



# House of Representatives

General Assembly

**File No. 530**

February Session, 2026

Substitute House Bill No. 5145

*House of Representatives, April 9, 2026*

The Committee on Commerce reported through REP. MESKERS of the 150th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE PUBLIC HEARING REQUIREMENT FOR CERTAIN WATER COMPANIES REQUESTING TO CEASE OPERATIONS OR DISCONTINUE THE PROVISION OF WATER SERVICE.***

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

1 Section 1. Subsection (a) of section 16-46 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective October*  
3 *1, 2026*):

4 (a) No public service company shall cease operations as a public  
5 service company, dissolve or terminate its corporate existence without  
6 the consent of the Public Utilities Regulatory Authority, except a water  
7 company, as defined in section 16-262n, as amended by this act, that (1)  
8 has failed to comply with an order issued pursuant to section 16-11, 25-  
9 32, 25-33 or 25-34, concerning the availability or potability of water or  
10 the provision of water at adequate volume and pressure, or (2) the  
11 Public Utilities Regulatory Authority has determined does not possess  
12 economic viability pursuant to subsection (b) of section 16-262n, shall

13 not cease its operations, or unilaterally discontinue the provision of  
14 water service to customers without the consent of both the Public  
15 Utilities Regulatory Authority and the Department of Public Health.  
16 Upon receipt of a request from a water company to cease its operations  
17 or discontinue the provision of water service, the Public Utilities  
18 Regulatory Authority, in conjunction with the Department of Public  
19 Health, shall hold a public hearing and issue a final decision setting  
20 forth the actions the water company shall take to ensure a continuous  
21 supply of potable water at adequate volume and pressures, in  
22 accordance with the procedures and criteria set forth in sections 16-262n  
23 to 16-262q, inclusive, as amended by this act.

24 Sec. 2. Subsection (c) of section 16-262n of the general statutes is  
25 repealed and the following is substituted in lieu thereof (*Effective October*  
26 *1, 2026*):

27 (c) Whenever any water company fails to comply with an order  
28 issued pursuant to section 16-11, 25-32, 25-33 or 25-34, concerning the  
29 availability or potability of water or the provision of water at adequate  
30 volume and pressure, or if the Public Utilities Regulatory Authority  
31 determines a water company does not possess economic viability  
32 pursuant to subsection (b) of this section, the Public Utilities Regulatory  
33 Authority, the Department of Public Health and, when its participation  
34 is required, the Department of Energy and Environmental Protection,  
35 may, [or following a request from a water company filed pursuant to  
36 section 16-46, shall,] after notice to public and private water companies,  
37 municipal utilities furnishing water service, municipalities or other  
38 appropriate governmental agencies in the service area of the water  
39 company, conduct a hearing in accordance with the provisions of  
40 sections 4-176e, 4-177, 4-177c and 4-180 to determine the actions that  
41 may be taken and the expenditures that may be required, including the  
42 acquisition of the water company by a suitable public or private entity,  
43 to assure the availability and potability of water and the provision of  
44 water at adequate volume and pressure to the persons served by the  
45 water company at a reasonable cost.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2026</i>	16-46(a)
Sec. 2	<i>October 1, 2026</i>	16-262n(c)

**CE**      *Joint Favorable Subst.*

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*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.*

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The bill makes procedural changes to various water companies in regard to ceasing operations and does not have a fiscal impact to the state.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

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**OLR Bill Analysis****sHB 5145*****AN ACT CONCERNING THE PUBLIC HEARING REQUIREMENT FOR CERTAIN WATER COMPANIES REQUESTING TO CEASE OPERATIONS OR DISCONTINUE THE PROVISION OF WATER SERVICE.*****SUMMARY**

This bill limits the kinds of water companies that must get both Public Utilities Regulatory Authority (PURA) and Department of Public Health (DPH) consent before ceasing operations. As a result, it also limits the water companies for which PURA and DPH must hold a public hearing (see BACKGROUND).

By law, a public service company cannot cease operations (including through dissolution or corporate termination) unless PURA consents. (A public service company is generally a utility, including a water company, among others (CGS § 16-1(a)(3)).) However, current law also requires that both PURA and DPH must consent before certain water companies cease operations. For this purpose, a “water company” is either:

1. an entity (including different types of corporations and municipalities) that owns, leases, maintains, operates, manages, or controls a pond, lake, reservoir, stream, well, or distributing plant or system to supply water to at least two service connections or 25 people or
2. a deficient well system serving properties within a defined area in which at least 25 people are served by private wells that has failed to meet certain potability and service standards (CGS § 16-262n(a)).

The bill further limits the water companies that must get both PURA

and DPH consent to cease operations. Under the bill, the only water companies that must get both PURA and DPH consent to cease operations are those that meet the above definition and (1) have failed to comply with PURA and DPH orders concerning water availability, potability, or adequate volume and pressure or (2) are not economically viable (as determined by PURA).

Water companies that meet the above definition but have not failed to comply with those PURA and DPH orders or been found to be economically unviable must still get PURA consent to cease operations.

EFFECTIVE DATE: October 1, 2026

**BACKGROUND**

***Public Hearing Requirement***

The law requires PURA and DPH to hold a public hearing when a water company (of the kind defined above) requests to cease operations. They must also issue a final decision on the actions the company must take to ensure a continuous supply of potable water at an adequate volume and pressure.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute

Yea 18 Nay 2 (03/24/2026)