other utility connections, must be according to the bill's provisions, but only to the extent they are not inconsistent with (1) the state's delegated authority under federal law or (2) any contract by which the agency or political subdivision is bound.

Commissioners' Oversight (§ 4(c)-(f))

The bill gives commissioners sole jurisdiction over any licenses, permits, approvals (hereinafter referred to as "approvals") or administrative actions concerning South Meadows site projects. Under the bill, a "commissioner" is the commissioner or commissioners, or their designees, who have subject matter jurisdiction. Upon application to the commissioners, the bill requires that they issue each approval or take each administrative action required or allowed under state statutes.

Under the bill, all records (including applications and supporting documents) submitted to a commissioner for an approval or administrative action, together with all related proceeding records, must be publicly available as the Freedom of Information Act requires.

Master Process. Each commissioner with jurisdiction over any

approval or administrative action for a project must adopt a master process to consider multiple of them for any project under the bill, to the extent practicable. The bill specifies, though, that it does not require that all applications for approvals or administrative actions for all aspects of a project be submitted or acted on at the same time if not otherwise required by law.

Applications. Generally, the bill requires all approvals and administrative actions under the bill to be issued or taken within 10 business days after applications for them are submitted to the appropriate commissioner. (The bill sets a different process for Department of Energy and Environmental Protection (DEEP) commissioner approvals and administrative actions, described below.) If an approval or administrative action is not issued or taken by the close of business on the 10th business day, the bill deems them approved unless the application has been denied, conditionally issued, or had a hearing before that time.

Hearings. The bill requires hearings on all or part of a project to be conducted by the particular commissioner with jurisdiction over the applicable approval or administrative action. The commissioner must publish notice about the hearing 5 to 10 days in advance in a newspaper with a general circulation in Hartford.

Decisions. When deciding on a project under the bill, the commissioner must weigh all competent material and substantial evidence the applicant and the public presents and do so according to procedures the commissioner specifies. The commissioner must also issue written findings and determinations to support the decision. These must contain the evidence presented, including matters the commissioner deems appropriate and that are related to any major adverse health effects or environmental impacts of the project, if applicable. The commissioner may reverse or modify his or her order or action at any time, in the same manner as the original proceeding.

Under the bill, notice about any tentative or final determination on a project approval or administrative action is not required unless the bill

expressly requires it.

Appeals of Commissioners' Administrative Actions (§ 4(g))

Under the bill, any party aggrieved by any administrative action taken by a commissioner in connection with a project may appeal to the Hartford Superior Court according to the process for appeals under the Uniform Administrative Procedure Act (UAPA). Regardless of any state statute, the bill specifies that an appeal does not stay (suspend) a project's development.

The appeal must state the reasons upon which it is based and the commissioner who rendered the final decision must appear as the respondent. It must be brought within 10 days after the notice of the action was sent by certified mail, return receipt requested, to the parties to the proceeding. The appellant must serve a copy of the appeal on each party listed in the final decision at the address shown in it. Failure to make the service within the specified period on parties other than the commissioner who rendered the final decision will not deprive the court of jurisdiction over the appeal.

Within 10 days after the service of the appeal, or a later time if the court allows it, the commissioner who rendered the decision must submit to the court an original or a certified copy of the entire record, including a transcription, of the proceeding being appealed. This record must include the commissioner's findings of fact and conclusions of law, separately stated. If more than one commissioner has jurisdiction over the matter, the commissioners must jointly issue them.

Under the bill, appeals to the Superior Court must be treated as privileged matters and heard as soon after the return date as practicable. A court must render its decision within 21 days after the commissioner files the record.

The bill prohibits the court from substituting its judgment for that of the commissioner on questions of fact in the evidence. The court must affirm the commissioner's decision unless it finds that substantial rights of the party appealing the decision have been materially prejudiced

because the commissioner's findings, inferences, conclusions, or decisions are:

1. in violation of constitutional or statutory provisions;
2. in excess of the commissioner's statutory authority;
3. made on unlawful procedure;
4. affected by an error of law;
5. clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or
6. arbitrary, capricious, or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

Under the bill, if the court finds material prejudice, it can sustain the appeal and render a judgment that modifies the commissioner's decision or order the commissioner to take specific actions. Following these court actions, an applicant may file an amended application, and the commissioner may consider it for approval.

Municipal Involvement (§ 4(c) & (j))

The bill exempts South Meadows site projects from any ordinances, regulations, or authority of any municipality or other Connecticut political subdivision. It also prohibits municipalities from conditioning funding under state or federal programs they administer on any requirements beyond those the bill allows them to directly impose, except as otherwise required by federal law.

The bill requires certain municipal corporations, including the Metropolitan District of Hartford County, to cooperate with CRDA in carrying out the bill's provisions, including expediting licenses, permits, approvals, and administrative actions. This requirement applies to municipal corporations with jurisdiction over planning, environmental testing and assessment, permitting, engineering, site preparation, and private and public infrastructure improvements related to a project.

Building Codes and Fire Laws (§ 4(d))

Under the bill, any requirement for a permit from or an inspection by the State Building Inspector or the State Fire Marshal is satisfied if CRDA has certification from an engineer or other appropriate professional duly certified or licensed in Connecticut that the work subject to the inspector's or marshal's approval complies with state building codes or fire laws and regulations, as applicable.

Environmental Impact Evaluation (§ 4(h))

The bill makes CRDA the state agency responsible for preparing any written evaluation of a project's environmental impact that the Connecticut Environmental Policy Act (CEPA) requires.

Under the bill, these written evaluations do not need to be completed before (1) contracts are awarded; (2) obligations are incurred or funds are spent for planning and engineering studies for site preparation; or (3) preliminary site preparation work not requiring licenses, permits, or approvals not yet obtained.

Public Hearing. CRDA must hold a public hearing on the evaluation and publish notice about the hearing, and that the evaluation is available, 5 to 10 days before the hearing in a newspaper with general circulation in Hartford.

The bill allows any person to comment at the public hearing or in writing within two days after the hearing's closing. All public comments CRDA receives must be (1) promptly forwarded to the DEEP commissioner and the OPM secretary and (2) made publicly available.

OPM Determination. The bill requires the OPM secretary to review the evaluation and public comments and determine, in writing, whether it satisfies CEPA's requirements. His determination must be made public and forwarded to CRDA within 10 days after CRDA forwarded public comments to him. The OPM secretary may require the evaluation to be revised if, after considering all public and state agency comments, he finds that it does not satisfy CEPA's requirements.

DEEP Reviews (§ 4(i))

When DEEP exercises jurisdiction over any approvals for a South Meadows site project, the bill requires the DEEP commissioner to consider all available public comments submitted as part of the environmental impact evaluation. She must also make written findings for any comments relevant to issuing or denying the approval. The bill specifies that the deadlines that apply to other commissioners' approvals and administrative actions, described above, do not apply to DEEP's approvals and actions.

The bill requires the DEEP commissioner to adopt a master administrative process with a single public hearing on all pending applications that require one. Under the bill, the process is not subject to the UAPA but must allow public comments on all applications that will be heard. The public hearing must be limited to considering issues or factors not included in the related environmental evaluation.

Additionally, the commissioner and CRDA must enter into a MOU regarding the master administrative process with the goal of expediting the approval or administrative action process as soon as is reasonably practicable. The MOU must identify the proposed use after the project's development, redevelopment, or remediation and the approval or administrative action needed. The MOU must also have timelines for (1) the commissioner to issue a notice of sufficiency concerning an application's completeness, DEEP's review, holding a public hearing and receiving public comments, and issuing a decision or (2) issuing a decision or taking administrative action on applications that do not require a public hearing.

Taxes (§ 1(c) & (e))

The bill requires that any state tax revenue generated by a completed project within the South Meadows site be retained by CRDA to be reinvested in the site. It also prohibits the site and any personal property located on it from being subject to property taxes until a development or redevelopment project has begun.

§§ 4 & 5 — LIABILITIES AND EFFECT OF CONVEYANCES

The bill requires Connecticut to hold harmless and indemnify CRDA and its employees and directors from any liability, financial loss, and expenses (including legal fees and costs) arising from certain title defects and environmental conditions at the South Meadows site that were in existence on June 30, 2025. This includes environmental conditions arising out of pollution, contamination, hazardous waste and substances, or hazardous building materials (e.g., asbestos, lead, polychlorinated biphenyls (PCB), polyfluoroalkyl substances (PFAS), mold, mercury, and gasoline and petroleum products).

The bill specifically prohibits Connecticut from holding harmless or indemnifying CRDA for title defects or environmental issues that were not pre-existing.

The bill requires CRDA to use the transferred funds deposited in a separate bank account or accounts under the bill before seeking indemnification. It authorizes CRDA and its employees and directors to bring a Superior Court action against Connecticut to enforce the above provisions.

Additionally, the bill specifies that the assumption of MDA's authority by CRDA does not alter the liability of a person who (1) established a resources recovery facility, (2) created a condition or is maintaining a resources recovery facility or condition that may reasonably be expected to create a pollution source to the waters of the state, or (3) is the certifying party to a facility's transfer. Under the bill, any conveyance of real property or business operations from MDA to CRDA, or from MDA to DAS, under the bill's provisions is not considered a transfer of an establishment under the state's Transfer Act (i.e. property remediation law for locations involving hazardous waste or certain business operations).

§§ 5-7 — MDA TERMINATION

The bill terminates MDA a year earlier than scheduled under current law (i.e. on July 1, 2025, instead of July 1, 2026). By law, upon its termination, all of MDA's rights and properties pass to and vest in the

state. Under current law, DAS is scheduled to become the successor agency to MDA. The bill carries this provision forward but limits it by excluding the ownership, functions, powers, and duties of MDA that the bill assigns or transfers to CRDA.

For ownership or oversight of a permitted facility that transfers from MDA to DAS, the bill subjects them to existing law requiring the registration and acceptance of proposed transfers with DEEP by eliminating an exclusion under current law.

BACKGROUND

Related Bill

sHB 6865 (§ 8), favorably reported by the Appropriations Committee, transfers and deposits MDA's entire balance of resources into a nonlapsing account on July 1, 2025, and authorizes OPM to use the account for operating, maintaining, remediating, or taking any other action associated with the activities and properties formerly conducted by or owned by MDA.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 36 Nay 16 (04/24/2025)